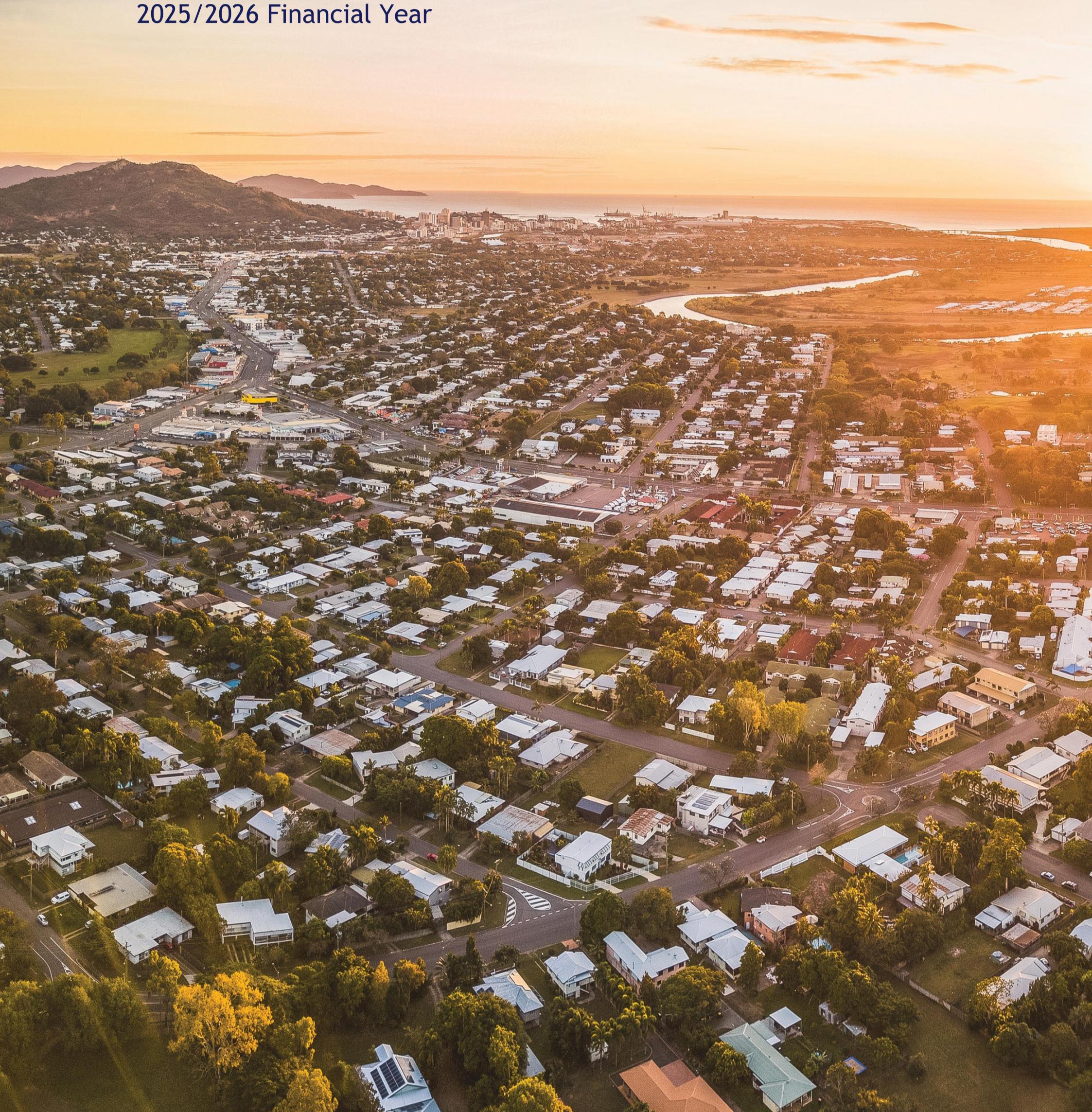




Annual Contracting Plan

Strategic Contracting Procedures Pilot

2025/2026 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 2025/2026 financial year.

Procurement at Townsville City Council (Council) is conducted in accordance with the default 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).

Council has commenced a strategic contracting procedures pilot (SCPP) under its Transformation Program in order to shift to 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.

2. Procurement planning

This ACP is consistent with and supports Council's Corporate Plan 2025-2029. The development of this ACP was informed by consultation with the relevant branches.

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 (Procurement Procedure). 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 and varied consistent with the objectives of the SCPP.

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 and the SCPP.	<ul style="list-style-type: none"> Contracts with an estimated value of greater than \$2m; or Contract term of greater than 10 years 	A Significant Contracting Plan must be prepared in accordance with the policy outlined in this ACP and approved under the procedures set out in the Contract Manual or where developed under the SCPP.
Other Contracts (General)	<ul style="list-style-type: none"> Estimated value of less than \$2m 	Light Strategic Sourcing pursuant to the Contract Manual

4.2 Market assessment

Council has conducted a market assessment for each Contract type identified above evaluating the relative cost and complexity of securing supply. The table below summarises the findings from of this assessment:

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

As part of the market assessment process, Council has identified the contracts outlined in Appendix A as Significant Contracts it intends to enter into during the Financial Year under the ACP.

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 \$200,000, the Contract Manual or SCPP requires Council to undertake a Light Strategic Sourcing process. Prior to approaching the market for these contracts, a procurement sourcing strategy must be developed and requires consideration of:

Scope of work	What are the requirements and how is it to be 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 following Sound Contracting Principles are further detailed in the LGA:

- 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, the SCPP, 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 contracting 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 Contracting Plan. The Significant Contracting Plan is prepared in the form of an approved procurement Sourcing Strategy, which meets 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.

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.

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, or by the Chief Executive Officer where delegated by Council.

7. 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.

8. Appendix A

Any contracts not prescribed under this Annual Contracting Plan (ACP) are delivered under the Default Contracting Procedures as prescribed in the LGA and LGR. Under the ACP, contracts valued between \$200,000 and \$2 million are classified as General. Contracts exceeding \$2 million in value or with a term longer than 10 years are designated as Significant.

Business Area	Detail / Scope (including independent categories)	Significant Contract / General Contract
Infrastructure & Operations (Divisional Level)	Design Services (includes): <ul style="list-style-type: none"> • Planning and Design • Civil and Structural Engineering • Electrical and Mechanical • Specialised and Digital Services 	Significant Contract
Capital Delivery	Project Management Services (includes): <ul style="list-style-type: none"> • Project Manager services • Project facilitation and coordination • Floodplain management • Land use planning • Project Cost Management • Cost Estimation • Superintendent duties • Major Project Contract Administration • Construction Management • Technical Safety Compliance • Project Reporting and Review • Project Evaluation and Analysis • Asset Financial Value Assessment 	General Contract
Capital Delivery	Specialist Construction Services (includes): <ul style="list-style-type: none"> • Drilling and Blasting • Plant Hire • Quarry and materials • Site Survey • Site Geotechnical • Site Stabilisation • Earthworks • Flood Control • Telecommunications • Condition Assessment 	General Contract