

# **Annual Contracting Plan V2**

**2024/2025 Financial Year**

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## 1. Requirements for the annual contracting plan

For the purpose of this Annual Contracting Plan (**ACP**), the 'Financial Year' is the 2024/25 financial year.

Procurement at Logan City Council (**Council**) is conducted in accordance with the strategic contracting procedures as described in the *Local Government Act 2009* (Qld) (**LGA**) and the *Local Government Regulations 2012* (Qld) (**LGR**) (specifically in Chapter 6 Part 2 of the LGR).

It is a requirement of the strategic contracting procedures for Council to develop an ACP. The ACP contains the procurement activities for the Financial Year including identifying any Significant Contracts. The ACP must be approved *after* the budget for the Financial Year is approved by Council.

All monetary values in this document shall be interpreted as being in Australian dollars (AUD) and exclusive of GST (to the extent that GST is applicable) unless expressly stated otherwise.

Capitalised terms in this document which are defined in the Contract Manual have the same meaning as provided in the Contract Manual.

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## 2. Procurement planning

This ACP is consistent with and supports Council's Corporate Plan, and in particular is consistent with Council's Strategic Planning and Performance Management Framework. The ACP submitted was developed in consultation with identified Branches.

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## 3. Procurement policy and contract manual

In accordance with the strategic contracting procedures in Chapter 6 Part 2 of the LGR, Council has developed a Contract Manual. The Contract Manual establishes the requirements for conducting procurement in line with the Procurement Policy. This ACP is prepared in accordance with the Contract Manual.

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## 4. Requirements of the contract manual

### 4.1 Contract types

This ACP details Contracts to be entered into by Council in the Financial Year in accordance with the Contract types detailed in the below table:

| Type  | Description   | Market Approach Requirements  |
|---|---|---|
| Significant Contracts for the purposes of the Contract Manual | <ul style="list-style-type: none"><li>Contracts with an estimated value of greater than \$2m; or</li><li>Contract term of greater than 10 years</li></ul> | Preparation of Significant Contracting Plan pursuant to the policy for making Significant Contracting Plans set out in this ACP and approved in accordance with the Contract Manual |
| Other Contracts (General)                                     | Estimated value of less than \$2m   | Low Value Sourcing, Quotations Sourcing or Light Strategic Sourcing pursuant to the Contract Manual   |

Note: Contract types are subject to the exceptions set out in the Contract Manual.

## 4.2 Market assessment

Council has conducted a market assessment for each type of Contract outlined above including 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         | Sourcing Activities undertaken  | Market assessment  |
|-----------------------|---|--|
| Significant Contracts | <ul style="list-style-type: none"><li>• Expression of interests (EOIs)</li><li>• Strategic tenders</li><li>• Exceptions</li></ul> | <ul style="list-style-type: none"><li>• The vast majority of Contracts entered into following a competitive process;</li><li>• Good market depth is apparent from the number of suppliers; and</li><li>• Good market capability is apparent from previous contracts entered into.</li></ul>          |
| Other Contracts       | <ul style="list-style-type: none"><li>• EOIs</li><li>• Strategic tenders</li><li>• Exceptions</li><li>• RFQs</li></ul>            | <ul style="list-style-type: none"><li>• Most Contracts entered into following a competitive process</li><li>• Good market depth is apparent from the number of suppliers</li><li>• Good market capability is apparent from the overall effectiveness from previous contracts entered into.</li></ul> |

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.

## 4.3 Contract principles and strategies

Council considers all Contracts with an estimated value of greater than \$2,000,000 to be Significant Contracts for which a Significant Contracting Plan must be developed in accordance with this ACP.

For all other Contracts (which are not Significant Contracts) with a value of more than \$500,000, the Contract Manual requires Council to undertake a Light Strategic Sourcing process in relation to the Contract. When procuring these Contracts, a procurement strategy must be developed prior to going to market. The procurement strategy requires consideration of:

| Scope of work                                | What is the requirement and how is it presented to the market?  |
|--|---|
| Schedule                                     | The delivery and timelines for the purchase   |
| Stakeholders                                 | Consideration of internal and external stakeholders to ensure a holistic consideration of the procurement requirement |
| Data and Information                         | Historical spend, previous suppliers, contracts and performance   |
| Supply market                                | Including the size, complexity and demand in the current market   |
| Social, local, Indigenous and sustainability | Alignment to Council objectives and targets   |
| Commercial model                             | Including the reimbursement structure and consideration of incentives   |
| Evaluation criteria                          | Including alignment of criteria to request  |

|                      |   |
|----------------------|---|
| Negotiation planning | The levers and opportunities to secure best value for Council |
|----------------------|---|

The Contract Manual requires all Contracts be entered into in accordance with the Sound Contracting Principles. The Sound Contracting Principles are described in the LGA. The Sound Contracting Principles are:

- Value for money;
- Open and effective competition;
- The development of competitive local business and industry;
- Environmental protection; and
- Ethical behaviour and fair dealing.

The Sound Contracting Principles have been incorporated into all of Council's procurement processes via the LGA, the Procurement Policy, the Contract Manual and this ACP.

## 4.4 Delegations

The power to make, amend or discharge a contract for Council is delegated to the relevant officer in accordance with Council's Delegations Policy.

## 4.5 Significant contract plans

Significant Contracts are defined as Contracts with an estimated total value of greater than \$2,000,000, or a Contract term of greater than 10 years. In accordance with the LGR, all Significant Contracts must have a Significant Contract Plan. The Significant Contract Plan is prepared in the form of an approved procurement Strategy, which meets all of the requirements of the Contract Manual and section 221 of the LGR and must be approved in line with the Delegations Policy prior to approaching the market for the relevant procurement activity.

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## 5. Supplier Arrangements

Council has existing established Supplier Arrangements and may establish new Supplier Arrangements pursuant to the Contract Manual. Council may enter into Contracts under an existing Supplier Arrangement prior to its expiry pursuant to the terms of the relevant Supplier Arrangement without first complying with this ACP.

If Council seeks to establish a new Supplier Arrangement during the Financial Year, Council will comply with this ACP and the Contract Manual in the establishment of the Supplier Arrangement having regard to the estimated value of the procurement activities to be undertaken under the Supplier Arrangement across the proposed term of the Supplier Arrangement.

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## 6. Amendments to the ACP

The ACP may be amended during the Financial Year by resolution of Council as per section 220 of the LGR.

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## 7. Contracting schedule

Council's schedule of Contracts for this Financial Year is attached as Appendix A. The schedule indicates all Contracts with an expected value of greater than \$500,000 and indicates which of the Contracts listed Council considered to be Significant Contracts.

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## **8. Publishing contract details**

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

# Appendix A

Annual contracting plan identifying contracts worth more than \$500k, but less than \$2M being General. Contracts greater than \$2M or a contract term greater than 10 years being Significant.

| Branch                                 | Detail / Scope   | Significant Contract (>\$2M or contract terms >10 years) / General Contract (\$500K - \$2M) |
|--|--|---|
| Corporate Communications               | General Printing Services and Pre-Printed Stationery                               | General   |
| Venues and Events                      | Operation and Management of Beenleigh Aquatic Centre                               | Significant   |
| Parks                                  | Parks Amenities Maintenance Services   | Significant   |
| Water Service Delivery                 | Removal of Screenings and Grits from Wastewater Treatment Plants and Pump Stations | Significant   |
| Water Customer Advocacy and Experience | Water Meter Services   | General   |
| Plant Fleet Services                   | Wet and Dry Hire of Plant Fleet Operators  | Significant   |
| Road Construction and Maintenance      | Road Sweeping Services/Traffic Intersection Sweeping Services                      | Significant   |
| Waste and Resource Recovery            | Tyre Recycling   | General   |
| Road Infrastructure Planning           | Street Furniture Advertising   | Significant   |
| Sports and Community Infrastructure    | Carpentry and Handyman Services  | Significant   |
| Road Infrastructure Delivery           | Civil Design and Construction  | Significant   |
| Parks                                  | Landscape Maintenance Services Zones 1 – 6   | Significant   |
| Parks                                  | Cemetery Services  | General   |