

ORDINARY COUNCIL MEETING

AGENDA

**8.30am Thursday
18th August 2022
Bill Hemsley Community
Centre**

AUGUST 2022

SHIRE OF CHAPMAN VALLEY
Jamie Criddle
CHIEF EXECUTIVE OFFICER

*"A thriving
community.
making the
most of our
coastline.
ranges and
rural
settings to
support us
to grow and
prosper"*



SHIRE OF
Chapman Valley
love the rural life!

DISCLAIMER



No responsibility whatsoever is implied or accepted by the Shire of Chapman Valley for any act, omission or statement or intimation occurring during Council Meeting. The Shire of Chapman Valley disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council or Committee Meetings.

Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council Meeting does so at that person's or legal entity's own risk.

The Shire of Chapman Valley warns that anyone who has any application or request with the Shire of Chapman Valley must obtain and should rely on WRITTEN CONFIRMATION of the outcome of the application or request of the decision made by the Shire of Chapman Valley.

Jamie Criddle
CHIEF EXECUTIVE OFFICER

Table of Contents

1.0	DECLARATION OF OPENING/ANNOUNCEMENTS OF VISITORS	5
2.0	ANNOUNCEMENTS FROM THE PRESIDING MEMBER	5
3.0	RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE (PREVIOUSLY APPROVED) ..	5
3.1	Attendees	5
3.2	Apologies	5
3.3	Previously Approved Leave of Absence (By Resolution of Council)	5
4.0	PUBLIC QUESTION TIME	5
4.1	Response to Previous Public Questions on Notice	5
4.2	Public Question Time	5
5.0	APPLICATIONS FOR LEAVE OF ABSENCE (by Resolution of Council)	5
6.0	DISCLOSURE OF INTEREST.....	5
7.0	PETITIONS/DEPUTATIONS/PRESENTATIONS	6
7.1	Petitions	6
7.2	Presentations	6
7.3	Deputations	6
8.0	CONFIRMATION OF MINUTES FROM PREVIOUS MEETINGS	6
8.1	Ordinary Meeting of Council held on Thursday 21 July 2022.....	6
9.0	ITEMS TO BE DEALT WITH EN BLOC.....	6
10.0	OFFICERS REPORTS.....	6
10.1	Deputy Chief Executive Officer	7
10.1.1	Proposed Rezoning – Lot 100 Wells Road, White Peak	8
10.2	Manager of Finance & Corporate Services.....	14
10.3	Chief Executive Officer	15
10.3.1	Purchasing Policy – SCT Seroja Amendment	16
10.3.2	Notice of Council Meeting 2023	22
10.3.3	Strategic Community Plan	26
11.0	ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN.....	29
12.0	NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING	29
13.0	DELEGATES REPORTS.....	29
14.0	ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION.....	29
15.0	MATTERS FOR WHICH MEETING TO BE CLOSED TO MEMBERS OF THE PUBLIC.....	29

15.0	MATTERS FOR WHICH MEETING TO BE CLOSED TO MEMBERS OF THE PUBLIC.....	29
16.0	CLOSURE	29

ORDER OF BUSINESS

1.0 DECLARATION OF OPENING/ANNOUNCEMENTS OF VISITORS

I would like to acknowledge the traditional owners of the land we are meeting on today, the Naaguja people, and we pay our respects to elders both past, present and emerging.

2.0 ANNOUNCEMENTS FROM THE PRESIDING MEMBER

3.0 RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE (PREVIOUSLY APPROVED)

3.1 Attendees

3.2 Apologies

3.3 Previously Approved Leave of Absence (By Resolution of Council)
Nil

4.0 PUBLIC QUESTION TIME

4.1 Response to Previous Public Questions on Notice

Nil

4.2 Public Question Time

5.0 APPLICATIONS FOR LEAVE OF ABSENCE (by Resolution of Council)

6.0 DISCLOSURE OF INTEREST

Members should fill in Disclosure of Interest forms for items in which they have a financial, proximity or impartiality interest and forward these to the Presiding Member before the meeting commences.

Section 5.60A:

“a person has a financial interest in a matter if it is reasonable to expect that the matter will, if dealt with by the local government, or an employee or committee of the local government or member of the council of the local government, in a particular way, result in a financial gain, loss, benefit or detriment for the person.”

Section 5.60B:

“a person has a proximity interest in a matter if the matter concerns –

(a) a proposed change to a planning scheme affecting land that adjoins the person’s land;
or

(b) a proposed change to the zoning or use of land that adjoins the person’s land; or

(c) a proposed development (as defined in section 5.63(5)) of land that adjoins the person’s land.”

Regulation 34C (Impartiality):

“interest means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest and includes an interest arising from kinship, friendship or membership of an association.”

Item No.	Member/Officers	Type of Interest	Nature of Interest

7.0 PETITIONS/DEPUTATIONS/PRESENTATIONS

7.1 Petitions

Nil

7.2 Presentations

Nil

7.3 Deputations

Nil

8.0 CONFIRMATION OF MINUTES FROM PREVIOUS MEETINGS

8.1 Ordinary Meeting of Council held on Thursday 21 July 2022

That the Minutes of the Ordinary Meeting of Council held Thursday 21 July 2022 be confirmed as true and accurate.

9.0 ITEMS TO BE DEALT WITH EN BLOC

10.0 OFFICERS REPORTS

10.1

Deputy Chief Executive Officer

10.1 AGENDA ITEMS

10.1.1 Proposed Rezoning

10.1.1 Proposed Rezoning – Lot 100 Wells Road, White Peak

PROPONENT:	Shire of Chapman Valley for G. Burrows
SITE:	261 (Lot 100) 'Wells Road', White Peak
FILE REFERENCE:	A13 & 204.11.04
PREVIOUS REFERENCE:	Nil
DATE:	10 August 2022
AUTHOR:	Simon Lancaster, Deputy Chief Executive Officer

SUPPORTING DOCUMENTS

Ref	Title	Attached to Report	Under Separate Cover
	Nil		

DISCLOSURE OF INTEREST

Nil

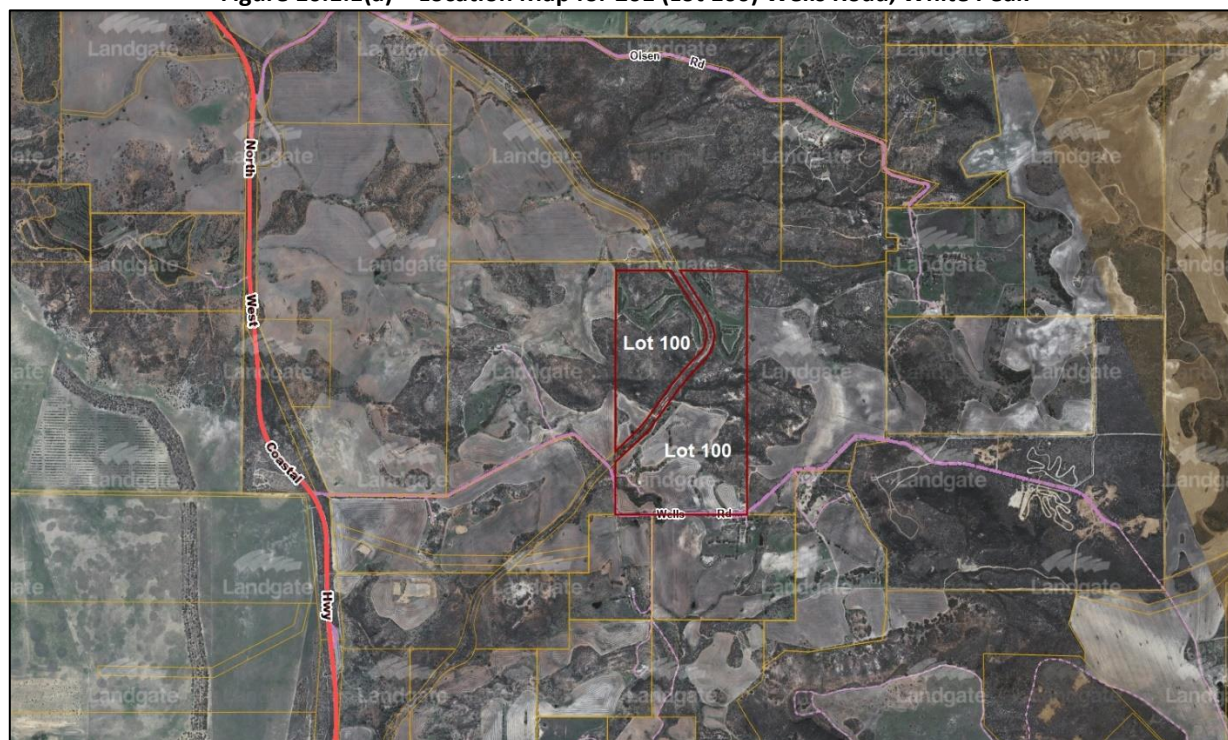
BACKGROUND

An application to rezone Lot 100 (DP302726) to remove it from the 'Special Control Area 1-Oakajee Industrial Zone and Buffer (SCA1)' has been prepared by the Shire to correct a cartographic error. This report recommends that Council initiate the Scheme Amendment process.

COMMENT

Lot 100 (DP302726) is a 81.3425ha property located 1.5km east of the North West Coastal Highway and straddling the White Peak and Howatharra localities.

Figure 10.1.1(a) – Location Map for 261 (Lot 100) Wells Road, White Peak



Lot 100 gains access to the highway via a gravel access track referred to as 'Wells Road'. This alignment is not a road reserve rather a series of right of carriageway easements (with encumbrances placed on the titles of the lots along the alignment) that were created in 1980 to provide access to gravel extraction operations located in the Moresby Range upon Lot 6769 to the east of Lot 100. Since its construction the track has commonly been referred to as 'Wells Road' as the operating company that constructed the track was Wells Brothers Sand and Gravel Supplies, and the track was used by local residents to access their properties.

Lot 100 is an undulating property that contains two remnant vegetation covered hilltops rising to the 135 and 155m contour heights and lower cleared sections that are used for farming purposes between the 105m to 125m contour

heights. Farm sheds are located towards the southern boundary, along which the 'Wells Road' right of carriageway easement runs. The property is also bisected by the former Geraldton-Northampton railway alignment.

Figure 10.1.1(b) – Aerial Photograph of 261 (Lot 100) Wells Road, White Peak



It has emerged during discussions concerning 'Wells Road' that Lot 100 whilst being zoned 'Rural' is also identified on the Local Planning Scheme Map as being within the 'Special Control Area 1-Oakajee Industrial Zone and Buffer (SCA1)' zoning.

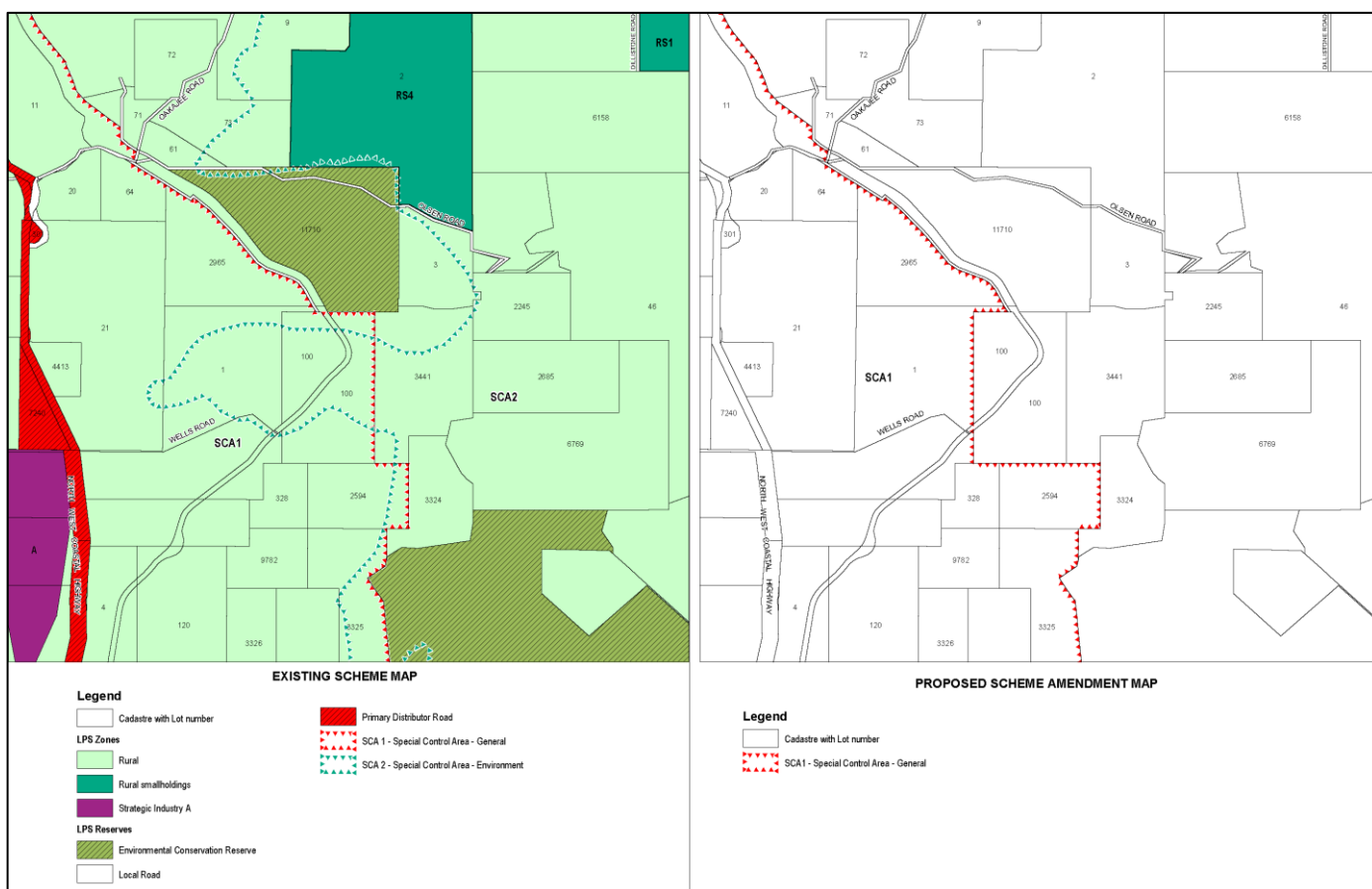
Lot 100 should be zoned simply 'Rural' i.e. the 'Special Control Area 1' line should run along the property's western boundary and not its eastern boundary thereby putting Lot 100 outside the buffer.

Scheme Amendment No.18 to Shire of Chapman Valley Planning Scheme No.1 was the Oakajee Industrial Estate and Buffer rezoning document and this was approved by the Western Australian Planning Commission (WAPC) and gazetted on 29/6/04 and identified Lot 100 as being outside of the buffer/Special Control Area.

However, it appears that when the WAPC undertook the drafting on behalf of the Shire, for the Shire of Chapman Valley Scheme No.2 Map on 18/1/06 that Lot 100 was mistakenly identified as being within the buffer/Special Control Area and this was not picked up by the Shire or WAPC during the subsequent Scheme review and gazettal process.

A Scheme Amendment is therefore required to be prepared to correct this drafting error, and the WAPC have prepared the correcting maps for the Shire as illustrated in **Figure 10.1.1(c)** that will accompany the rezoning document that the Shire will prepare should Council initiate this Scheme Amendment.

Figure 10.1.1(c) – Lot 100 Scheme Amendment Map



STATUTORY ENVIRONMENT

261 (Lot 100) Wells Road, White Peak is zoned 'Rural' under the Shire of Chapman Valley Local Planning Scheme No.3. Table 2 of the Scheme lists the objectives for the 'Rural' zone as being:

- *To provide for the maintenance or enhancement of specific local rural character.*
- *To protect broad acre agricultural activities such as cropping and grazing and intensive uses such as horticulture as primary uses, with other rural pursuits and rural industries as secondary uses in circumstances where they demonstrate compatibility with the primary use.*
- *To maintain and enhance the environmental qualities of the landscape, vegetation, soils and water bodies, to protect sensitive areas especially the natural valley and watercourse systems from damage.*
- *To provide for the operation and development of existing, future and potential rural land uses by limiting the introduction of sensitive land uses to the Rural zone.*
- *To provide for a range of non-rural land uses where they have demonstrated benefit and are compatible with surrounding rural uses."*

In addition to its underlying 'Rural' zoning, Lot 100 is also located within the 'Special Control Area 1-Oakajee Industrial Zone and Buffer (SCA1)' zoning on the Scheme Map.

Table 6 of the Scheme sets out the following purpose, objectives and additional provisions for the Special Control Area 1 – Oakajee Industrial Zone and Buffer (SCA1) as follows:

Purpose and Objective	Additional provisions
The purpose of Special Control Area 1 is to: a) Provide for appropriate environmental and planning controls pertaining to the development of an	a) All development proposed must be in accordance with an approved structure plan or plans prepared in accordance with Part 4 of the deemed provisions. b) Notwithstanding any other provision contained within this Scheme, no residential use, temporary or permanent, including a single house, shall be permitted on land within the Special Control Area. Specific exception may be made to accommodate temporary camp accommodation for workers prior to the establishment of the first industry within the Strategic Industry zone.

<p>industrial estate housing industries of strategic economic value to the State and Region, and which require separation from sensitive land-uses; and</p> <p>b) Provide for a buffer surrounding the industrial estate within which land-uses incompatible with the purpose of the industrial estate are not permitted.</p> <p>c) Support continued broad-acre agriculture on larger land holdings and the strategic placement and stockpiling of raw or manufactured materials (other than hazardous materials) subject to environmental and visual considerations.</p>	<p>c) All development applications considered by the local government to be of environmental significance within the strategic industrial core (Area C) shall be referred to the Environmental Protection Authority.</p> <p>d) Prior to any clearing of remnant vegetation, searches shall be undertaken to identify significant flora on the site. Flora management strategies will be prepared for areas of significant flora.</p> <p>e) The Estate Manager will be required to establish a noise monitoring program before the establishment of the first industrial activity to monitor the cumulative impact of noise generated by industries in the estate, in consultation with the Department of Water and Environmental Regulation, to determine whether Environmental Protection Authority Regulations are being met within the special control area boundary.</p> <p>f) The Estate Manager will be required to review proponent air emissions modelling to confirm compatibility with air quality modelling used to define the buffer boundary and report results to the Department of Water and Environmental Regulation and Conservation and the Office of the Environmental Protection Authority.</p> <p>g) The Estate Manager will be required to establish a program before the establishment of the first industrial activity for collection of baseline data and undertake air quality monitoring for dust and particle emissions to the satisfaction of the Department of Water and Environmental Regulation.</p> <p>h) The Estate Manager will be required to review proponent quantitative risk assessment to confirm compatibility with quantitative risk assessment used to define the buffer boundary and report results to the Department of Water and Environmental Regulation and the Office of the Environmental Protection Authority.</p> <p>i) The Estate Manager will be required to establish a monitoring program, before the establishment of the first industrial activity, for groundwater to collect baseline data and to the satisfaction of the Department of Water and Environmental Regulation and the Office of the Environmental Protection Authority.</p> <p>j) The Estate Manager will be required to establish a rainfall monitoring program before the establishment of the first industrial activity and is to report results to the Department of Water and Environmental Regulation and the Office of the Environmental Protection Authority.</p> <p>k) Notwithstanding the provisions contained within Part 3, should the cumulative environmental impacts of incremental industrial development exceed the Environmental Protection Authority criteria, the Estate Manager is required to make suitable arrangements for occupants of residences within the Oakajee Industrial Zone buffer to vacate that residence.</p> <p>l) Individual industries will be required to provide drainage plans to the satisfaction of the local government prior to undertaking any construction.</p> <p>m) The Estate Manager will be required to prepare an overall Oakajee Landscape Master Plan with performance timetables to ensure nominated actions are completed within time. This Master Plan is to be prepared prior to commencement of construction of the first industry</p> <p>n) Individual industries will comply with Landscape Master Plan requirements and submit individual landscape plans and implementation timetables with their development applications. Landscape plans shall be designed and implemented to the satisfaction of the local government.</p> <p>o) Provisions shall be made for the protection and management of two European heritage sites illustrated on the structure plan. All development applications shall also be required to address aboriginal heritage issues in accordance with Aboriginal Heritage Management Plan/s approved by the state government agency responsible for the protection of aboriginal heritage.</p> <p>p) The following provisions apply to that part of Special Control Area 1 shown on the Scheme Maps as Industrial Zone (Area C):</p> <ol style="list-style-type: none"> i. All major development shall be subject to approved environmental management criteria governing layout, manner of development and ongoing management of proposed operations, including safety and satisfactory storage or disposal of noxious or hazardous materials or wastes. ii. All major development shall be subject to an environmental impact statement
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	<p>if requested by the Local Government.</p> <p>q) The following provisions apply to that part of Special Control Area 1 shown on the Scheme Maps as Industrial Zone (Area B) –</p> <p>a. Prior to construction of the port:</p> <p>i. a Coastal Management and Structure Plan will be prepared for Area B of the Industrial Zone by the State Government to the satisfaction of the Local Government and in consultation with the Environmental Protection Authority and the Western Australian Planning Commission; and</p> <p>ii. a Structure Plan is to be prepared in accordance with Schedule 2, Part 4 of the <i>Planning and Development (Local Planning Schemes) Regulations 2015</i>, to be adopted by the Local Government, and endorsed by the Western Australian Planning Commission. The Plans are to provide for the coordination and integration of intended land uses, transport and service corridors and sites of heritage and landscape significance, and shall depict public access to and along the ocean foreshore. The Plans are to address port and associated activities, transport and services corridors and rehabilitation of remnant vegetation and management of recreation.</p> <p>b. The Coastal Management and Structure Plan shall be consistent with relevant Western Australian Planning Commission policy, shall conform with conditions set by the Minister for the Environment for the Oakajee Deep Water Port Proposal</p>
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Scheme Amendment No.18 to Shire of Chapman Valley Planning Scheme No.1 was the Oakajee Industrial Estate and Buffer rezoning and identified Lot 100 as being outside of the Special Control Area.

Following the gazettal of Scheme Amendment No.18 on 29/6/04 the Shire of Chapman Valley Planning Scheme No.1 Map identified Lot 100 as being outside of the Special Control Area.

Section 88 of the *Planning & Development Act 2005* requires periodic review of Local Planning Schemes and during the drafting of the Shire of Chapman Valley Scheme No.2 Maps in 2006 a cartographic error was made and the alignment for the Special Control Area was drawn along the western, and not the eastern, boundary of Lot 100 thereby mistakenly placing the property within the buffer area.

Part 5 of the *Planning & Development Act 2005* provides for the amendment of a Scheme and it is recommended that a rezoning be undertaken to correct this drafting error.

POLICY/PROCEDURE IMPLICATIONS

Nil.

FINANCIAL IMPLICATIONS

The preparation of the rezoning document will be undertaken by the Shire and the WAPC have assisted with the preparation of the rezoning mapping, and the Scheme Amendment process would be undertaken at no expense to the landowner.

Long Term Financial Plan (LTFP):

The Shire of Chapman Valley Long Term Financial Plan was endorsed by Council at its 19 June 2019 meeting. It is not considered that determination of this application would have impact in relation to the Long Term Financial Plan.

STRATEGIC IMPLICATIONS

The Shire of Chapman Valley Local Planning Strategy was endorsed by the WAPC on 20/11/07 and identified upon the Precinct No.6-Oakajee Strategy Map that Lot 100 was outside of the Oakajee Special Control Area. The proposed Scheme Amendment is therefore in accordance with this strategic planning document.

The Oakajee Industrial Estate Structure Plan prepared by Development WA and endorsed by Council and subsequently approved by the WAPC on 24/1/12 identified Lot 100 as being outside of the Oakajee Buffer and Structure Plan boundary. The proposed Scheme Amendment is therefore in accordance with this strategic planning document.

Due to Lot 100 being outside of the buffer area that was identified by technical assessment and cumulative emissions modeling for the proposed Oakajee Industrial Estate, the property was not acquired by Development WA during its 2004 land assembly phase that included the lots west of Lot 100 along Wells Road.

Strategic Community Plan/Corporate Business Plan:

The Shire of Chapman Valley Strategic Community Plan was endorsed by Council at its 15 November 2017 meeting. It is not considered that determination of this application would have impact in relation to the Strategic Community Plan.

CONSULTATION

Should Council support this rezoning application then it is required to forward a copy of the Scheme Amendment documentation to the Environmental Protection Authority ('EPA') for its assessment as per Section 81 of the *Planning & Development Act 2005*. Should the EPA advise that the proposed rezoning does not warrant assessment under Part IV Division 3 of the *Environmental Protection Act 1986* then the Shire would forward a copy of the Scheme Amendment documentation to the WAPC seeking its consent to advertise the rezoning application as a standard scheme amendment.

Were the WAPC to grant consent to advertise the application as a standard scheme amendment, then the Shire would undertake the following actions of consultation, inviting comments and responses within a 42 day advertising period:

- erect a public notification sign upon the site;
- place a notice within a locally circulating newspaper;
- place a copy of the Scheme Amendment documentation on the Shire website;
- place a copy of the Scheme Amendment documentation in the Shire office/library for public viewing;
- write directly to all surrounding landowners; &
- write directly to all relevant government agencies and service authorities.

At the completion of the advertising period all received submissions must be presented for Council's consideration, and should the Scheme Amendment be given final approval at this point by Council then the rezoning documents would be forwarded to the WAPC seeking final assessment and approval.

RISK ASSESSMENT

Measures of Consequence							
Rating (Level)	Health	Financial Impact	Service Interruption	Compliance	Reputational	Property	Environment
Insignificant (1)	Negligible injuries	Less than \$1,000	No material service interruption	No noticeable regulatory or statutory impact	Unsubstantiated, low impact, low profile or 'no news' item	Inconsequential or no damage.	Contained, reversible impact managed by on site response

VOTING REQUIREMENTS

Simple majority required

STAFF RECOMMENDATION

That Council pursuant to Part 5 of the *Planning and Development Act 2005* amend the Shire of Chapman Valley Local Planning Scheme No.3 by:

- (a) Deleting the 'Special Control Area 1-Oakajee Industrial Zone and Buffer (SCA1)' zone from Lot 100 (Volume 1655/Folio 187 DP302726); and
- (b) Modifying the Scheme Map accordingly.

10.2

Manager of Finance & Corporate Services

10.2 AGENDA ITEMS

Nil Report

10.3

Chief Executive Officer

10.3 AGENDA ITEMS

10.3.1 Purchasing Policy – SCTZ Seroja Amandment

10.3.2 Notice of Council Meeting 2023

10.3.3 Statagic Community Plan

10.3.1 Purchasing Policy – SCT Seroja Amendment

PROPONENT:	Chief Executive Officer
SITE:	Shire of Chapman Valley
FILE REFERENCE:	411.01
PREVIOUS REFERENCE:	Not Applicable
DATE:	18 August 2022
AUTHOR:	Jamie Criddle , Chief Executive Officer

SUPPORTING DOCUMENTS:

Ref	Title	Attached to Report	Under Separate Cover
10.3.1(a)	Purchasing Policy (CP-024)		✓

DISCLOSURE OF INTEREST

Nil

BACKGROUND

At the August 2021 Ordinary Meeting of Council (OCM) and amendment to the Purchasing Policy (CO-024), to accommodate damage incurred by STC Seroja, was endorsed as follows:

MOVED: Cr Humphrey

SECONDED: Cr Forth

COUNCIL RESOLUTION

Council endorse the following amendment to the Purchasing Policy (CO-024) to accommodate damage incurred by STC Seroja:

Amount of Purchase	Model Policy
Up to \$100,000	No quotations required prior to purchase if expenditure is solely related to damage caused by STC Seroja or where the expenditure relates to an insurance claim approved by Local Government Insurance Services or is recoverable from the Disaster Recovery Funding Arrangements WA.
\$100,000 - \$250,000	If expenditure is solely related to damage caused by STC Seroja, quotes be obtained if required under the direction and approval of Local Government Insurance Services or is recoverable from the Disaster Recovery Funding Arrangements WA.

This policy is to be brought back to council in the August 2022 OCM for review.

Voting F6/A0
CARRIED
Minute Reference: 08/21-11

Reason for Deviation from Staff Recommendation: Council felt it was necessary for this Policy Variation to be reconsidered in twelve months.

COMMENT

Expenditure relating to STC Seroja remains challenging to comply with procurement due to the difficulty in securing contractors, builders, tradesperson to undertake works in a timely manner and to obtain quotes for the required works as stipulated in the original Shire's Purchasing Policy.

The August 2021 OCM Purchasing Policy amendment remains relevant to carry out the works in compliance with procurement obligations for the continuation of the approximate \$281,000 asset repair works.

In addition to the above amended Purchasing Policy, it was suggested that from consultation with Senior Staff that the remaining Council Purchasing Policy also be reviewed because of the difficulty Council currently has in attracting quotations (particularly tradesmen) to carry out works on Council projects/repairs. The various supply chain issues, coupled with Cyclone Seroja recovery delays, Covid issues and a state-wide housing boom have contributed to an unwillingness to quote/work outside of the city limits.

Already this year, Staff have had to make detailed notes on Purchase Orders in order to comply with current legislation and Council's Purchasing Policy.

Management are suggesting a modification of the existing policy (below), suggested changes are in **RED**

	Amount of Purchase	Purchase Conditions	Recording Conditions
A	Up to \$10,000	Direct purchase from suppliers	Standard Purchase Order
B	\$10,001 – \$25,000	Seek two verbal quotations.	Endorse Purchase Order verbal quotes obtained or sought
B	\$10,001 - \$35,000	Seek one verbal or written quotation	Endorse Purchase Order verbal or written quotes obtained or sought
C	\$25,001 – \$249,999	Seek at least three written quotations containing price and specification of goods and services (with procurement decision based on all value for money considerations).	Written Quotes – Copies attached to Purchase Order or evidence of quotes being sought.
C	\$35,001- \$85,000	Seek at least two written quotations containing price and specification of goods and services (with procurement decision based on all value for money considerations).	Written Quotes – Copies attached to Purchase Order or evidence of quotes being sought.
D	\$85,001- \$249,999	Seek at least three written quotations containing price and specification of goods and services (with procurement decision based on all value for money considerations).	Written Quotes – Copies attached to Purchase Order or evidence of quotes being sought.
E	\$250,000 and above	Conduct a public tender process or use the WALGA Preferred Suppliers process.	Tender Register Requirements & Filing of Tender Documents
F	Emergency Purchases (Within Budget)	<p>Where goods or services are required for an emergency response and are within scope of an established Panel of Pre-qualified Supplier or existing contract, the emergency supply must be obtained from the Panel or existing contract using relevant unallocated budgeted funds.</p> <p>If there is no existing Panel or contract, then clause <i>Supplier Order of Priority</i> will apply wherever practicable.</p> <p>However, where due to the urgency of the situation; a contracted or tender exempt supplier is unable to provide the emergency</p>	

		<p>supply <u>OR</u> compliance with this Purchasing Policy would cause unreasonable delay, the supply may be obtained from any supplier capable of providing the emergency supply. However, an emergency supply is only to be obtained to the extent necessary to facilitate the urgent emergency response and must be subject to due consideration of best value and sustainable practice.</p> <p>The rationale for policy non-compliance and the purchasing decision must be evidenced in accordance with the Shire's Record Keeping Plan.</p>
G	Emergency Purchases (No budget allocation available)	<p>Where no relevant budget allocation is available for an emergency purchasing activity then, in accordance with s.6.8 of the <i>Local Government Act 1995</i>, the President must authorise, in writing, the necessary budget adjustment prior to the expense being incurred.</p> <p>The CEO is responsible for ensuring an authorised emergency expenditure under s.6.8 is reported to the next ordinary Council Meeting.</p> <p>The Purchasing Practices prescribed for Emergency Purchases (within budget) above, then apply.</p>
H	LGIS Services Section 9.58(6)(b) Local Government Act	<p>The suite of LGIS insurances are established in accordance with s.9.58(6)(b) of the <i>Local Government Act 1995</i> and are provided as part of a mutual, where WALGA Member Local Governments are the owners of LGIS. Therefore, obtaining LGIS insurance services is available as a member-base service and is not defined as a purchasing activity subject to this Policy.</p> <p>Should Council resolve to seek quotations from alternative insurance suppliers, compliance with this Policy is required.</p>

STATUTORY ENVIRONMENT

Local Government Act 1995 and the *Local Government (Functions and General) Regulations, 1996*.

Regulation 11A of the *Local Government (Functions & General) Regulations 1996* requires local governments to prepare or adopt, and to implement, a purchasing policy in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$250 000 or less or worth \$250 000 or less.

A purchasing policy must make provision in respect of —

- the form of quotations acceptable; and
- the minimum number of oral quotations and written quotations that must be obtained; and
- the recording and retention of written information, or documents, in respect of —
 - (i) all quotations received; and
 - (ii) all purchases made.

POLICY/PROCEDURE IMPLICATIONS

Purchasing Policy (CP-024) is provided at **Attachment 10.3.2(a)** for Council information.

FINANCIAL IMPLICATIONS

Some of the costs associated with repair and replacement works resulting from STC Seroja will be covered by insurance (yet there is an excess amount of \$100,000 payable under the insurance policy, which was budgeted for in 21/22 from the Building Reserve).

Long Term Financial Plan (LTFP):

The need to fund the \$100,000 insurance excess amount from the Building Reserve will have an effect on the overall financial status of the LTFP regarding future building capital works.

STRATEGIC IMPLICATIONS

Ref	Objective	Strategy	Action
5.1	Ensure governance and administration systems, policies and processes are current and relevant	Review policy categories and set ongoing accountability for review processes	Review current Council and Management policies and formalise update process and timelines.

CONSULTATION

Senior Staff

RISK ASSESSMENT

Measures of Consequence							
Rating (Level)	Health	Financial Impact	Service Interruption	Compliance	Reputational	Property	Environment
Minor (2)	First aid injuries	\$1,001 - \$10,000	Short term temporary interruption – backlog cleared < 1 day	Some temporary non compliances	Substantiated, low impact, low news item	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response

VOTING REQUIREMENTS

Simple Majority

STAFF RECOMMENDATION 1:

Council endorse the continuing amendment to the Purchasing Policy (CO-024) to accommodate damage incurred by STC Seroja and review in August 2023:

Amount of Purchase	Model Policy
Up to \$100,000	No quotations required prior to purchase if expenditure is solely related to damage caused by STC Seroja or where the expenditure relates to an insurance claim approved by Local Government Insurance Services or is recoverable from the Disaster Recovery Funding Arrangements WA.
\$100,000 - \$250,000	If expenditure is solely related to damage caused by STC Seroja, quotes be obtained if required under the direction and approval of Local Government Insurance Services or is recoverable from the Disaster Recovery Funding Arrangements WA.

STAFF RECOMMENDATION 2:

Council adopt the amendment to the Purchasing Policy (CO-024) to reflect the difficulty in obtaining suitable quotations for Council projects :

	Amount of Purchase	Purchase Conditions	Recording Conditions
A	Up to \$10,000	Direct purchase from suppliers	Standard Purchase Order
B	\$10,001 - \$35,000	Seek one verbal or written quotation	Endorse Purchase Order verbal or written quotes obtained or sought
C	\$35,001- \$85,000	Seek at least two written quotations containing price and specification of goods and services (with procurement decision based on all value for money considerations).	Written Quotes – Copies attached to Purchase Order or evidence of quotes being sought.
D	\$85,001- \$249,999	Seek at least three written quotations containing price and specification of goods and services (with procurement decision based on all value for money considerations).	Written Quotes – Copies attached to Purchase Order or evidence of quotes being sought.
E	\$250,000 and above	Conduct a public tender process or use the WALGA Preferred Suppliers process.	Tender Register Requirements & Filing of Tender Documents
F	Emergency Purchases <i>(Within Budget)</i>	<p>Where goods or services are required for an emergency response and are within scope of an established Panel of Pre-qualified Supplier or existing contract, the emergency supply must be obtained from the Panel or existing contract using relevant unallocated budgeted funds.</p> <p>If there is no existing Panel or contract, then clause <i>Supplier Order of Priority</i> will apply wherever practicable.</p> <p>However, where due to the urgency of the situation; a contracted or tender exempt supplier is unable to provide the emergency supply <u>OR</u> compliance with this Purchasing Policy would cause unreasonable delay, the supply may be obtained from any supplier capable of providing the emergency supply. However, an emergency supply is only to be obtained to the extent necessary to facilitate the urgent emergency response and must be subject to due consideration of best value and sustainable practice.</p> <p>The rationale for policy non-compliance and the purchasing decision must be evidenced in</p>	

		accordance with the Shire's Record Keeping Plan.	
G	Emergency Purchases (No budget allocation available)	<p>Where no relevant budget allocation is available for an emergency purchasing activity then, in accordance with s.6.8 of the <i>Local Government Act 1995</i>, the President must authorise, in writing, the necessary budget adjustment prior to the expense being incurred.</p> <p>The CEO is responsible for ensuring an authorised emergency expenditure under s.6.8 is reported to the next ordinary Council Meeting.</p> <p>The Purchasing Practices prescribed for Emergency Purchases (within budget) above, then apply.</p>	
H	LGIS Services Section 9.58(6)(b) Local Government Act	<p>The suite of LGIS insurances are established in accordance with s.9.58(6)(b) of the <i>Local Government Act 1995</i> and are provided as part of a mutual, where WALGA Member Local Governments are the owners of LGIS. Therefore, obtaining LGIS insurance services is available as a member-base service and is not defined as a purchasing activity subject to this Policy.</p> <p>Should Council resolve to seek quotations from alternative insurance suppliers, compliance with this Policy is required.</p>	

10.3.2 Notice of Council Meeting 2023

PROPONENT:	Chief Executive Officer
SITE:	Shire of Chapman Valley
FILE REFERENCE:	401.09
PREVIOUS REFERENCE:	NA
DATE:	18 th August 2022
AUTHOR:	Jamie Criddle, Chief Executive Officer

SUPPORTING DOCUMENTS:

Ref	Title	Attached to Report	Under Separate Cover
	NIL		

DISCLOSURE OF INTEREST

Nil

BACKGROUND

Council is required under the Local Government Act 1995 to at least once a year set and advertise meeting dates, times and venues for Ordinary Council meetings for the next 12 month period.

Council has previously resolved to reach out to the community, with one of the proposals being to move the Ordinary Monthly Council Meeting(s) around the shire. In 2022 Council originally resolved to hold ALL OCM at the Nabawa Administration Building due to the feeling of Council that over past few years the practice of holding meeting away from Nabawa to encourage residents to attend the Council Meetings was not a success

MOVED: Cr Royce

SECONDED: Cr Forth

Council Ordinary Meeting time, dates and locations for the next Calendar Year as listed below be adopted and advertised in accordance with the Local Government (Administration) Regulations:

DATE	MEETING LOCATION
16 February	Nabawa Chambers
16 March	Nabawa Chambers
20 April	Nabawa Chambers
18 May	Nabawa Chambers
15 June	Nabawa Chambers
20 July	Nabawa Chambers
17 August	Nabawa Chambers
21 September	Nabawa Chambers
19 October	Nabawa Chambers
16 November	Nabawa Chambers
14 December	Nabawa Chambers

Note: All Ordinary Council Meetings are to commence at 9am.

Voting F5/A1

CARRIED

Minute Reference: 08/21-10

Following the Annual Electors meeting held in February 2022 at the Bill Hemsley Community Centre, it was recommended that Council consider holding at least one meeting at the Bill Hemsley Community Centre per year, and was raised at the March 2022 OCM:

ELECTED MEMBER RECOMMENDATION 1 (Absolute Majority)

1 REVOKES Council resolution OCM08/21-10 made at the Ordinary Council Meeting on 18 August 2021;

Voting F8/A0
CARRIED BY ABSOLUTE MAJORITY
Minute Reference: 03/22-12

MOVED: Cr Elliott-Lockhart

SECONDED: Cr Forth

ELECTED MEMBER RECOMMENDATION 2 (Simple Majority)

2. That Council hold Ordinary Council Meetings & Concept Forums for the remainder of 2022 on the third Thursday of the month and give public notice as per s 5.25(G) of the Local Government Act 1995.

Voting F6/A2
CARRIED
Minute Reference: 03/22-13

MOVED: Cr Elliott-Lockhart

SECONDED: Cr Batten

ELECTED MEMBER RECOMMENDATION 3 (Simple Majority)

3. That Council commence the Ordinary Council Meeting at 8.30am with the Concept Forum to follow for the remainder of 2022 and give public notice as per s 5.25(G) of the Local Government Act 1995.

Voting F6/A2
CARRIED
Minute Reference: 03/22-14

MOVED: Cr Warr

SECONDED: Cr Low

ALTERNATIVE COUNCIL RESOLUTION/STAFF RECOMMENDATION 4 (Simple Majority)

4. One meeting this year be held at the Bill Hemsley Community Centre in the month of August and give public notice as per s 5.25(G) of the Local Government Act 1995 .

Voting F8/A0
CARRIED
Minute Reference: 03/22-15

It is being recommended Council maintain this activity in 2023.

COMMENT

Council meetings days were changed at the March 2022 OCM and are now held at Nabawa on the third Thursday of the month and Bill Hemsley Community Centre in August, commencing at 8.30am with the exception of January when no Ordinary Council Meeting is held.

The meeting date for December has occasionally been brought forward to the second Thursday of the month to avoid clashes with Christmas/New Year break period. This may be necessary in 2023 as the third Thursday is the 21st December. Therefore; this meeting can be brought forward to the 14th December 2023 if Council wishes to do so. This would result in a four week period between the November 2023 OCM (16/11/22) and an earlier December 2022 (14/12/2021). It is being recommended to change the December 2023 OCM date.

The other issue which at times has affected the Ordinary Council Meetings being held on the third Thursday of each month is where the Easter period fall during the year. In 2023 the Easter dates are as follows:

- 7 April – Good Friday
- 10 April – Easter Monday

- 11 April – Easter Tuesday
- School Holidays 7th – 23rd April
- 25 April – ANZAC Day

Therefore, as the 2023 April OCM is scheduled for the 20th April it is not being recommended this date be changed. As Staff will be able to have the April 2022 OCM Agenda completed the week before the meeting (as usual) and be back in time to attend the meeting.

Below are recommended meeting locations and dates for the 2023 Ordinary Council Meeting (OCM) with the start time for these OCM's remaining at 8.30am:

DATE	MEETING LOCATION
16 February	Nabawa Chambers
16 March	Nabawa Chambers
20 April	Nabawa Chambers
18 May	Nabawa Chambers
15 June	Nabawa Chambers
20 July	Nabawa Chambers
17 August	Bill Hemsley Community Centre
21 September	Nabawa Chambers
19 October	Nabawa Chambers
16 November	Nabawa Chambers
14 December(changed from 21 st)	Nabawa Chambers

STATUTORY ENVIRONMENT

Local Government (Administration) Regulations 1996 Clause 12 (1) states: Public notice of Council or Committee meetings – s 5.25(G)

At least once each year a local government is to give local public notice:

1. Of the dates, time and place of the ordinary council meetings;
2. The committee meetings that are required under the Act to be open to the members of the public or that are proposed to be open to members of the public are to be held in the next 12 months.

POLICY/PROCEDURE IMPLICATIONS

No Policy or Procedure affected.

FINANCIAL IMPLICATIONS

No additional costs envisaged.

Long Term Financial Plan (LTFP):

No effect on the LTFP is envisaged.

STRATEGIC IMPLICATIONS

It is important for Council to include and engage all sectors of our community and the concept of structuring meeting times, dates and location to reach out to the community is one means of improving this.

Strategic Community Plan/Corporate Business Plan:

Ref	Objective	Strategy	Action
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5.1	Ensure governance and administration systems, policies and processes are current and relevant	Review policy categories and set ongoing accountability for review processes	Review current Council and Management policies and formalise update process and timelines.
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CONSULTATION

The practice of relocating the Council Meetings has previously been discussed in the past and I believe this has proven to be successful as it portrays a clear indication Council will continue to reach out to the community.

RISK ASSESSMENT

There is a risk of Council being perceived as not engaging the community by insisting OCMs are always held at Nabawa.

Measures of Consequence							
Rating (Level)	Health	Financial Impact	Service Interruption	Compliance	Reputational	Property	Environment
Insignificant (1)	Negligible injuries	Less than \$1,000	No material service interruption	No noticeable regulatory or statutory impact	Unsubstantiated, low impact, low profile or 'no news' item	Inconsequential or no damage.	Contained, reversible impact managed by on site response

VOTING REQUIREMENTS

Simple Majority.

STAFF RECOMMENDATION

Council Ordinary Meeting time, dates and locations for the next Calendar Year as listed below be adopted and advertised in accordance with the Local Government (Administration) Regulations:

DATE	MEETING LOCATION
16 February	Nabawa Chambers
16 March	Nabawa Chambers
20 April	Nabawa Chambers
18 May	Nabawa Chambers
15 June	Nabawa Chambers
20 July	Nabawa Chambers
17 August	Bill Hemsley Community Centre
21 September	Nabawa Chambers
19 October	Nabawa Chambers
16 November	Nabawa Chambers
14 December	Nabawa Chambers

Note: All Ordinary Council Meetings are to commence at 8.30am.

10.3.3 Strategic Community Plan

PROPONENT:	Chief Executive Officer
SITE:	Shire of Chapman Valley
FILE REFERENCE:	411.05
PREVIOUS REFERENCE:	Nil
DATE:	16 June 2021
AUTHOR:	Jamie Criddle, Chief Executive Officer

SUPPORTING DOCUMENTS:

Ref	Title	Attached to Report	Under Separate Cover
10.3.1 (a)	SCP for Public Consultation	✓	✓

DISCLOSURE OF INTEREST

Nil

BACKGROUND

The Strategic Community Plan (SCP) represents the highest level of strategic planning undertaken by local governments. It is a legislative requirement as part of the Integrated Planning and Reporting Framework under the Local Government Act 1995.

Its purpose is:

- Ensuring the community is involved in the setting of a long term vision;
- Providing Council with a clear understanding of the community's wellbeing, priorities, aspirations, needs and wants; and
- Guiding the priority setting within the Shires Corporate Business Plan.

The Strategic Community Plan – Chapman Valley 2022 - 2032 is a shared vision that draws on the wisdom of our community. It outlines our community's vision and aspirations for the next 10 years. It is the result of the major review of the Community Strategic Plan 2011-2021. At the July meeting, Council resolved to:

MOVED: Cr Davidson

SECONDED: Cr Royce

COUNCIL RESOLUTION/STAFF RECOMMENDATION

That Council:

1. ENDORSE the Strategic Community Plan -Shire of Chapman Valley 2022 - 2032 as a draft for the purpose of public advertising.
2. Give discretion to the Chief Executive Officer to make minor editorial changes to the Strategic Community Plan that does not affect the intent of its content.

Voting F7/A0

CARRIED

Minute Reference: 07/22-05

COMMENT

The document has been subject to a high level of public comment, exceeding our legislative requirements and actively seeking to develop a document which reflects the views of our community and stakeholders.

Council is now required to collate any feedback on the Strategic Community Plan and present to Council. At the time of publication, one (1) community submissions was made.

The Plan will now go to Council for adoption at the 18 August 2022 Ordinary Meeting of Council incorporating the community submissions (where appropriate). Once adopted, the next step is operationalisation of the plan through the 4-year Corporate Business Plan.

STATUTORY ENVIRONMENT

Local Government Act 1995

5.56. Planning for the future

- (1) A local government is to plan for the future of the district.

- (2) A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.

Local Government (Administration) Regulations 1996

19C. Strategic community plans, requirements for

- (1) A local government is to ensure that a strategic community plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.
- (2) A strategic community plan for a district is to cover the period specified in the plan, which is to be at least 10 financial years.
- (3) A strategic community plan for a district is to set out the vision, aspirations and objectives of the community in the district.
- (4) A local government is to review the current strategic community plan for its district at least once every 4 years.
- (5) In making or reviewing a strategic community plan, a local government is to have regard to —
 - (a) the capacity of its current resources and the anticipated capacity of its future resources; and
 - (b) strategic performance indicators and the ways of measuring its strategic performance by the application of those indicators; and
 - (c) demographic trends.
- (6) Subject to subregulation (9), a local government may modify its strategic community plan, including extending the period the plan is made in respect of.
- (7) A council is to consider a strategic community plan, or modifications of such a plan, submitted to it and is to determine whether or not to adopt the plan or the modifications (absolute majority required).
- (8) If a strategic community plan is, or modifications of a strategic community plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.
- (9) A local government is to ensure that the electors and ratepayers of its district are consulted during the development of a strategic community plan and when preparing modifications of a strategic community plan.
- (10) A strategic community plan for a district is to contain a description of the involvement of the electors and ratepayers of the district in the development of the plan or the preparation of modifications of the plan.

POLICY/PROCEDURE IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil; this item is already budgeted for.

The outcomes of this process will inform the future Corporate Business Plan and budgets.

Long Term Financial Plan (LTFP):

The outcomes of this process will inform the LTFP and budgets

STRATEGIC IMPLICATIONS

Strategic Community Plan/Corporate Business Plan:

The outcomes of this process will inform the future Corporate Business Plan.

CONSULTATION

There has been significant consultation with internal and external stakeholders through the development of this Plan. In addition to providing the opportunity for feedback on the draft strategy, meetings and workshops have been held with the community and internal team representatives.

Presentations and updates were provided to Councillors at the March 2022 and May 2022 Concept Forums as well as the July OCM. The attached version is a result of consultation and feedback from various sources.

RISK ASSESSMENT

Measures of Consequence							
Rating (Level)	Health	Financial Impact	Service Interruption	Compliance	Reputational	Property	Environment
Insignificant (1)	Negligible injuries	Less than \$1,000	No material service interruption	No noticeable regulatory or statutory impact	Unsubstantiated, low impact, low profile or 'no news' item	Inconsequential or no damage.	Contained, reversible impact managed by on site response

VOTING REQUIREMENTS

Simple Majority

STAFF RECOMMENDATION

That Council by Absolute Majority pursuant to Section 5.56 of the Local Government Act 1995 RESOLVES to:

1. Adopt the Shire of Chapman Valley Strategic Community Plan 2022-2032; and
2. Give public notice of the adoption of the Shire of Chapman Valley Strategic Community Plan 2022-2032.

-
- 11.0 ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**
 - 12.0 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING**
 - 13.0 DELEGATES REPORTS**
 - 14.0 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION**
 - 15.0 MATTERS FOR WHICH MEETING TO BE CLOSED TO MEMBERS OF THE PUBLIC**
 - 16.0 CLOSURE**



SOURCE DOCUMENTATION

POLICY NO	CP-024
POLICY	PURCHASING
RESPONSIBLE OFFICER	MANAGER FINANCE & CORPORATE SERVICES
PREVIOUS POLICY No.	5.90
LEGISLATION	LOCAL GOVERNMENT ACT, 1995 LOCAL GOVERNMENT (FUNCTIONS & GENERAL) REGULATIONS, 1996
RELEVANT	3004

OBJECTIVES:

The Shire's purchasing activities will:

- (a) Achieve best value for money which considers sustainable benefits, such as; environmental, social and local economic factors;
- (b) Foster economic development by maximising participation of local businesses in the delivery of goods and services;
- (c) Use consistent, efficient and accountable purchasing processes and decision-making, including; competitive quotation processes, assessment of best value for money and sustainable procurement outcomes for all purchasing activity, including tender exempt arrangements;
- (d) Apply fair and equitable competitive purchasing processes to engage potential suppliers impartially, honestly and consistently;
- (e) Commit to probity and integrity, including the avoidance of bias and of perceived and actual conflicts of interest;
- (f) Comply with the *Local Government Act 1995*, *Local Government (Functions and General) Regulations 1996*, other relevant legislation, Codes of Practice, Standards and the Shire's Policies and Procedures;
- (g) Ensure purchasing outcomes contribute to efficiencies (time and resources) for the Shire of Chapman Valley
- (h) Identify and manage risks arising from purchasing processes and purchasing outcomes in accordance with the Shire's Risk Management framework;
- (i) Ensure records evidence purchasing activities in accordance with the *State Records Act 2000* and the Shire's Record Keeping Plan;
- (j) Ensure confidentiality protects commercial-in-confidence information and only releases information where appropriately approved.

POLICY STATEMENT:**1. ETHICS & INTEGRITY**

The Shire's Code of Conduct applies when undertaking purchasing activities and decision making, requiring Council Members and employees to observe the highest standards of ethics and integrity and act in an honest and professional manner at all times.

2. VALUE FOR MONEY

The Shire will apply value for money principles in critically assessing purchasing decisions and acknowledges the lowest price may not always be the most advantageous.

2.1 Assessing Value for Money

Value for money assessment will consider:

- (a) All relevant Total Costs of Ownership (TCO) and benefits including; transaction costs associated with acquisition, delivery, distribution, and other costs such as, but not limited to; holding costs, consumables, deployment, training, maintenance and disposal;
- (b) The technical merits of the goods or services being offered in terms of compliance with specifications, contractual terms and conditions and any relevant methods of assuring quality. This includes but is not limited to an assessment of compliances, the supplier's resource availability, capacity and capability, value-adds offered, warranties, guarantees, repair and replacement policies and response times, ease of inspection and maintenance, ease of after sales service, ease of communications, etc.
- (c) The supplier's financial viability and capacity to supply without the risk of default, including the competency of the prospective suppliers in terms of managerial and technical capabilities and compliance history;
- (d) A strong element of competition by seeking a sufficient number of competitive quotations consistent with this Policy, where practicable;
- (e) The safety requirements and standards associated with both the product design and the specification offered by suppliers and the evaluation of risk arising from the supply, operation and maintenance;
- (f) The environmental, economic and social benefits arising from the goods, services or works required, including consideration of these benefits in regard to the supplier's operations, in accordance with this Policy and any other relevant Shire Policy including Local Economic Benefit; and
- (g) Analysis and management of risks and opportunities which may be associated with the purchasing activity, potential supplier/s and the goods or services required.

3. PURCHASING THRESHOLDS AND PRACTICES

3.1 Defining the Purchasing Value

The Shire will apply reasonable and consistent methodologies to assess and determine Purchasing Values, which ensure:

- (a) The appropriate purchasing threshold and practice is applied in all purchasing activities; and
- (b) Wherever possible, purchasing activity for the same category of supply is aggregated into single contract arrangements to achieve best value and efficiency in future purchasing activities where the requirements are able to be provided by a single supplier.

A **category of supply** can be defined as groupings of similar goods or services with common: supply and demand drivers; market characteristics; or suppliers.

3.2 Strategic Purchasing Value Assessments

The Shire will periodically review recent past purchasing activity across its operations to identify categories of supply for which the Shire will have continuing need and which can be aggregated into single contract arrangements in order to achieve best value for money and efficiency in future purchasing activity.

The assessment of aggregated expenditure for the same category of supply capable of being supplied by a single supplier will determine the Purchasing Value threshold applicable to future purchasing activity.

3.3 Individual Purchasing Value Assessments

Where there is no relevant current contract, each purchasing activity is to assess the Purchasing Value based upon the following considerations:

- (a) Exclusive of Goods and Services Tax (GST); and
- (b) The estimated total expenditure for the proposed supply including the value of all contract extension options and where applicable, the total cost of ownership considerations.

- (c) The appropriate length of a contract is to be determined based on market volatility, ongoing nature of supply, historical purchasing evidence and estimated future purchasing requirements.
- (d) Requirements must not be split to avoid purchasing or tendering thresholds [F&G Reg. 12].

The calculated estimated Purchasing Value will determine the applicable threshold and purchasing practice to be undertaken.

Where a higher priced conforming offer is recommended, there should be clear and demonstrable benefits over and above the lowest total priced, conforming offer

3.4 Table of Purchasing Thresholds and Practices

3.4.1 Supplier Order of Priority

The Shire will consider and apply, where applicable, the following Supplier Order of Priority:

Priority 1:	<p>Existing Prequalified Supplier Panel or other Contract</p> <p>Current contracts, including a Panel of Prequalified Suppliers or contracted supplier, must be used where the Shire's supply requirements can be met through the existing contract.</p> <p>If the Shire does not have a current contract relevant to the required supply, then a relevant WALGA PSA is to be used.</p>
Priority 2:	<p>Local Suppliers</p> <p>Where the Purchasing Value does not exceed the tender threshold and a relevant local supplier is capable of providing the required supply, the Shire will ensure, wherever possible, quotations are sought from local suppliers permanently located within the District as a first priority, and those permanently located within surrounding Districts as the second priority.</p> <p>If no relevant local supplier is available, then a relevant WALGA PSA may be used.</p>
Priority 3:	<p>Tender Exempt - WALGA Preferred Supplier Arrangement (PSA)</p> <p>Use a relevant WALGA PSA regardless of whether or not the Purchasing Value will exceed the tender threshold.</p> <p>However, if a relevant PSA exists but an alternative supplier is considered to provide best value, then the CEO, or an officer authorised by the CEO, may approve the alternative supplier. Reasons for not using a PSA may include:</p> <ul style="list-style-type: none"> i. Local supplier availability (not within the PSA); or, ii. Social procurement – preference to use Aboriginal business or Disability Enterprise. <p>If no relevant WALGA PSA is available, then a relevant State Government CUA may be used.</p>

Priority 4:	<p>Tender Exempt - WA State Government Common Use Arrangement (CUA)</p> <p>Use a relevant CUA regardless of whether or not the Purchasing Value will exceed the tender threshold.</p> <p>However, if a relevant CUA exists, but an alternative supplier is considered to provide best value for money, then the proposed alternative supplier may be approved by the CEO, or an officer authorised by the CEO.</p> <p>If no relevant CUA is available, then a Tender Exempt <i>[F&G Reg.11(2)]</i> arrangement may be used.</p>
Priority 5:	<p>Other Tender Exempt arrangement <i>[F&G Reg. 11(2)]</i></p> <p>Regardless of whether or not the Purchasing Value will exceed the tender threshold, the Shire will investigate and seek quotations from tender exempt suppliers, and will specifically ensure, wherever possible, quotations are sought from a WA Disability Enterprise and/or an Aboriginal Owned Business capable of providing the required supply.</p>
Priority 6:	<p><u>Other Suppliers</u></p> <p>Where there is no relevant existing contract or tender exempt arrangement available, purchasing activity from any other supplier is to be in accordance with relevant Purchasing Value Threshold and Purchasing Practice specified in the table below.</p>

3.4.2 Purchasing Practice Purchasing Value Thresholds

Where the value of procurement (excluding GST) for the value of the contract over the full contract period (including options to extend) is, or is expected to be:

	Amount of Purchase	Purchase Conditions	Recording Conditions
A	Up to \$10,000	Direct purchase from suppliers	Standard Purchase Order
B	\$10,001 - \$25,000	Seek two verbal quotations.	Endorse Purchase Order verbal quotes obtained or sought
C	\$25,001- \$249,999	Seek at least three written quotations containing price and specification of goods and services (with procurement decision based on all value for money considerations).	Written Quotes – Copies attached to Purchase Order or evidence of quotes being sought.
F	\$250,000 and above	Conduct a public tender process or use the WALGA Preferred Suppliers process.	Tender Register Requirements & Filing of Tender Documents

G	Emergency Purchases (Within Budget)	<p>Where goods or services are required for an emergency response and are within scope of an established Panel of Pre-qualified Supplier or existing contract, the emergency supply must be obtained from the Panel or existing contract using relevant unallocated budgeted funds.</p> <p>If there is no existing Panel or contract, then clause <i>Supplier Order of Priority</i> will apply wherever practicable.</p> <p>However, where due to the urgency of the situation; a contracted or tender exempt supplier is unable to provide the emergency supply <u>OR</u> compliance with this Purchasing Policy would cause unreasonable delay, the supply may be obtained from any supplier capable of providing the emergency supply. However, an emergency supply is only to be obtained to the extent necessary to facilitate the urgent emergency response and must be subject to due consideration of best value and sustainable practice.</p> <p>The rationale for policy non-compliance and the purchasing decision must be evidenced in accordance with the Shire's Record Keeping Plan.</p>
H	Emergency Purchases (No budget allocation available)	<p>Where no relevant budget allocation is available for an emergency purchasing activity then, in accordance with s.6.8 of the <i>Local Government Act 1995</i>, the President must authorise, in writing, the necessary budget adjustment prior to the expense being incurred.</p> <p>The CEO is responsible for ensuring an authorised emergency expenditure under s.6.8 is reported to the next ordinary Council Meeting.</p> <p>The Purchasing Practices prescribed for Emergency Purchases (within budget) above, then apply.</p>
I	LGIS Services Section 9.58(6)(b) Local Government Act	<p>The suite of LGIS insurances are established in accordance with s.9.58(6)(b) of the <i>Local Government Act 1995</i> and are provided as part of a mutual, where WALGA Member Local Governments are the owners of LGIS. Therefore, obtaining LGIS insurance services is available as a member-base service and is not defined as a purchasing activity subject to this Policy.</p> <p>Should Council resolve to seek quotations from alternative insurance suppliers, compliance with this Policy is required.</p>

3.4.3 Emergency Purchases

Emergency purchases are defined as the supply of goods or services associated with:

- (a) A local emergency and the expenditure is required (within existing budget allocations) to respond to an imminent risk to public safety, or to protect or make safe property or infrastructure assets; OR
- (b) A local emergency and the expenditure is required (with no relevant available budget allocation) to respond to an imminent risk to public safety, or to protect or make safe property or infrastructure assets in accordance with s.6.8 of the *Local Government Act 1995* and *Functions and General Regulation 11(2)(a)*; OR
- (c) A State of Emergency declared under the *Emergency Management Act 2005* and therefore, *Functions and General Regulations 11(2)(aa), (ja) and (3)* apply to vary the application of this policy.

Time constraints, administrative omissions and errors do not qualify for definition as an emergency purchase. Instead, every effort must be made to research and anticipate purchasing requirements in

advance and to allow sufficient time for planning and scoping proposed purchases and to then seek quotes or tenders, as applicable.

3.4.4 Inviting Tenders Though not Required to do so

The Shire may determine to invite Public Tenders, despite the estimated Purchase Value being less than the \$250,000 prescribed tender threshold, but only where an assessment determines the purchasing requirement cannot be met through a tender exempt arrangement and the use of a public tender process will enhance; value for money, efficiency, risk mitigation and sustainable procurement benefits.

In such cases, the tender process must comply with the legislative requirements and the Shire's tendering procedures *[F&G Reg.13]*.

3.4.5 Expressions of Interest

Expressions of Interest (EOI) will be considered as a prerequisite to a tender process *[F&G Reg.21]* where the required supply evidences one or more of the following criteria:

- (a) Unable to sufficiently scope or specify the requirement;
- (b) There is significant variability for how the requirement may be met;
- (c) There is potential for suppliers to offer unique solutions and/or multiple options for how the purchasing requirement may be sought, obtained, specified, created or delivered;
- (d) Subject to a creative element; or
- (e) Provides a procurement methodology which allows for the assessment of a significant number of potential tenderers leading to a shortlisting process based on non-price assessment.

All EOI processes will be based upon qualitative and other non-price information only.

3.4.6 Unique Nature of Supply (Sole Source Supplier) Local Government (Functions & General) Regulation – 11(2)(f)

In the situation of any purchases above the legislated tender threshold amount from sole source providers the Chief Executive Officer is to present these to Council for endorsement, with evidence of due diligence as proof of there being a sole source provider situation, prior to progressing with the purchase.

An arrangement with a supplier based on the unique nature of the goods or services required or for any other reason, where it is unlikely there is more than one potential supplier may only be approved where the:

- (a) purchasing requirement has been documented in a detailed specification; and
- (b) specification has been extensively market tested and only one potential supplier has been identified as being capable of meeting the specified purchase requirement; and
- (c) market testing process and outcomes of supplier assessments have been evidenced in records, inclusive of a rationale for why the supply is determined as unique and why quotations / tenders cannot be sourced through more than one potential supplier.

An arrangement of this nature will only be approved for a period not exceeding one (1) year. For any continuing purchasing requirement, the approval must be re-assessed before expiry, to evidence only one potential supplier still genuinely exists.

3.4.7 Anti-Avoidance

The Shire will not conduct multiple purchasing activities with the intent (inadvertent or otherwise) of "splitting" the purchase value or the contract value, so the effect is to avoid a particular purchasing threshold or the need to call a Public Tender. This includes the creation of two or more contracts or creating multiple purchase order transactions of a similar nature.

3.4.8 Contract Renewals, Extensions and Variations

Where a contract has been entered into as the result of a publicly invited tender process, then *Functions and General Regulation 21A* applies (i.e. *Varying a contract for the supply of goods or services*) applies.

For any other contract, the contract must not be varied unless

- (a) The variation is necessary in order for the goods or services to be supplied and does not change the scope of the contract; or
- (b) The variation is a renewal or extension of the term of the contract where the extension or renewal options were included in the original contract.

Upon expiry of the original contract, and after any options for renewal or extension included in the original contract have been, the Shire is required to review the purchasing requirements and commence a new competitive purchasing process in accordance with this Policy.

4. SUSTAINABLE PROCUREMENT

The Shire is committed to implementing sustainable procurement by providing a preference to suppliers who demonstrate sustainable business practices (social advancement, environmental protection and local economic benefits).

The Shire will apply Sustainable Procurement criteria as part of the value for money assessment to ensure, wherever possible, our suppliers demonstrate outcomes which contribute to improved environmental, social and local economic outcomes.

Sustainable Procurement can be demonstrated as being internally focussed (i.e. operational environmental efficiencies or employment opportunities and benefits relating to special needs), or externally focussed (e.g. initiatives such as corporate philanthropy).

4.1 Local Economic Benefit

The Shire has adopted a Regional Price Preference Policy, which may be applied when undertaking all purchasing activities.

4.2 Socially Sustainable Procurement

The Shire will support the purchasing of requirements from socially sustainable suppliers such as Australian Disability Enterprises and Aboriginal businesses wherever a value for money assessment demonstrates benefit towards achieving the Shire's strategic and operational objectives.

A qualitative weighting will be used in the evaluation of Requests for Quotes and Tenders to provide advantages to socially sustainable suppliers in instances where the below tender exemptions are not exercised.

4.2.1 Aboriginal Businesses

Functions and General Regulation 11(2)(h) provides a tender exemption if the goods or services are supplied by a person on the Aboriginal Business Directory WA published by the Chamber of Commerce and Industry of Western Australia, or Australian Indigenous Minority Supplier Office Limited (trading as Supply Nation), where the consideration under contract is \$250,000 or less, or worth \$250,000 or less.

The Shire will first consider undertaking a quotation process with other suppliers (which may include other registered Aboriginal Businesses as noted in *F&G Reg.11(2)(h)*) to determine overall value for money for the Shire.

Where the Shire makes a determination to contract directly with an Aboriginal Business for any amount up to and including \$250,000 (ex GST), it must be satisfied through alternative means the offer truly represents value for money.

The rationale for making the purchasing decision must be recorded in accordance with the Shire's Record Keeping Plan.

4.2.2 Australian Disability Enterprises

Functions and General Regulation 11(2)(i) provides a tender exemption if the goods or services are supplied by an Australian Disability Enterprise.

The Shire will first consider undertaking a quotation process with other suppliers (which may include other Australian Disability Enterprises) to determine overall value for money for the Shire.

Where the Shire makes a determination to contract directly with an Australian Disability Enterprise for any amount, including an amount over the Tender threshold of \$250,000 (ex GST), it must be satisfied through alternative means the offer truly represents value for money.

The rationale for making the purchasing decision must be recorded in accordance with the Shire's Record Keeping Plan.

4.3 Environmentally Sustainable Procurement

The Shire will support the purchasing of recycled and environmentally sustainable products whenever a value for money assessment demonstrates benefit toward achieving the Shire's strategic and operational objectives.

5. PANELS OF PRE-QUALIFIED SUPPLIERS

The Shire will consider creating a Panel of Pre-qualified Suppliers ("Panel") when a range of similar goods and services are required to be purchased on a continuing and regular basis.

Part of the consideration of establishing a panel includes:

- there are numerous potential suppliers in the local and regional procurement related market sector(s) which satisfy the test of 'value for money';
- the purchasing activity under the intended Panel is assessed as being of a low to medium risk;
- the Panel will streamline and will improve procurement processes; and
- the Shire has the capability to establish a Panel, and manage the risks and achieve the benefits expected of the proposed Panel through a Contract Management Plan.

5.1 Establishing and Managing a Panel

If the Shire decides a Panel is to be created, it will establish the panel in accordance with the Regulations.

Panels will be established for one supply requirement, or a number of similar supply requirements under defined categories. This will be undertaken through an invitation procurement process advertised via a state-wide notice.

Panels may be established for a maximum of three (3) years. The length of time of a Local Panel is decided with the approval of the CEO.

Evaluation criteria will be determined and communicated in the application process by which applications will be assessed and accepted.

In an invitation to apply to become a pre-qualified supplier, the Shire may state the expected number of suppliers it intends to put on the panel.

If the Shire deems it needs additional suppliers to be added to a category within the panel, or the panel itself, to satisfy its needs or those of the local community, it will do so with the approval of the CEO.

Panel contract arrangements will be managed to ensure the performance of the Panel Contract and the Panel members under the contract are monitored and managed. This will ensure risks are managed and expected benefits are achieved. Contract Management Conditions will be established outlining the requirements for the Panel Contract and how it will be managed.

5.2 Distributing Work Amongst Panel Members

To satisfy Regulation 24AD(5) of the Regulations, when establishing a Panel of pre-qualified suppliers, the detailed information associated with the invitation to apply to join the Panel will prescribe one of the following as to whether the Shire intends to:

- seek quotations from each pre-qualified supplier on the Panel with respect to all discreet purchases; or
- purchase goods and services exclusively from any pre-qualified supplier appointed to the Panel, and under what circumstances; or
- develop a ranking system for selection to the Panel, with work awarded in accordance with the Regulations.
- When a ranking system is established, no one contract will be for more than 12 months and an annual review of pricing & ranking will be undertaken.

5.3 Purchasing from the Panel

The invitation to apply to be considered to join a panel of pre-qualified suppliers must state whether quotations are either to be invited to every Panel member (within each category, if applicable) of the Panel for each purchasing requirement, whether a ranking system is to be established, or otherwise.

Each quotation process, including the invitation to quote, communications with Panel members, quotations received, evaluation of quotes and notification of award communications must all be captured on the Shire's electronic records system. A record is to be maintained for each quotation process made under each Panel to capture all communications between the Shire and Panel members

6. RECORD KEEPING

All Local Government purchasing activity, communications and transactions must be evidenced and retained as local government records in accordance with the *State Records Act 2000* and the Shire's Record Keeping Plan.

In addition, the Shire must consider and will include in each contract for the provision of works or services, the contractor's obligations for creating, maintaining and where necessary the transferral of records to the Shire relevant to the performance of the contract.

7. PURCHASING POLICY NON-COMPLIANCE

The Purchasing Policy is mandated under the *Local Government Act 1995* and Regulation 11A of the *Local Government (Functions and General) Regulations 1996* and therefore the policy forms part of the legislative framework in which the Local Government is required to conduct business.

Where legislative or policy compliance is not reasonably able to be achieved, records must evidence the rationale and decision making processes to substantiate the non-compliance.

Purchasing activities are subject to internal and external financial and performance audits, which examine compliance with legislative requirements and the Shire's policies and procedures.

If non-compliance with; legislation, this Purchasing Policy or the Code of Conduct, is identified it must be reported to the Chief Executive officer or the Manager Finance & Corporate Services.

A failure to comply with legislation or policy requirements, including compliance with the Code of Conduct when undertaking purchasing activities, may be subject to investigation, with findings to be considered in context of the responsible person's training, experience, seniority and reasonable expectations for performance of their role.

Where a breach is substantiated it may be treated as:

- (a) an opportunity for additional training to be provided;

- (b) a disciplinary matter, which may or may not be subject to reporting requirements under the *Public Sector Management Act 1994*; or
- (c) where the breach is also identified as potentially serious misconduct, the matter will be reported in accordance with the *Corruption, Crime and Misconduct Act 2003*.

ADDITIONAL EXPLANATORY NOTES:

(Note: all figures mentioned in this Policy are to be considered as GST Exclusive)

ADOPTED/REVIEWED/AMENDED (OTHER THAN ANNUAL REVIEW OF ALL PROCEDURES:

Adopted – Council Resolution:	10/01-9
Reviewed/Amended – Council Resolution:	21/03-10; 09/13-9; 05/15-23; 06/15-18; 03/17-32; 03/17-32; 11/15-14; 06/18-7; 07/18-10; 07/19-4; 05/20-15; 03/21-10;08/21-11