

City of Moreton Bay

Contracting Plan

Version 1 February 2024



Owner: Procurement, Finance & Corporate Services



Table of Contents

Contracting Plan 3

 Procurement at City of Moreton Bay 3

 Procurement Policy and Procurement and Contract Manual 3

 Contracting Plan 3

 Contracting Types 3

 Sound Contracting Principles and Strategies 4

 Policy about Proposed Delegations 4

 Market Assessment 4

 Significant Contracts 5

 Exceptions 5

 Amendments to the Contracting Plan 5

 Publishing Contract Details 5

Appendix A - Contracting Plan 2023-2024 6

Contracting Plan



Procurement at City of Moreton Bay

Procurement at City of Moreton Bay ("Council") is conducted in accordance with the *Local Government Act 2009* (Qld) ("Act") and the *Local Government Regulation 2012* (Qld) ("Regulation").

Council, by resolution, has decided to apply Chapter 6, Part 2 - Strategic Contracting Procedures ("SCP") of the Regulation. This allows Council to take a strategic approach to its contracts for goods, services and the disposal of non-current assets (excluding the disposal of land or any part of an interest in land), while managing the adverse risks associated with contracting.

This includes developing a portfolio of procurement activities for each financial year; considering the strategic implications of each activity, consistent with and supporting the strategic direction of the Council's Corporate Plan 2022 - 2027.

Procurement Policy and Procurement and Contract Manual

Council's Procurement Policy and Procurement and Contract Manual ("Manual") sets out the governance framework for how Council must carry out all procurement, contracting and disposal activities. Council conducts its procurement and contracting activities in a transparent manner which demonstrates probity and accountability, whilst having regard to the five sound contracting principles as set out in section 104 of the Act.

Contracting Plan

Council, by resolution, must make and adopt a Contracting Plan each financial year (after Council adopts the annual budget for the financial year the Contracting Plan relates) that is consistent with and supports the achievement of the strategic directions in Council's Corporate Plan.

In accordance with section 220 of the Regulation this document must state:

- a. the types of contracts Council proposes to make in the financial year; and
- b. the principles and strategies for performing the contracts; and
- c. a policy about proposed delegations for the contracts; and
- d. a market assessment for each type of contract; and
- e. the contracts that Council considers will be significant having regard to the market assessment; and
- f. a policy about the making of a significant contracting plan.

Contracting Types

Council applies two classifications to contracting activities according to value and risk:

1. Significant:
 - the expected contract value is more than \$5 million; or
 - a contract term may be proposed for greater than ten years, or
 - having regard to the market assessment, Council has considered the contract as significant.
2. General:
 - the expected contract value is greater than or equal to \$500,000 or less than \$5 million; or
 - large sized contractual arrangements/high risk procurement activities; and/or
 - having regard to the market assessment, Council has considered the contract as general.

All other contracting activities with an expected value less than \$500,000 will be undertaken in accordance with the Manual.

Sound Contracting Principles and Strategies

In accordance with section 104 Financial management systems of the Act, Council must ensure regard to the sound contracting principles when entering into a contract for the supply of goods or services, or the disposal of assets (as detailed in Council's Procurement Policy 2150-006).

Council may accept an offer most advantageous to it having regard to the sound contracting principles:

- a) value for money;
- b) open and effective competition;
- c) the development of competitive local business and industry;
- d) environmental protection; and
- e) ethical behaviour and fair dealing.

The following procurement and contracting strategies will be applied whilst having regard to the sound contracting principles:

- Local preference;
- Social procurement and Aboriginal and Torres Strait Islander business procurement;
- Innovative procurement;
- Environmental and Sustainability;
- Wellbeing and Safety; and
- Probity.

Policy about Proposed Delegations

Section 238 of the Regulation applies if a local government delegates, under section 257 of the Act, power to make, amend or discharge a contract for the local government.

All delegations (both Council and Chief Executive Officer) are set out in the Council's Delegations Register.

If a Council Team Member is making, amending or discharging a contract under delegation, they must satisfy themselves that:

- a) they hold a delegation under section 257 or 259 of the Act;
- b) they act in accordance with the requirements of the Manual;
- c) the conditions set out in section 238(2) of the Regulation are satisfied; and
- d) they have the appropriate financial authorisation limit.

Market Assessment

A Market assessment is an assessment of the relative cost and difficulty in securing supply under each type of contract.

The table below identifies Council's findings from the market assessment:

Contract type	Procurement Activities undertaken	Market assessment
Significant Contracts	<ul style="list-style-type: none">• Expressions of Interest• Invitation to tender• Exceptions	<ul style="list-style-type: none">• Contracts entered into following a competitive process;• good market depth is apparent from the number of suppliers; and

Contract type	Procurement undertaken	Activities	Market assessment
			<ul style="list-style-type: none"> good market capability is apparent from previous contracts entered into.
General Contracts	<ul style="list-style-type: none"> Expressions of interest Invitation to tender Exceptions Invitation to quote 		<ul style="list-style-type: none"> Contracts entered into following an open and competitive process; good market depth is apparent from the number of suppliers; and good market capability is apparent from the overall effectiveness from previous contracts entered into.

In conducting the market assessment, Council has identified the Contracts listed in Appendix A as Significant Contracts which Council proposes to make in the financial year.

Council will continue to monitor the market assessment against the contract types.

Significant Contracts

Where the Contracting Plan identifies a Significant Contract, Council must make a Significant Contracting Plan before the contract starts.

In accordance with section 221 of the Regulation a Significant Contracting Plan document must state:

- the objectives of the significant contract;
- how the objectives are to be achieved;
- how achievement of the objectives will be measured;
- any alternative ways of achieving the objectives, and why the alternative ways were not adopted;
- proposed contractual arrangements for the activity; and
- a risk analysis of the market in which the contract is to happen.

Exceptions

Ensuring regard to the Sound Contracting Principles, Council may enter into a contractual arrangement without first undertaking a competitive procurement process (i.e. invitation to quote or tender) when entering into a contract under an exception as detailed in the Manual. These are approved under Council's delegations and not included in the Contracting Plan.

Conditions applicable to all exceptions:

- subject to the expenditure being provided for in Council's annual budget, except in the case of genuine emergency or hardship where the budget does not make provision; and
- contracts can be entered into under Council's delegations, contracts outside of delegation must be referred to Council for award.

Amendments to the Contracting Plan

In accordance with section 220 of the Regulation, Council may, by resolution, amend the Contracting Plan at any time before the end of the financial year in which the Contracting Plan relates. The Contracting Plan will be published on Council's website and updated as amendments to the Contracting Plan are approved.

Publishing Contract Details

Council will publish details of contractual arrangements worth \$200,000 or more as per the requirements of section 237 of the Regulation.

Appendix A - Contracting Plan 2023-2024

Annual contracting plan identifying contracts worth more than \$500,000 but less than \$5M being General. Contracts greater than \$5M or a contract term greater than 10 years being Significant.

Detail	Contract Type	Procurement Activity	Recommendation
Hire of Heavy Plant and Equipment	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Preventative Maintenance and Repair of HVAC&R Systems and Equipment	General	Invitation to tender	Contract/s to be awarded under delegation
Trade Services	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Civil Construction Works	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Landscape Construction Works	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Concrete Pathways and Kerb and Channel Works	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Servicing of Fire Protection Equipment	General	Invitation to tender	Contract/s to be awarded under delegation
Premix Concrete Services	General	Invitation to tender	Contract/s to be awarded under delegation
Sports Field Maintenance Services	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Supply and Installation of Playground Under Surfacing	General	Invitation to tender	Contract/s to be awarded under delegation
Regional Grounds Maintenance Services	General	Invitation to tender	Contract/s to be awarded under delegation
Restricted Plants and Aquatic Weeds Management Services	General	Invitation to tender	Contract/s to be awarded under delegation
Road Pavement Failure Services	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Grounds Maintenance (Redcliffe Shared Path Corridor)	General	Invitation to tender	Contract/s to be awarded under delegation
Arboriculture Services	Significant	As per Significant Contracting Plan	Contract/s to be awarded under delegation
Landscaping and Herbicide Spraying	General	Invitation to tender	Contract/s to be awarded under delegation
Open Space Signage Services	General	Invitation to tender	Contract/s to be awarded under delegation
Corporate Printing Services	General	Invitation to tender	Contract/s to be awarded under delegation



For more information on our new Corporate Plan and Pillars
scan the QR code or visit moretonbay.qld.gov.au