

CONTRACTS APPROVAL SPECIAL COMMITTEE

TERMS OF REFERENCE

1. BACKGROUND

- 1.1 By this Terms of Reference Instrument, the Ballarat City Council (**Council**) establishes the Contracts Approval Special Committee (**Committee**) pursuant to section 86 of the *Local Government Act 1989 (LGA)*. The Committee is established as an on-going Special Committee.
- 1.2 The Committee has the powers, duties and functions of Council as set out in this Terms of Reference Instrument and the attached Schedule. The Terms of Reference Instrument sets out the structure and basis on which the Committee can make decisions for and on behalf of Council.
- 1.3 This Terms of Reference Instrument is authorised by a resolution of Council passed on 28 November 2012.
- 1.4 Prior to this date, under Council's delegations to the CEO, contract approvals were limited to \$250,000, meaning that all contracts over this value required the approval of Council. The Council meeting cycle meant that contract approvals required three weeks to go through Leadership Team, Assembly and an Ordinary Council meeting before being approved.

2. PURPOSE

The Committee is established for the purpose of:

- 2.1 Making decisions on Council contracts between \$250,000 and \$1,000,000, thereby
- 2.2 Expediting the contract approval process;

3. OBJECTIVES

The objective of the Committee is:

- 3.1 To significantly streamline decision-making processes of Ballarat City Council (**Council**);

4. ROLES AND RESPONSIBILITY

The role of the Committee is:

- 4.1 To exercise Council's powers and carry out Council's duties and functions, in accordance with these terms of reference; and
- 4.2 To only consider contracts that meet the following criteria:
 - 4.2.1 Contracts of value between \$250,000 and \$1,000,000;

- 4.2.2 Recommended contracts within the Council approved budget;
- 4.2.3 Full contract evaluation reports have been prepared in accordance with Council's procurement policy, including the consideration of local content;
- 4.2.4 Contract evaluation reports are authorised by the relevant Director and the CEO.

5. DELEGATION OF POWERS, DUTIES AND FUNCTIONS

- 5.1 In order to fulfil and carry out its purposes and objectives Council delegates to the Committee, pursuant to section 86 of the LGA, the powers, duties and functions set out in the attached Schedule.
- 5.2 The powers, duties and functions of Council, conferred on the Committee by this Terms of Reference Instrument, must be exercised in accordance with any guidelines or policies that Council may from time to time adopt.
- 5.3 Committee members are at all times expected to act in accordance with their responsibilities set out in Division 1A of Part 4 of the *Local Government Act 1989*.

6. MEMBERSHIP

- 6.1 The Committee will consist of 5 members comprising:
 - 6.1.1 One (1) Councillor from each Ward
 - 6.1.2 Executive Manager of Finance;
 - 6.1.3 Director of Growth & Development
- 6.2 All of the Committee members have voting rights.
- 6.3 Council will revise the membership and voting rights of each Committee member annually.
- 6.4 If Council does not appoint a chairperson for the Committee before the Committee's first meeting, the Committee members must appoint a chairperson at the first meeting.
- 6.5 The Committee may appoint and reappoint the chairperson as it sees fit and where the chairperson is absent from a meeting.
- 6.6 All of the Committee members must submit primary and ordinary returns to Council.
- 6.7 The Committee has the discretion to refer any contract submitted to it to the full Council for decision if the Committee so determines.

7. MEETINGS

Committee meetings must be conducted in accordance with:

- 7.1 Council's Meeting Procedure Local Law No 18;

- 7.2 Division 2 of Part 4 of the LGA; and
- 7.3 the Committee's discretion, as exercised from time to time.
- 7.4 The Committee will meet weekly or as required.
- 7.5 A quorum of the Committee will be two (2) Councillors.
- 7.6 Voting will be by majority of votes.
- 7.7 Administrative support to the Committee will be provided by Governance and the Finance Executive Assistant.

8. REPORTING

The Committee is responsible for taking proper minutes of all meetings and preparing reports for the Committee's consideration in accordance with:

- 8.1 Council's Meeting Procedure Local Law No 18;
- 8.2 Division 2 of Part 4 of the *Local Government Act 1989*; and
- 8.3 The Committee's discretion, as exercised from time to time.
- 8.4 The Committee must report to Council following each meeting.
- 8.5 The Committee must prepare and present to Council an annual report.
- 8.6 Where requested by Council, the Committee must report its activities and performance to a meeting of Council.

9. CREATION AND DISSOLUTION

- 9.1 By these Terms of Reference the:
 - 9.1.1 Committee is established; and
 - 9.1.2 Powers, duties and functions of the Committee, as set out in this Instrument, are delegated.
- 9.2 The Terms of Reference, including the delegation of Council's powers, duties and functions to the Committee:
 - 9.2.1 Come into force immediately the common seal of Council is affixed to it; and
 - 9.2.2 Remain in force until Council determines to vary or revoke it.
- 9.3 The Committee can be dissolved by resolution of Council

Dated this day of 2012

The Common Seal of Ballarat City Council)
was affixed by authority of the Council in the)
presence of:)

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Mayor/Councillor

Councillor

Chief Executive Officer



SCHEDULE

1 Powers and functions

To exercise Council's functions and powers to perform Council's duties in relation to streamlining Council's contract procurement process and improve Council's ability to deliver its capital works program, and for that purpose:

- 1.1 The power to consider contracts between the values of \$250,000 and \$1,000,000 that form part of the Council budget;
- 1.2 The power to approve contracts between the values of \$250,000 and \$1,000,000 that form part of the Council budget; and
- 1.3 The power to refer any contract submitted to the committee to the full Council for decision.

2 Exceptions, conditions and limitations:

The Committee is not authorised by this Instrument to:

- 2.1 Consider and/or approve contracts greater than the value of \$1,000,000;
- 2.2 Consider and/or approve contracts which are not within the Council approved budget for the relevant year;
- 2.3 Consider and/or approve contracts for which full evaluation reports have not been prepared in accordance with Council's procurement policy, including the consideration of local content;
- 2.4 Consider and/or approve contracts which have not been authorised by the relevant Director and the Chief Executive Officer of Council; and
- 2.5 Exercise the powers which, by force section 86 of the Act, cannot be delegated.