

## **5.9. SECTION 235 OTHER EXCEPTIONS ECOTOURISM AUSTRALIA**

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### **RECOMMENDATION**

**That Council:**

- 1. Resolve in accordance with Section 235 of the *Local Government Regulation 2012* that the Council's register of sole source suppliers be extended to include:  
Ecotourism Australia Limited (ABN 92 909 103 274)**
- 2. Delegates authority to the Mayor and Chief Executive Officer in accordance with *Local Government Act 2009* to negotiate, finalise and execute any and all matters in relation to this contractual arrangement.**

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### **EXECUTIVE SUMMARY**

It is a requirement of the Local Government Regulation 2012 (Regulation) to invite written quotations or tenders where the carrying out of works or the supply of goods or services involves a cost greater than \$15,000 or \$200,000 respectively. Additionally, Council's Procurement Policy contains provisions regarding the obtaining of quotes for amounts less than \$15,000.

The Regulation acknowledges that there are instances when it will not always be possible to meet this requirement and provides for a number of exceptions to manage these instances. One of these exceptions is sole source suppliers where it has been identified that they are a key supplier, who are the only reasonable option, from which Council can obtain goods and services.

Council undertook to subsidise the cost of local tour operators application fees for undertaking eco-accreditation under the national certification program managed exclusively by Ecotourism Australia. To date six operators have applied to undertake certification with fees totaling \$2,670.00 (incl GST)

### **COMMENT**

The legislative requirement for a sole source supplier requires Council to be satisfied that the supplier is the only supplier that can reasonably provide the required goods or services. The emphasis is on the word "reasonably" and advice from the Department of Local Government, Racing and Multicultural Affairs is that this should be interpreted on a regional and operational basis.

### Regional basis interpretation:

- There is only one supplier in the rate paying or immediate region of Council and they are considered to be providing a competitive service, then they can be deemed a reasonable sole source of supply.

### Operational basis interpretation:

- The purchase of goods and services from a sole source to support existing assets in an original equipment manufacturer (OEM) or associated systems (AS) type situation may also be deemed a reasonable sole source of supply.

Ecotourism Australia is the sole agency providing Ecotourism Certification accreditation for tourism operators in Australia.

## PROPOSAL

It is proposed that Council resolves to include Ecotourism Australia Limited (ABN 92 909 103 274) to the Register of Sole Source Suppliers.

## FINANCIAL/RESOURCE IMPLICATIONS

The subsidy program is included in the 2018/19 budget

## RISK MANAGEMENT IMPLICATIONS

This register of sole source suppliers does not commit Council to any financial expenditure terms and meets all legislative requirements.

## SUSTAINABILITY IMPLICATIONS

**Economic:** Undertaking a process by which the suppliers are identified as a sole source supplier allows suppliers to be directly engaged saving both time and expense for Council and suppliers.

**Environmental:** Suppliers will be required to work in compliance with Council's environmental plans and policies.

**Social:** Nil

## CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

### Corporate Plan 2014-2019 Initiatives:

#### Theme 2 - Building a Sustainable Economic Base

*2.2.3 - Encourage business activity and investments by removing unnecessary bureaucratic processes.*

## **Theme 5 - Governance**

*5.1.3 - Monitor and regularly review procurement practices to ensure legislative compliance and “value for money”.*

### **COUNCIL’S ROLE**

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council’s involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

**Regulator** Meeting the responsibilities associated with regulating activities through legislation or local law.

### **CONSULTATION**

**Internal:** Consultation has occurred with officers across the relevant departments including Senior Procurement Officer

**External:** Nil

### **COMMUNITY ENGAGEMENT**

N/A

### **ATTACHMENTS**

Nil