HOPE VALE ABORIGINAL SHIRE COUNCIL

MEETING REPORT

ITEM NO: 6.3.1 **ORDINARY MEETING:**

SUBJECT: **Finance Report**

CLASSIFICATION: **ACTION**

RECOMMENDATION

That Council note and receive

1. **The Finance report for June 2026**
2. **Approve the Procurement Policy**
3. **Approve the Business Continuity Plan**

BUDGET & RESOURCE CONSIDERATIONS

N/a

BACKGROUND / DISCUSSION

Council is required by legislation to provide a finance report at each Council meeting,
Have a mandatory Procurement policy in place and a Business Continuity plan as part of the audit requirement

LINK TO OPERATIONAL PLAN

5.3 Local leadership and Governance

CONSULTATION (Internal/External)

Section officers

LEGAL CONSIDERATIONS

N/a

RISK ASSESSMENT

Low

ATTACHMENTS:

REFERENCE DOCUMENT:

Report Prepared by: **Lew Rojahn** **CEO** Date: 12/6/26	Report Authorised by: **Lew Rojahn** **CHIEF EXECUTIVE OFFICER**

HOPE VALE

NGURRAAR

WAANDAAR

ABORIGINAL SHIRE COUNCIL

Agenda

1. Council's Finances
2. Financial Performance
3. Profit and Loss 01/07/2025 to 31/04/2026
4. Profit and Loss compared to same period last year
5. Main Sources of Income
6. Expenditure Distribution
7. Financial Position
8. Cash at Bank
9. Restricted versus Unrestricted Cash Position
10. Aged Receivables
11. Aged Payables
12. Financial Forecasts
13. Cash Flow Template
14. Sustainability Ratios
15. Procurement Policy
16. Business Continuity Plan

Financial Performance

Profit and Loss

Profit and Loss Statement for the period 1 July 2025 to 31 May 2026 (change since last report)

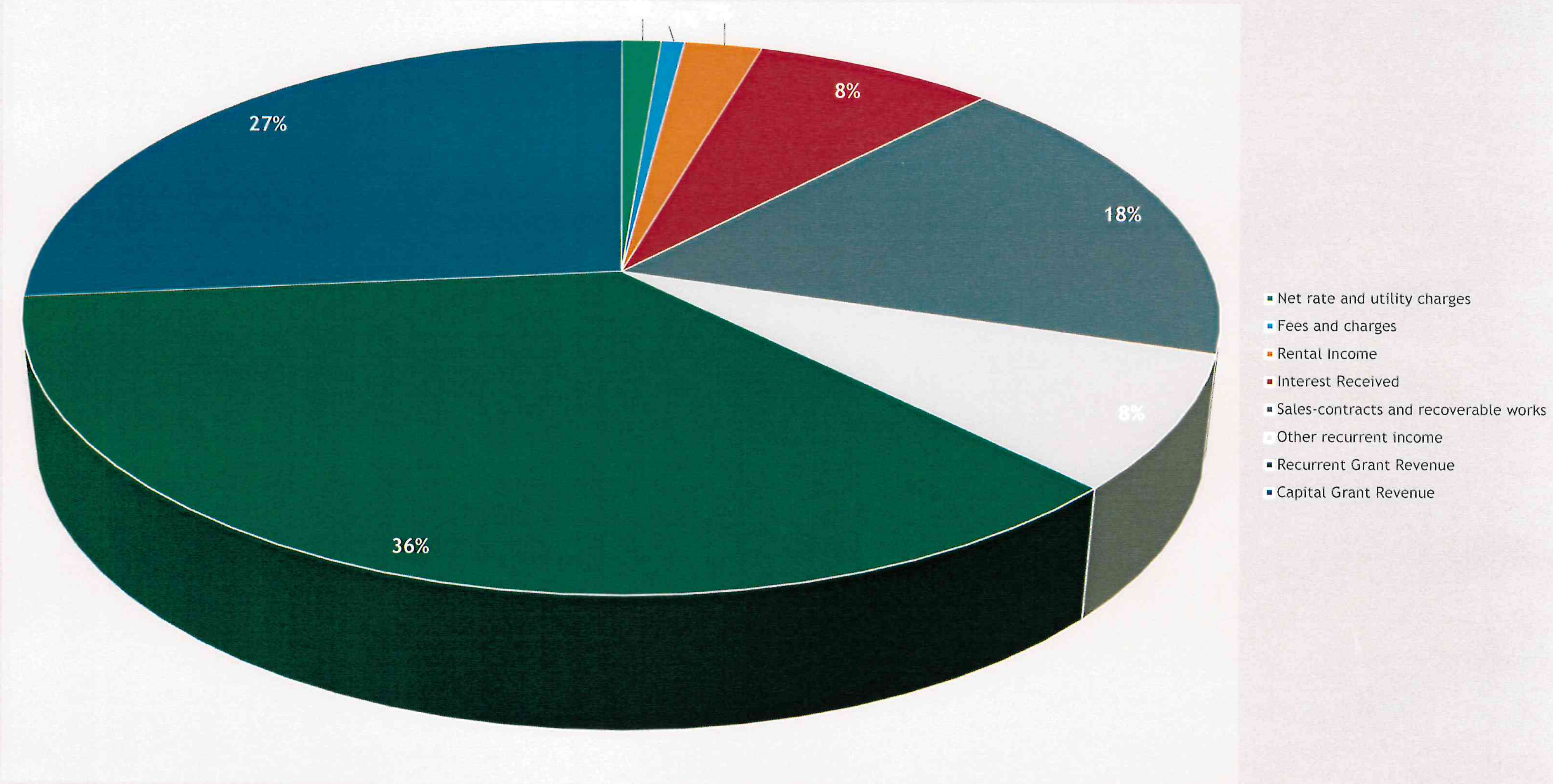
	THIS REPORT $	LAST REPORT	SHIFT $
Revenue			
Recurrent Revenue	18,009,090.18	15,013,262.97	**2,995,827.21**
Capital Revenue	6,516,814.88	6,516,814.88	**0.00**
Total Income	24,525,905.06	**21,530,077.85**	**2,995,827.21**
Expenses			
Recurrent Expenses	17,949,542.49	15,169,596.82	2,779,945.67
Total Expenses	17,949,542.49	**15,169,596.82**	**2,779,945.67**
Net Income	6,576,362.57	**6,360,481.03**	**215,881.54**

Profit and Loss

Profit and Loss Statement for the period 1 July 2025 to 31 May 2026 (compared to same period last four years)

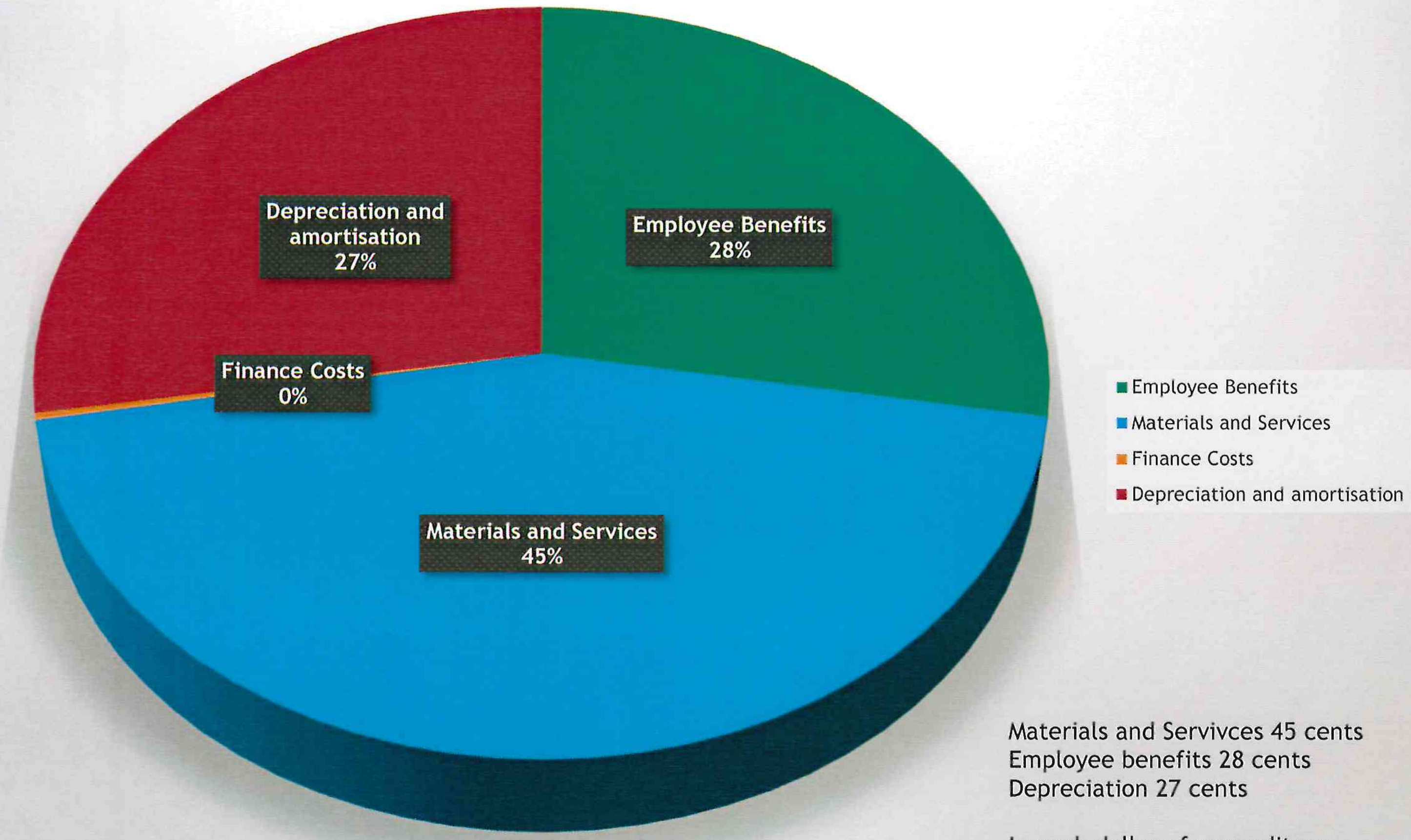
	To 31 May 2026	To 31 May 2025	To 31 May 2024	To 31 May 2023	To 31 May 2022
Revenue					
Recurrent Revenue	18,009,090	19,030,861	13,387,657	15,158,014	13,145,692
Capital Revenue	6,516,815	5,308,299	1,914,521	4,448,704	4,134,889
Total Income	**24,525,905**	**24,339,160**	**18,845,811**	**19,606,718**	**17,280,582**
Expenses					
Recurrent Expenses	17,949,542	16,293,642	17,524,475	16,032,317	14,659,499
Total Expenses	**17,949,542**	**16,293,642**	**17,524,475**	**16,032,317**	**14,659,499**
Net Income	**6,576,362**	**8,045,517**	**1,321,336**	**3,574,401**	**2,621,083**

Main Sources of Council Income



Expenditure

Main Sources of Council Expenditure



Materials and Servivces 45 cents
Employee benefits 28 cents
Depreciation 27 cents

In each dollar of expenditure

Employee Benefits	4,956,133
Materials and Services	7,998,624
Finance Costs	53,427
Depreciation and amortisation	4,941,357
Total	17,949,542

Financial Position

Assets

Balance Sheet Statement as at 31 May 2026 (with comparison to last report)

	This Report $	Last Report $	Shift $
Assets			
Current Assets			
Cash and Cash Equivalents	60,969,793	61,580,181	(610,388)
Trade and Other Receivables	1,377,360	1,475,161	97,801
Inventories	668	668	-
Other Assets	0.15	0.15	-
Total Current Assets	**62,307,822**	**63,056,011**	748,189
Non-Current Assets			
Trade and Other Receivables	19,698,662	19,698,662	-
Right of Use Assets	432,329	432,329	-
Property, Plant and Equipment	99,259,761	99,715,815	(456,054)
Capital Works in Progress	5,171,166	4,439,592	731,574
Total Non-Current Assets	**124,561,919**	**124,286,399**	320,679
Total Assets	**186,869,742**	**187,342,411**	(472,669)

Liabilities

Balance Sheet Statement as at 31 May 2026 (with comparison to last report)

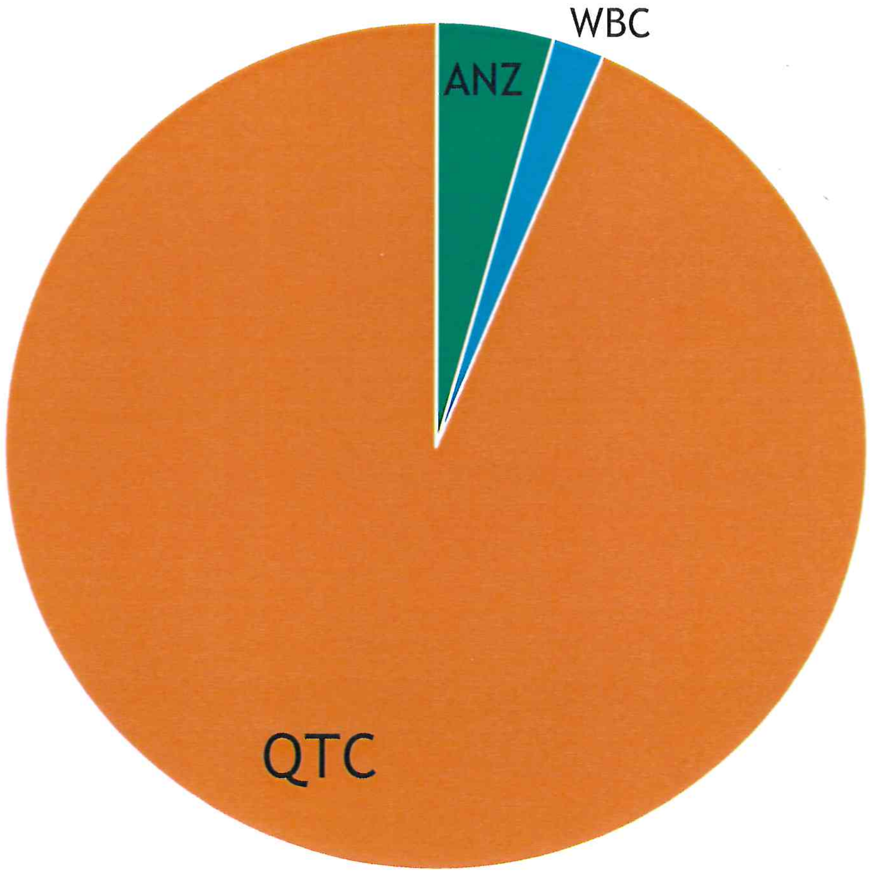
	This Report $	Last Report $	Shift $
Liabilities			
Current Liabilities			
Trade and Other Payables	294,590	283,556	11,530
Provisions	191,677	90,158	101,591
Lease Liability Current	517,650	517,650	-
Total Current Liabilities	**1,003,917**	**891,365**	112,552
Non-Current Liabilities			
Trade and Other Payables	4,148	4,148	1,548
Provisions	269,416	279,361	9,949
Lease Liability Non-Current	371,951	371,951	-
Total Non-Current Liabilities	**645,515**	**655,461**	9,946
Total Liabilities	**1,649,433**	**1,546,826**	102,607
Net Assets	**185,220,308**	**185,795,585**	575,277

Cash at bank-as at 31 May 2026

Council banking is with three banks

Westpac Banking Corporation-the main account

$1,185,230.84



Australia and New Zealand Banking Group-two funding accounts

$2,665,471.11

Total Cash Available

$60,861,123.13

Queensland Treasury Corporation-two high interest accounts

$57,010,421.18

Restricted v Unrestricted Cash Position

Restricted and Unrestricted Cash as at 31 April 2026

	Funding Type	$
Restricted Grant Funding	Capital	5,338,747
	Recurrent	340,245
	Total	**5,668,993**

Balance of Unrestricted Cash **55,192,130**

THE FUTURE OF CASH FLOW REPORTING_ILLUSTRATIVE ONLY

Hope Vale Aboriginal Shire Council
Statement of Cash Flows

For the year ended 30 June 2026

	Notes	2026 Actual
Cash flows from operating activities:		
Receipts from customers		9,640,998
Payments to suppliers and employees		(10,623,341)
		(982,343)
Dividends received		0
Interest received		1,871,996
Rental income		91,846
Income from investments		0
Borrowing costs		0
Net cash inflow (outflow) from operating activities	24	981,499
Cash flows from investing activities:		
Payments for property, plant and equipment		0
Payments for intangible assets		0
Net movement on loans and advances		0
Proceeds from sale of property, plant and equipment		0
Net cash inflow (outflow) from investing activities		0
Cash flows from financing activities		
Proceeds from borrowings		0
Repayment of borrowings		0
Repayments made on finance leases		0
Net cash inflow (outflow) from financing activities		0
Net increase (decrease) in cash held		981,499
Cash at beginning of reporting period		52,391,068
Cash at end of reporting period	10	58,313,975

Aged Receivables
Who owes us money

Key Notes

Total Balance as at 31 May 2026 $1,510,598.79

Over 90 days has a risk of non collection

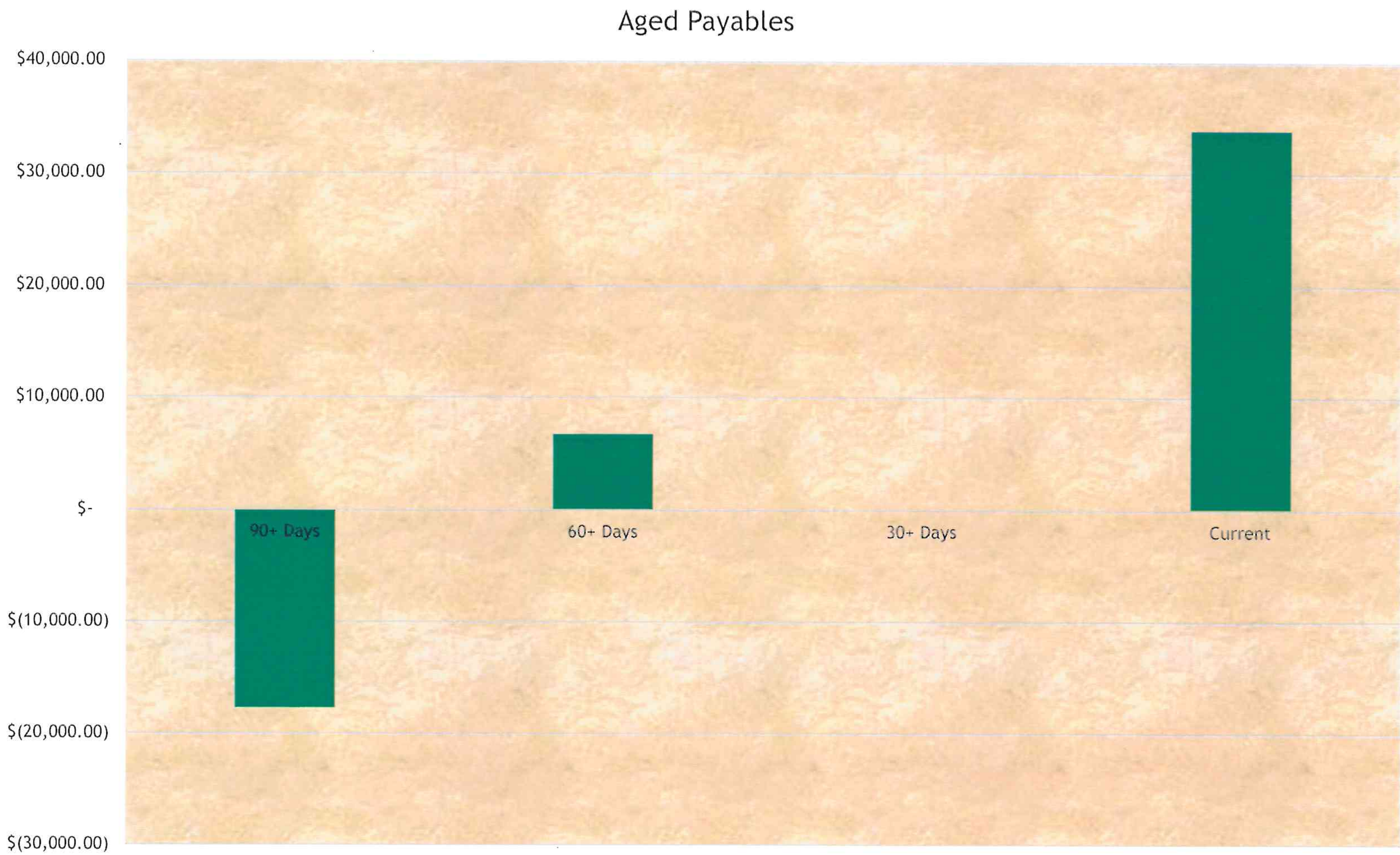
Note: Mostly child-care fees and lease fees

Aged Payables
Who we owe money to

Total Balance as at 31 May 2026

$22,853.33

We are giving more credit to the commercial community more than we are receiving



Financial Forecast

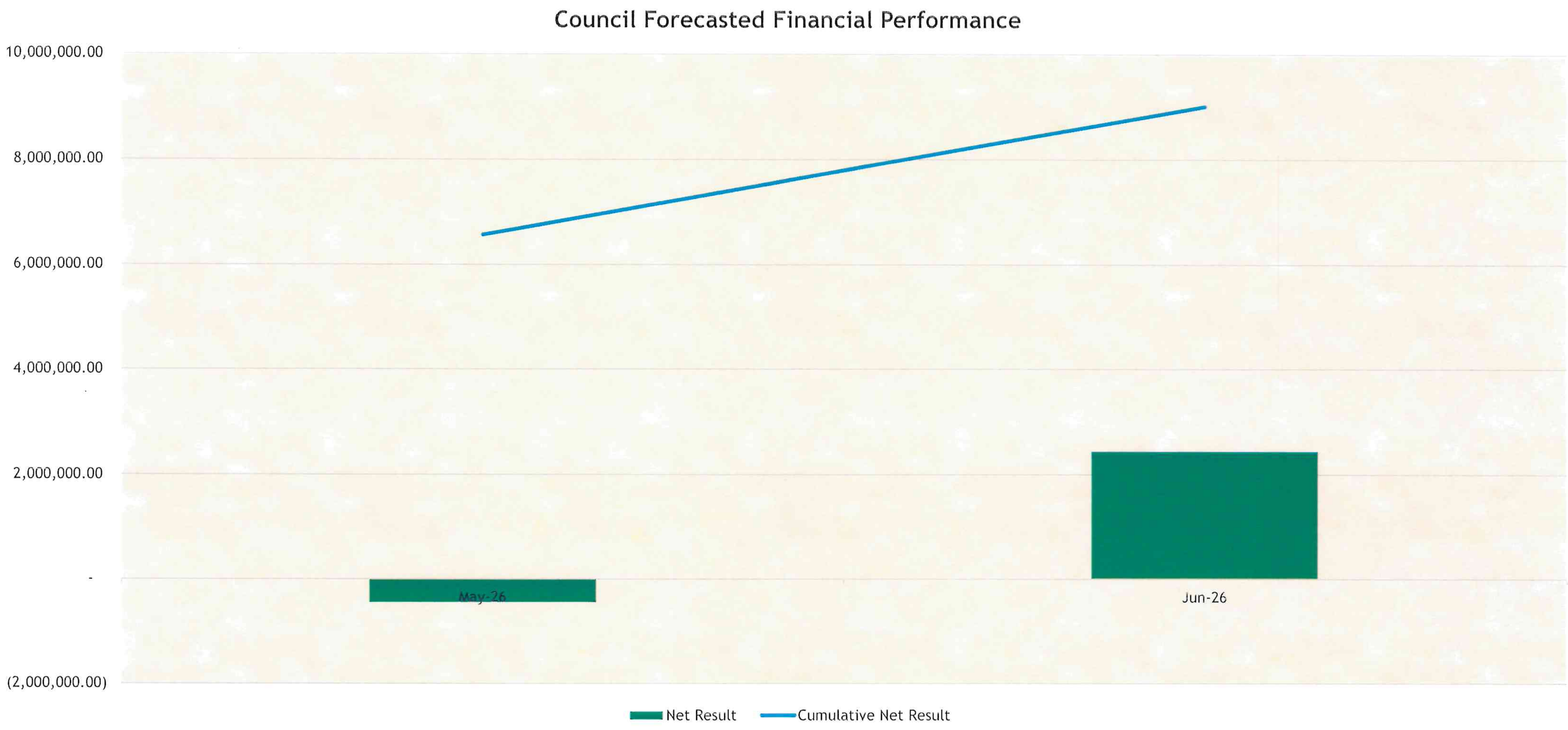
Financial Forecast

Financial Profit and Loss Forecast based on analysis of historical performance

	Actual Performance	Forecasted Performance	
	Period Ending 31 May 2026 $	June 2026 $	FYE 2026 $
Total Revenue	24,525,905.06	5,109,031	29,634,936
Total Expenses	-17,949,542.49	-2,675,776	-20,625,318
Net Result	6,576,362	2,433,255	9,009,618

Financial Forecast

Financial Profit and Loss Forecast based on analysis of historical performance



Sustainability Ratios

Sustainability Ratios

The below ratios represent Council's sustainability. The targets are indicated in *italics*.

1.

- Council Controlled Revenue Ratio

2.14%

- The portion of total revenue that relates to charges generated by Council's operations.

2.

- Operating Surplus Ratio

29.54%

- The surplus from operating revenue after operating expenses are deducted.

3.

- Operating Cash Ratio

50.38%
>0.00%

- The surplus from operating revenue after operating expenses are deducted (sans depreciation and finance costs).

4.

- Unrestricted Cash Expense Cover Ratio

61.99
>4

the unrestricted cash balance can meet expenses (sans depreciation and finance costs).

5.

- Asset Sustainability Ratio

29.92%
>90%

- Capital expenditure as a ratio compared to depreciation.

6.

- Asset Consumption Ratio

56.88%
>60%

- Written down value of infrastructure assets compared to their replacement cost.

Procurement Policy

Procurement Policy requires to be updated in line with Local Government Thresholds.

The new Threshold is $280.000.

That means any contract worth $280,000 or more must go to tender.

An invitation on Local Buy or Vendor Panel is accepted as a valid tender.

Procurement Policy Resolution

That Council approve the Procurement Policy

Moved by:
Seconded by:

CARRIED

Business Continuity Plan

The purpose of this plan is to ensure that Council is able to continue to deliver its critical business activities following a significant business interruption event. The plan aims to safeguard personnel, minimise damage to buildings and assets, and to restore services as quickly as possible.

The Business Continuity Plan needs to be regularly reviewed to ensure its adequacy.

Business Continuity Plan Policy Resolution

That Council approve the Business Continuity Plan Policy

Moved by:
Seconded by:

CARRIED

HOPE VALE

Ngurraar Waandaar

ABORIGINAL SHIRE COUNCIL

Procurement Policy

CG 21 : Corporate Governance

Reference ID	CG21
Issue Date	20 September 2012
Revision Date	17 June 2026
Authorisation	Council Resolution
Review Date	17 June 2027

CONTROLLED DOCUMENT

This electronic document is guranteed the most current

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Authority

Local Government Act 2009
Local Government Regulation 2012
Section 198

Purpose

The Hope Vale Aboriginal Shire Council (Council) seeks to use its procurement activities to advance Council priorities, and align with Council's Corporate Plan, while observing the principles governing the making of contracts required under the Local Government Act (LGA) 2009.

In doing so, the Council endeavors to achieve value for money with probity and accountability whilst ensuring that competitive local businesses that comply with relevant legislation are given a full, fair, and reasonable opportunity to supply the Council.

Council must prepare and adopt a Procurement Policy pursuant to section 198 of the Local Government Regulation 2012. The procurement policy must include details of the principles, including the sound contracting principles, that the Council will apply.

Council will operate under the Default Contracting Procedures of Chapter 6, Part 3 of the Local Government Regulation 2012 which sets out the prescribed requirements for medium sized contractual arrangements, large sized contractual arrangements, valuable non-current asset contracts and the process for tenders.

In accordance with section 104 of the Local Government Act 2009, Council will ensure it is financially sustainable by establishing a financial management system that has regard to the sound contracting principles when contracting for the supply of goods or services (including the carrying out of works) and the disposal of assets.

When carrying out procurement activities, Council will:

- Adhere to the Sound Contracting Principles as stipulated in section 104(3) of the Local Government Act 2009;
- Exercise responsible financial management and manage risk associated with procurement
- Act ethically and ensure that all procurement activities are within Council's legal and statutory obligations;
- Assess value over the whole operational life of the goods or services;
- Ensure all procurement activities are carried out in a professional manner and all Council officers have a clear understanding of their responsibilities and authority; and
- Foster relationships with suppliers, contractors and consultants in a manner that is ethical, efficient, effective, fair and transparent.

Sound Contracting Principles

The Hope Vale Aboriginal Shire Council is required to have regard to the following contracting principles in all procurement activities:

(a) value for money; and
(b) open and effective competition; and
(c) the development of competitive local business and industry; and

(d) environmental protection; and
(e) ethical behaviour and fair dealing.

The sound contracting principles do not require equal consideration to be given to each of them.

(a) Value for Money

Council will obtain value for money in its assessment of offers and when entering into a contract for the supply of goods or services or the disposal of assets by giving consideration to:

- the advancement of Council priorities and strategic objectives including buying local wherever possible;
- non-price factors such as fitness for purpose, quality, service, and support;
- cost related factors including whole-of-life costs and transaction costs associated with acquisition, use, holding, maintenance, and disposal;
- value adds, cost savings and/or discounts;
- technical compliance issues;
- mitigation of risk exposure; and
- benefits to the community.

(b) Open and Effective Competition

Procurement must be open and transparent and result in effective competition in the provision of all goods, services and works. Council must give fair and equitable consideration to all prospective suppliers by ensuring that:

- procurement and contracting processes are visible and transparent to Council, suppliers and the public;
- suppliers wishing to supply their goods and services have an equal opportunity to do business with Council and are given reasonable opportunities to do so; and
- invitations are specified in such a way as to encourage competition amongst suppliers, with a view to attracting the best value for money offers.

(c) The Development of Competitive Local Business and Industry

Council encourages development of competitive local business and industry when entering into contracts for the supply of goods or services, or for carrying out of works. In addition to price, performance, quality and suitability, Council may also consider the following factors:

- maximising the opportunity for suppliers of goods and services to be considered for Council business on the basis of merit and value for money;
- acknowledging that the local market is limited with respect to size, diversity and location when considering quotations, tenders, and expressions of interest from local suppliers of goods and services;
- supporting economic growth within the Hope Vale Shire local government area and region;
- furthering the establishment of a diverse supply chain with particular focus on entities that aim to deliver social, economic and environmental value to the Hope Vale Shire local government area.

(d) Environmental Protection

Council will seek to complement its broader environmental responsibilities when conducting procurement activities. While conducting those activities, Council will have regard to a range of environmental factors including:

- the procurement of environmentally responsible goods and services that satisfy the value for money criteria; and
- fostering the development of products and processes of low environmental impact; and
- providing an example to business, industry, and the community by promoting the use of environmentally responsible goods and services.

(e) Ethical Behaviour and Fair Dealing

Council will conduct procurement activities with impartiality, fairness, independence, openness, integrity and professionalism to ensure probity, transparency and accountability for outcomes. Council will promote ethical behaviour and fair dealing by:

- establishing and observing accountable and transparent purchasing and procurement processes;
- ensuring that Council officers with purchasing and procurement responsibilities behave with impartiality, fairness, independence, openness, integrity and professionalism in their dealings with suppliers and their representatives;
- identifying and managing possible, real or perceived conflicts of interest between Council, Council Officers, Councillors and prospective or existing contractors;
- reviewing relationships with suppliers who are found to be conducting themselves unethically; and
- ensuring compliance with Employee and Councillor Codes of Conduct.

Council officers responsible for purchasing goods and services are to comply with these instructions.

It is the responsibility of each Council employee involved in the procurement process to understand this policy as well as its meaning and intent. Should an employee have any questions, they are to be raised with their respective supervisor or manager.

Goods and Services Tax

All values for the purpose of this Procurement Policy are to be exclusive of GST where applicable.

Financial Delegation

The Council delegates the Chief Executive Officer as the authority to incur financial expenditure on behalf of Council under the following provisions:

- where expenditure has been provided for in Council's budget; or
- in the opinion of the Chief Executive Officer such expenditure is required because of genuine emergency or hardship.

Other officers may only incur expenditure on behalf of the Council if:

- the officer has been granted a financial delegation by the Chief Executive Officer and such delegation is recorded;
- expenditure is provided for in Council's budget; or

- in the case of genuine emergency or hardship and the power to incur expenditure in these circumstances has also been delegated.

Procurement Delegation

The Chief Executive Officer is authorised to enter into contracts on behalf of Council with the expenditure delegation provided for in this policy on financial delegation.

Other officers can only enter into contracts on behalf of Council in accordance with a delegation granted by the Chief Executive Officer and recorded in the register of delegations.

Emergencies

In recognition that full compliance with existing Council procurement procedures may not support Council's needs during a critical or emergency incident, an alternative procurement process may operate during the incident. This alternative process aims to accommodate urgent Council needs, while ensuring that the procurement process adopted is reasonable and conducted with appropriate consideration of standard procurement principles.

Any emergency procurement must be authorised by the Chief Executive Officer or other delegated or legislated authority, once a critical or emergency incident has been declared. Such incidents are:

- A state of disaster declared under the Disaster Management Act 2003, or any other emergency declaration made by the State's Premier under an enactment;
- Any incident declared by the Chief Executive Officer where the safety or security of any person or property associated with the Council is threatened; and
- An incident to which the Chief Executive Officer has authorised the provision of urgent support.

Once the immediacy of the incident has passed, all procurement expenditure must be reconciled and as soon as practical, a report must be presented to Council to authorise the unapproved expenditure, where this expenditure exceeds delegation, and the methodology by which it was incurred. The Council Resolution must define the genuine emergency situation (such as natural disaster), as well as delegate authority.

Recurring Operational Expenditure

Where purchasing activities are recurring in nature, it is considered not practical to obtain quotes. Examples of recurring expenditure include insurances, vehicle registrations, audit fees, electricity, telecommunications, annual memberships, information and technology services/licences, flights and accommodation, workcover. The examples provided are indicative only and not exhaustive. Queries regarding other instances of recurring expenditure should be directed to the Director of Finance and Corporate Services who may determine if expenditure is recurring.

Procurement Requirements that Apply to Contractual Arrangements

The Local Government Regulation 2012 details what Council must do before it enters into:

(a) a medium-sized contractual arrangement; or
(b) a large-sized contractual arrangement; or
(c) a valuable non-current asset contract.

The following table details the threshold values and whether requirements apply.

Goods and Services Value	Minimum Requirements	Procurement Exemptions Available
Expected to be worth up to **$5,000**	Maintain sound contracting principles	Not applicable
Expected to be worth **$5,000** or more, but less than **$15,000**	Must invite two (2) written or verbal quotes first	Yes
Medium-sized contractual arrangement Expected to be worth $15,000 or more, but less than $280,000	Must invite three (3) written quotes first	Yes
Large-sized contractual arrangement Expected to be worth $280,000 or more	Must invite written tenders first	Yes
Valuable non-current asset contract For plant or equipment - $5,000 For another type of non-current asset - $10,000	Must invite written tenders first or offers the non-current asset for sale by auction	Yes

<u>Goods and Services expected to be worth, exclusive of GST, up to $5,000</u>

Goods and services expected to be worth up to $5,000.00 may be approved without seeking written or verbal quotations provided sound contracting principles and Local Government principles (including reasonableness, transparency, and governance) are maintained.

<u>Goods and Services expected to be worth, exclusive of GST, $5,000 or more, but less than $15,000</u>
Goods and services expected to be worth $5,000.00 or more, but less than $15,000, are to be acquired by:

- entering into a purchasing arrangement where practical with a supplier -
  - contractor on an Approved Contractor List (ACL);
  - a supplier on a Register of Prequalified Suppliers (ROPS);
  - a supplier on a Preferred Supplier Arrangement (PSA);
  - a supplier on another LGA arrangement; or
- inviting at least two (2) verbal or written quotes.

Medium-sized Contractual Arrangement – Quotes Needed First

<u>Goods and Services expected to be worth, exclusive of GST, $15,000 or more, but less than $280,000</u>

For goods and services expected to be worth $15,000 or more, but less than $280,000, Council must invite written quotations before making a contract for the carrying out of work, or the supply of goods or services.

The invitation must be given to at least 3 persons who the local government considers can meet the local government's requirements at competitive prices.

The Council may decide not to accept any of the quotes it receives.

However, if the Council does decide to accept a quote, the Council must accept the quote most advantageous to it having regard to the sound contracting principles.

Large-sized Contractual Arrangement – Tenders Needed First

Goods and Services expected to be worth, exclusive of GST, $280,000 or more

Council must invite tenders before making a contract for the carrying out of work, or the supply of goods or services expected to be worth $280,000 or more in a financial year. The tender invitation must:

- be published on Councils website for at least 21 days; and
- allow written tenders to be given to Council while the invitation is published on the website.

Also, Council must take all reasonable steps to publish the invitation for tenders in another way to notify the public about the tender process.

Council retains the authority to order goods and services involving a cost of more than $280,000 but may delegate this authority to the Chief Executive Officer once the expenditure has been approved by Council.

Valuable Non-current Asset Contract – Tenders or Auction Needed First

A valuable non-current asset contract is a contract for the disposal of a valuable non-current asset. The disposal of a valuable non-current asset by Council includes the disposal of all or any part of an interest in the asset.

A valuable non-current asset is:

- land; or
- another non-current asset that has an apparent value that is equal to or more than a limit set by the Council.

A limit set by the Council cannot be more than the following amount:
for land —$1;

- for plant or equipment —$5,000;
- for another type of non-current asset—$10,000.

Council cannot enter into a valuable non-current asset contract unless it first:

- invites written tenders for the contract; or
- offers the non-current asset for sale by auction.

Tenders

Council cannot enter into a large-sized contractual arrangement unless the Council first invites written tenders for the contract under section 228 of the Local Government Regulation 2012.

The invitation must:-

- be published on Councils for at least 21 days; and
- allow written tenders to be given to Council while the invitation is published on the website.

Also, Council must take all reasonable steps to publish the invitation for tenders in another way to notify the public about the tender process.

If an invitation to tender states that the Council might later invite all tenderers to change their tenders to take account of a change in the tender specifications; and

- the Council does change the tender specifications;

the Council may invite all the persons who submitted a tender to change their tender to take account of the change, before making a decision on the tenders.

Calling for Expressions of Interest

Council may invite expressions of interest before inviting tenders if it resolves that it is satisfied that it would be in the public interest.

Council must record its reasons for making the resolution.

Expressions of interest must be invited by invitation. The invitation must: -

- be published on Councils website for at least 21 days; and
- allow written tenders to be given to Council while the invitation is published on the website.

Also, Council must take all reasonable steps to publish the invitation for expressions of interest in another way to notify the public about the tender process.

Council may prepare a short list from the persons who responded to the invitation and invite tenders from the persons on the short list.

Acceptance of Tender Quotation

If Council decides to accept a tender or quotation, it must accept the tender or quotation most advantageous to it.

In deciding the tender or quotation most advantageous to it, Council must have regard to the principles identified in this policy.

However, Council may decide not to accept any tender or quotation available to it.

Exceptions to Seeking Tenders or Quotations

Exception if quote or tender consideration plan prepared

Council may enter into a medium-sized contractual arrangement or large-sized contractual arrangement without first inviting written quotes or tenders if Council:

- decides, by resolution, to prepare a quote or tender consideration plan; and
- prepares and adopts the plan.

A quote or tender consideration plan is a document stating –

- the objectives of the plan; and
- how the objectives are to be achieved; and
- how the achievement of the objectives will be measured; and

- any alternative ways of achieving the objectives, and why the alternative ways were not adopted; and
- the proposed terms of the contract for the goods or services; and
- a risk analysis of the market from which the goods or services are to be obtained.

Exception for contractor on approved contractor list

This exception applies to a medium-sized contractual arrangement or large-sized contractual arrangement for services.

Council may enter into the contract without first inviting written quotes or tenders if the contract is made with a contractor who is on an approved contractor list.

An approved contractor list is a list of persons who Council considers to be appropriately qualified to provide the services.

The Council must put together the approved contractor list by –

- publishing an invitation for expressions of interest from suitably qualified persons for at least 21 days on Councils website; and
- taking all reasonable steps to publish the invitation in another way to notify the public about the making of the approved contractor list; and
- allowing written expressions of interest to be given to Council while the invitation is published on the website; and
- choosing persons for the approved contractor list on the basis of the sound contracting principles.

Exception for register of pre-qualified suppliers

This section applies to a medium-sized contractual arrangement or large-sized contractual arrangement for the supply of goods or services.

Council may enter into the contract without first inviting written quotes or tenders if the contract is entered into with a supplier on a register of pre-qualified suppliers.

A pre-qualified supplier is a supplier who has been assessed by Council as having the technical, financial and managerial capability necessary to perform contracts on time and in accordance with agreed requirements.

The Council may establish a register of pre-qualified suppliers of particular goods or services only if –

- the preparation and evaluation of invitations every time the goods or services are needed would be costly; or
- the capability or financial capacity of the supplier of the goods or services is critical; or
- the supply of the goods or services involves significant security considerations; or
- a precondition of an offer to contract for the goods or services is compliance with particular standards or conditions set by Council; or
- the ability of local business to supply the goods or services needs to be discovered or developed.

The Council must invite suppliers to tender to be on a register of pre-qualified suppliers. The invitation must –

- be published on Councils website for at least 21 days; and
- allow written tenders to be given to Council while the invitation is published on the website.

Also, Council must take all reasonable steps to publish the invitation in another way to notify the public about establishing the register of pre-qualified suppliers.

When selecting a supplier to be a pre-qualified supplier for the register, the Council must have regard to the sound contracting principles.

Exception for a preferred supplier arrangement

This exception applies to a medium-sized contractual arrangement or large-sized contractual arrangement for goods or services if Council –

- needs the goods or services -
    - in large volumes; or
    - frequently; and
- is able to obtain better value for money by accumulating the demand for the goods or services; and
- is able to describe the goods or services in terms that would be well understood in the relevant industry.

Council may enter into a contract for the goods or services without first inviting written quotes or tenders if the contract is entered into with a preferred supplier on a preferred supplier arrangement.

Council must invite persons to tender for a preferred supplier arrangement. The invitation to tender for a preferred supplier arrangement must –

- be published on Councils website for at least 21 days; and
- allow written tenders to be given to Council while the invitation is published on the website; and
- describe the terms of the preferred supplier arrangement.

Also, the Council must take all reasonable steps to publish the invitation in another way to notify the public about the tender process.

When selecting a person to be a preferred supplier under a preferred supplier arrangement, the Council must have regard to the sound contracting principles. The Council must ensure the terms of the preferred supplier arrangement allow the contract to be cancelled for the poor performance of the preferred supplier.

A preferred supplier arrangement may be entered into for a term of more than 2 years only if Council is satisfied the longer term will result in better value for the local government. The term of a preferred supplier arrangement includes any period provided for under the arrangement by which the term of the arrangement can be extended.

Exception for LGA arrangement

Council may enter into a contract for goods and services without first inviting written quotes or tenders if the contract is entered into under an LGA arrangement.

An LGA arrangement is an arrangement that –

(a) has been entered into by -
   i. LGAQ Ltd; or
   ii. a company (the associated company) registered under the Corporations Act, if LGAQ Ltd is its only shareholder; and

(b) if LGAQ Ltd or the associated company were a local government, would be either -
   iii. a contract with an independent supplier; or
   iv. a contract with an independent supplier entered into under a preferred supplier arrangement.

An independent supplier is an entity other than a subsidiary (a relevant subsidiary) of LGAQ Ltd or the associated company under the Corporations Act.

An LGA arrangement may include a contract with a relevant subsidiary from a register of pre-qualified suppliers or a preferred supplier arrangement with a relevant subsidiary if the arrangement is approved by the Minister.

<u>Other Exceptions</u>

Council may enter into a medium-sized contractual arrangement or large-sized contractual arrangement without first inviting written quotes or tenders if –

- the Council resolves it is satisfied that there is only one (1) supplier who is reasonably available (sole suppliers); or
- the Council resolves that, because of the specialised or confidential nature of the services that are sought, it would be impractical or disadvantageous for Council to invite quotes or tenders (specialised suppliers); or
- a genuine emergency exists; or
- the contract is for the purchase of goods and is made by auction; or
- the contract is for the purchase of second-hand goods; or
- the contract is made with, or under an arrangement with, a government agency.

<u>Sole and Specialised Suppliers</u>

Where the required goods or services are available only from one original source or available from only one stockist, agent or supplier with relative ease of accessibility to Council, the supply of those goods and or services can be applied for under a sole supplier arrangement via a Council Resolution. Sole and Specialised Suppliers are used in instances where only one supplier is available due to specialised or unique services, or where services are confidential in nature that makes it disadvantageous or impractical to undertake a competitive procurement process.

Each Council department provides a report on a bi-annual basis listing all proposed or engaged sole and specialised supplier arrangements for the financial year for adoption by Council.

<u>Exceptions for valuable non-current asset contracts</u>

Council may dispose of a valuable non-current asset other than by tender or auction if –

(a) the valuable non-current asset -
   I. was previously offered for sale by tender or auction but was not sold; and
   II. is sold for more than the highest tender or auction bid that was received; or

(b) the valuable non-current asset is disposed of to -
  I. a government agency; or
  II. a community organisation; or
(c) for the disposal of land or an interest in land -
  I. the land will not be rateable land after the disposal; or
  II. the land is disposed of to a person whose restored enjoyment of the land is consistent with Aboriginal tradition or Island custom; or
  III. the disposal is for the purpose of renewing the lease of land to the existing tenant of the land; or
  IV. the land is disposed of to a person who owns adjoining land if -
    - the land is not suitable to be offered for disposal by tender or auction for a particular reason, including, for example, the size of the land or the existence of particular infrastructure on the land; and
    - there is not another person who owns other adjoining land who wishes to acquire the land; and
    - it is in the public interest to dispose of the land without a tender or auction; and
    - the disposal is otherwise in accordance with sound contracting principles; or
  V. all or some of the consideration for the disposal is consideration other than money, for example, other land given in exchange for the disposal, if -
    - it is in the public interest to dispose of the land without a tender or auction; and
    - the disposal is otherwise in accordance with sound contracting principles; or
  VI. the disposal is for the purpose of a lease for a telecommunication tower; or
  VII. the disposal is of an interest in land that is used as an airport or for related purposes if -
    - it is in the public interest to dispose of the interest in land without a tender or auction; and
    - the disposal is otherwise in accordance with sound contracting principles; or
(d) for the disposal of a valuable non-current asset, other than land, by way of a trade-in for the supply of goods or services to Council -
  I. the supply is, or is to be, made under this part; and
  II. the disposal is, or is to be, part of the contract for the supply; or
(e) for the disposal of a valuable non-current asset by the grant of a lease – the grant of the lease has been previously offered by tender or auction, but a lease has not been entered into; or
(f) the Minister exempts Council from complying with section 227 of the Local Government Regulation.

1) An exception mentioned in subsection (a) to (e) applies to Council disposing of a valuable non-current asset only if, before the disposal, the Council has decided, by resolution, that the exception may apply to the Council on the disposal of a valuable non-current asset other than by tender or auction.

2) Council may only dispose of land or an interest in land under this section if the consideration for the disposal would be equal to, or more than, the market value of the land or the interest in land, including the market value of any improvements on the land.

3) However, this does not apply if the land or interest in land is disposed of under subsection (1)(b), (1)(c)(ii) or (1)(f).

4) A written report about the market value of land or an interest in land from a valuer registered under the Valuers Registration Act 1992 who is not an employee of Council is evidence of the market value of the land or the interest in land.

An exemption under subsection (f) may be given subject to conditions.

Publishing details of contractual arrangements worth $280,000 or more

Council must, as soon as practical after entering into a contractual arrangement expected to be worth $280,000 or more (exclusive of GST) –

(a) publish the relevant details of the contractual arrangement on Councils website; and
(b) display the relevant details of the contractual arrangement in a conspicuous place in the Councils public office.

The details of a contract will include the following –

(a) the person with whom the local government has entered into the contractual arrangement;
(b) the value of the contractual arrangement;
(c) the purpose of the contractual arrangement.

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Business Continuity Plan

CG 3 : Corporate Governance

Reference ID	CG3
Issue Date	28 November 2018
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Executive Summary

Hope Vale Aboriginal Shire Council (Council) undertakes a number of critical functions within the community some of which include: the operation of an aerodrome, the storage and treatment of water for drinking, the collection and treatment of sewerage, the provision of drainage systems, the building and maintenance of roads and bridges, the collection and disposal of waste, the operation of landfill sites, the operation of a local cemetery, the regulation of activities which affect the quality of the environment including air, noise and water, and the provision of public health services such as food licences and monitoring of mosquito breeding.

An event which interrupts the Council's ability to perform any of these critical functions must be planned for and mitigated against. Each department of Council has interdependence on each other as well as dependencies on external agencies such as materials and service providers. As such, each department of Council has a role in the development, review and discharge of a Business Continuity Plan (BCP).

Where necessary, this Business Continuity Plan should also be read and enacted in conjunction with the Hope Vale Aboriginal Shire Council Disaster Management Plan

Objective

The purpose of this plan is to ensure that Council is able to continue to deliver its critical business activities following a significant business interruption event. The plan aims to safeguard personnel, minimise damage to buildings and assets, and to restore services as quickly as possible.

Scope

The plan has been developed to be as flexible as possible and can be applied to any of Council's business locations and services.

Review

The Business Continuity Team (BCT) will review the Business Continuity Plan annually.

Authority

The decision to invoke the Business Continuity Plan is the responsibility of the Chief Executive Officer (CEO) or a delegated officer.

Roles and Responsibilities

Role	Responsibilities
Chief Executive Officer	• Decision to activate the BCP • Co-ordinate the overall management of any business interruption event to bring together all necessary people and resources to cover all aspects/ implications of an event. • Provide a focal point to ensure the public and media receive correct and non-contradictory information.

	• Manage development and implementation of the BCP. • Co-ordinate regular testing of plans and report the results to Managers. • Provide advice to the BCT in the event of plan invocation. • Co-ordinate ongoing review and BCP training.
HR Representative	• Provide employee assistance such as medical assistance, counselling, insurance claims, payroll duties etc. • Liaise with victims' families • Provide recruitment support
IT Manager	• Resolve systems, networks and applications issues • Provide status updates to BCT
Business Continuity Team (BCT) Members – Senior Management Team	• Direct, coordinate and monitor all restoration, relocation and recovery operations for their business units. • Minimise any further losses and salvage recoverable resources • Act as an arbitrator in the resolution of issues that may arise in the development, implementation or activation of the BCP. • Contact key personnel required for the restoration of services • Determine the restoration strategy for the particular interruption scenario faced. • Monitor the progress of their respective departments. Confirm tasks are completed on time and to an acceptable standard. • As part of an ongoing risk reduction strategy, ensure that the business interruption reduction methods outlined in this plan are implemented. • Ensure that compliance measures are met throughout the business interruption event. Where compliance measures are unable to be met, issue appropriate notifications.

Definitions

Business Continuity Management: Business Continuity Management provides for the availability of processes and resources in order to ensure the continued achievement of critical objectives.

Business Interruption: Any event, whether anticipated (i.e. public service strike) or unanticipated (i.e. blackout) which disrupts the normal course of business operations at an organisation location.

Continuity Plan Requirements

Business Continuity Team

The Business Continuity Team, upon advice from the Chief Executive Officer, will assess the interruption of business services including damage to the building, assets, infrastructure, services and records. The team will work to control and coordinate recovery and will make recommendations to the Chief Executive Officer. The team will consist of officers from the following functions:

- Finance and Corporate Services including Human Resources
- Operations including Building, Civil and Works Depot
- Social Services
- Essential Services including Water, Sewerage and Waste collection

Alternative Operations Centres

Should the Hope Vale Shire Council Administration Office be destroyed or long-term access to this site be denied, operations will be set up at one of the designated alternative sites, at the direction of the Chief Executive Officer. Alternative sites could be:

- Hope Vale Shire Council Cairns office
- Hope Vale Works Depot
- Hope Vale Multi-Purpose Centre
- A temporary office in Cooktown

Required Resources

Required resources will be identified by the Business Continuity Team according to the circumstances of each event. The following requirements will be considered:

- Number of workstations required to deliver critical services
- Communication requirements of each business unit
- Availability of regular or alternate suppliers
- Counselling services (if applicable)
- Transport assistance for staff (if applicable)
- Staff needs (support for families etc.)

Business Continuity Plan

This Business Continuity Plan covers four (4) categories of business interruption events:

1. Loss of Key Personnel
2. Loss of Facility/Asset
3. Loss of Information
4. Loss of Access (Facility/Asset/Information)

1. Loss of Key Personnel

This covers business interruptions that result in the loss of key personnel and include, but is not limited to:

- Pandemic
- Epidemic
- Extended sickness
- Multiple key personnel suddenly resigning
- Death

Business Interruption Reduction Methods

- Each section to ensure that key personnel are backed up by another officer who knows the appropriate key processes
- Each section to maintain a list of preferred suppliers
  - E.g. Register of Prequalified Suppliers
- Each section to maintain documented procedures for key processes and positions
- Identify employment agencies or service providers capable of providing skilled temporary staff at short notice

Emergency Response (Stabilise Environment)

- Advise employees of situation
- Review of critical task requirements
- Review skills available to assign officers accordingly
- Prioritise services to be available, and advice to the public
- Keep Council informed
- Recover assets (keys, etc.) – refer to each Key Register
- If necessary, seek outside expert advice
- In case of food poisoning, advise State Health Department
- Link employees with counselling services if appropriate
  - Council EAP service
  - Apunipima officers

Recovery Procedures

- Review operational functions of key department personnel
- Identify work/tasks already planned
- Re-allocate work/tasks
- Identify critical skills needed and request personnel from other departments
- Recruit outside expertise
- At the completion of temporary assignments, arrange full debriefing hand over.

Recovery Timetable

Recovery is deemed to be at a point when Council can provide a reasonable level of service before full recovery. It is expected that in the event of loss of key personnel, all Council services would either remain operational or be restored within one (1) day.

2. Loss of Facility / Asset

This covers business interruptions that result in the destruction of the facility, department or asset and includes, but is not limited to:

- Fire
- Cyclone
- Flood
- Impact by aircraft
- Bomb/explosion
- Sabotage

Business Interruption Reduction Methods

- Undertake a full review of insurance coverage every year.
- Maintain corporate risk register

If Cyclone Threat

- Review Business Continuity Plan with Business Continuity Team
- Review LDMG capabilities
- Secure important records/data, noting that critical records are generally captured and preserved electronically
- Check that alternative site is available
- Ensure that valuable records/data are placed in strong room and silicone the door if necessary
- Conduct building inspection
- Secure all loose items in and around the building
- Review staffing requirements for during the Cyclone event

If Flood Threat

- Review Business Continuity Plan with Business Continuity Team
- Review LDMG capabilities
- Check that alternative site is available
- Ensure that valuable records/data are placed in strong room and silicone the door if necessary
- Remove all items in and around the building that may be affected by flood water
- Relocate necessary items, records and data to alternative site, noting that records are captured electronically

Emergency Response (Stabilise Environment)

- Evacuate building under Chief Warden's instructions
- Contact Business Continuity Team and meet as soon as possible
- Gain approval to re-enter the building from the Chief Warden
- Assess damage – BCT members to assess their area of responsibility.
- Inform insurance company of damage

- Salvage equipment/records. Check off all equipment against Asset Register.
- Determine whether to relocate to alternative site – liaise with CEO.
- Advise staff and public of situation. Request that CEO make suitable announcements.
- Determine staff availability
- Prioritise service recovery
    - Health
    - Water and Sewerage services
    - Records
    - Customer Service
    - Payroll
    - Accounts Receivable and Payable

Assess the timeframe of the business interruption event and, if necessary, investigate more permanent alternative sites.

<u>Recovery Procedures</u>

- Assess the time needed to recover the building.
- If appropriate, arrange temporary repairs.
- If necessary, relocate to alternative site.
- Compile estimate for emergency funding and submit to Council.
- Request computer needs from IT and develop workable recovery solution with Managed Services provider
- Request Administration to purchase office supplies and stationery
- Check other services (water/electricity)
- Request temporary signs as necessary
- Request phone services
- Clean up and secure area
- Prioritise rebuilding and commencement of services
- Determine staffing requirements
- Advise employees of proposed actions and their role
- Establish computer and communications system recovery.

3. Loss of Information

This covers business interruptions that result in the destruction of information (both hard copy and electronic). Possible causes include:

- Water damage
- Computer virus
- Major IT failure
- Fire
- Mould/mildew
- Sabotage

Business Interruption Reduction Methods

- Ensure that all vital records are identified and protected
- Ensure all vital documents are scanned into data
- Ensure regular backup and verification of data is carried out daily and data is stored offsite
- Ensure all external forms are on the Internet and internal forms are on the Intranet
- Ensure all software and hardware upgrades allow for backwards compatible storage of data
- Investigate merits of maintaining onsite storage capability should external data links fail
- Investigate installation of redundancy technology (satellite internet) should cable connectivity be lost

Emergency Response (Stabilise Environment)

- Contact Business Continuity Team and meet as soon as possible
- Gain approval to enter office from Executive Sponsor
- Take steps to minimise damage from water and electricity
- Assess damage. BCT members to assess their area of responsibility
- Salvage data/records. Don't assume that records are unsalvageable. In accordance with advice from Queensland State Archives if a significant volume of records/data are damaged, consult with a commercial salvage provider immediately
- Damaged public records to be identified and documented in preparation for recovery
- Identify staff availability
- Prioritise data rebuild
- Request data/records from other sources
- Council's Managed Services Provider
- Advise public of services to be made available. Request that CEO make suitable announcements.
- If required and available, engage back-up connection (satellite)

Recovery Procedures

- If necessary, relocate to temporary site
- Complete a formal application for notification for lost records, or early disposal of damaged records to be submitted to the State Archivist for approval. Compile estimate for emergency funding, and submit to Council
- Assess resources needed to assist in rebuilding data/records system
- Implement hard copy processes if necessary. Access necessary forms from the Internet and Intranet.
- Seek expert assistance in recovering records
- Recover and restore essential records/data where possible. Administration Coordinator to arrange destruction of unrecoverable records after approval from the CEO and/or State Archives

4. Loss of Access (Facility / Asset / Information)

This category of business interruption is different from those outlined above. Facilities, assets and information are **not lost but** become **unavailable** for an extended period of time.

Causes may include:

- Prolonged electricity failure
- Air-conditioning/site contamination
- Prolonged industrial action
- Cyber Security IT breach

Business Interruption Reduction Methods

- Maintain and monitor building access to prevent unauthorised persons from gaining access to buildings
- Maintain a policy of not allowing application of pesticides or other hazardous treatments during working hours
- Review security access levels progressively throughout the year in line with this and other relevant plans
- Review operational status of standby generators
- Obtain temporary ventilation and lighting (electricity blackout)
- Maintain and monitor IT access to prevent unauthorised persons from gaining access to IT systems

Emergency Response (Stabilise Environment)

Loss or Interruption of Access to Facility:

- Contact Business Continuity Team and meet as soon as possible
- Establish duration of lost access to facility
- Advise public of situation. Request that CEO makes suitable announcements
- Ensure that communication is maintained throughout Council
- Prioritise essential services
- Determine staff availability
- Arrange alternative site from which to operate
- Secure building

Loss or Interruption of Access to Department:

- Contact Business Continuity Team and meet ASAP
- Establish duration of lost access to department
- Determine staff availability
- Arrange temporary office accommodation

Loss or Interruption of Access to Information:

- Council's website is also available through Cloud technology

- If loss of access is due to loss of connectivity, consider backups (e.g. satellite)
- Establish duration of lost access to information
- Contact Business Continuity Team and meet ASAP
- Determine staff availability
- Arrange for data to be processed off location if possible
- Revert to hard copy processes if necessary
- Contact alternative sources of information/documents from which Council may be able to obtain copies

Recovery Procedures

Loss or Interruption of Access to Facility:

- Establish alternative site from which to operate
- Review security arrangements
- Determine staff availability
- If necessary, revert to hard copy processes
- Advise public and other departments of ongoing changes
- Request that CEO make suitable announcements.

Loss or Interruption of Access to Department:

- Establish temporary location within Shire Offices.

Loss or Interruption of Access to Information:

- Staff critical functions as necessary
- Revert to hard copy processes
- Request IT Manager to provide access to backed-up data and systems.

Alternative Sites for Short Term Recovery

- Hope Vale Shire Cairns office
- Hope Vale Works Depot
- Hope Vale Multi-Purpose Centre

Recovery Timetable by Business Units

Recovery is deemed to be at a point where we can provide a reasonable level of service before full recovery.

Business Unit	Operation	Minimum Staff Requirements	Maximum Acceptable Outage
Water & Sewerage	Water supply	2	12 hours
	Sewerage services	2	12 hours
Information Technology	Provision and Support of Infrastructure	4	12 hours

Information Technology	Provision and Support of Business Applications	2	12 hours
Customer Service	Admin & Depot	2	12 hours
	Front Counter	2	12 hours
Finance	Single-user Operation Multi-user Operation	3	1 – 10 days
Human Resources/Payroll	Single-user Operation Multi-user Operation	2	1 – 10 days
Operations (Road & Drainage/ Parks & Gardens)	Assessment of road closures Assessment of drainage issues	12	1 day
	Assessments of trees down/wind damage/ damage to parks and equipment.	12	1 day
Health Services	Inspect licensed premises	2	2 days
Waste Management	Waste collection and removal	2	7 days
Animal Control	Animal management	1	7 days

Testing

Testing of this plan is to be conducted annually at the direction of the Chief Executive Officer. Testing may be conducted in any of the following ways:

- Desk top testing (with members of the BCT)
- Component testing (involving members of some departments)
- Live simulation testing (involving all of Council.)
- Through Council's internal audit processes
- In conjunction with LDMG test exercises

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