
 <p>Adelaide Plains Council</p>	<p>21.3 Confidential Item</p>
<p>22 March 2021</p>	

21.3 Appointment of Consultant – Review of Council Accommodation and Services

RECOMMENDATION

“that:

- 1. Pursuant to section 90(2) of the Local Government Act 1999, Council orders that all members of the public, except Chief Executive Officer, Acting General Manager – Governance and Executive Office, General Manager – Finance and Business, General Manager – Infrastructure and Environment, General Manager – Development and Community, Administration and Executive Support Officer/Minute Taker and Information Technology Officer be excluded from attendance at the meeting of Council for Agenda Item 21.3 – *Appointment of Consultant – Review of Council Accommodation and Services*;**
- 2. Council is satisfied that pursuant to section 90(3)(d) of the Local Government Act 1999, Item 21.3 – *Appointment of Consultant – Review of Council Accommodation and Services* concerns commercial information of a confidential nature, the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party, and would, on balance, be contrary to the public interest, being proposals provided by two consultants as part of the relevant Request for Quote process;**
- 3. Council is satisfied that the principle that Council meetings should be conducted in a place open to the public has been outweighed by the need to keep the information, matter and discussion confidential.”**

 Adelaide Plains Council	21.3	Appointment of Consultant – Review of Council Accommodation and Services
	Department: Report Author:	Governance and Executive Office Acting General Manager – Governance and Executive Office
Date: 22 March 2021	Document Ref:	D21/12577

EXECUTIVE SUMMARY

- The purpose of this report is for Council to:
 - Consider two quotes received as part of the recent tender process in relation to a Review of Council Accommodation and Services and
 - Determine whether to make a budget variation in order to appoint a consultant to undertake the review.
- As part of its 2020/2021 Annual Business Plan (ABP) and Budget, Council resolved to allocate the amount of \$10,000 towards undertaking a ‘Prudential Review of Office Accommodation’.
- In considering this matter at its September 2020 Ordinary Meeting, Council instructed Management to hold a strategic workshop to further discuss the review tender brief and subsequently report back in relation to same.
- A workshop was subsequently held with Council Members on 12 November 2020, at which time some initial guidance was provided in terms of ideas for inclusion in the tender brief.
- Subsequently, Management sought Council’s guidance and direction in relation to the scope of this review in order to advance with engaging a suitably qualified consultant to undertake same. Council, at its Ordinary Meeting on 14 December 2020, instructed the Chief Executive Officer to proceed with a tender process to engage a suitably qualified consultant and to include various key areas in the scope for the tender brief.
- Given the significance of this project, and potential for further work to be required beyond the initial review, Management determined to go above and beyond the requirements of Council’s Procurement Policy and, accordingly, a Request for Quote was presented to four consultants. Two consultants returned completed quotations (provided as **Attachment 1** and **Attachment 2** to this Report). Provided for at **Attachment 3** to this report is a Summary Table with key information distilled for Members’ convenience along with Management’s recommendation following evaluation of the quotes.
- While the Procurement Policy, and indeed the relevant delegations, would permit the Chief Executive Officer to engage a consultant without further resolution of Council, given the significant political and community interest likely to arise in relation to this project, the fact

that furthering this initiative will be entirely a matter for the Elected Body rather than the administration and, in particular that both quotes have come in above the initial budget allocation, the Chief Executive Officer is now seeking direction from the Elected Body in terms of the appointment of a consultant and the associated budget variation.

RECOMMENDATION

“that Council, having considered Item 21.3 – *Appointment of Consultant – Review of Council Accommodation and Services*, dated 22 March 2021, receives and notes the report and in doing so:

- 1. Instructs the Chief Executive Officer to engage the services of [REDACTED] to undertake a Review of Council Accommodation and Services in accordance with the proposal at Attachment 2 or 3 to this report; and**
- 2. Acknowledges that an allocation of [REDACTED] (quote less \$10k already budgeted) will be incorporated into the third quarter 2020/2021 budget revision.”**

BUDGET IMPACT

Estimated Cost:	Dependent on the consultant appointed and scope of the review (refer Attachments).
Future ongoing operating costs:	Nil
Is this Budgeted?	\$10,000

RISK ASSESSMENT

At the conclusion of the Review of Council Accommodation and Services, subsequent decisions of Council are likely to attract strong community reaction, both positive and negative and will significantly impact the Council’s future operations. It is therefore prudent that Council invest in a thorough review process from the outset, which would be followed by a thorough planning process and ultimately a prudential review (as required by the Local Government Act). Due diligence must be exercised in terms of financial and risk management.

Attachments

1. Copy of Proposal 1.
2. Copy of Proposal 2.
3. Summary Table.

DETAILED REPORT

Purpose

The purpose of this report is for Council to:

- Consider two quotes received as part of the recent tender process in relation to a Review of Council Accommodation and Services and
- Determine whether to make a budget variation in order to appoint a consultant to undertake the review.

Background

As part of its 2020/2021 Annual Business Plan (ABP) and Budget, Council resolved to allocate the amount of \$10,000 towards undertaking a 'Prudential Review of Office Accommodation'.

In considering this matter at its September Ordinary Meeting, Council resolved as follows:

14.4 Prudential Review – Council Office Accommodation

Moved Councillor Parker Seconded Councillor Daniele 020/ 321

“that Council, having considered Item 14.4 – Prudential Review – Council Office Accommodation, dated 28 September 2020, receives and notes the report and in doing so:

- 1. Acknowledges that the elected body allocated an amount of \$10,000 in the 2020/2021 Annual Business Plan and Budget to undertake a prudential review of office accommodation;***
- 2. Instructs the Chief Executive Officer to schedule a strategic workshop to be held with Council Members in order to facilitate information sharing and discussion in relation to the Prudential Review tender brief; and***
- 3. Instructs the Chief Executive Officer to present a further report to Council in relation to the engagement of a suitably qualified consultant to undertake the Prudential Review, including recommended inclusions in the tender brief as well as anticipated costs.”***

CARRIED

Accordingly, a workshop was held with Council Members on 12 November 2020. The workshop involved extensive discussions and the sharing of ideas. Advice was also provided by both Council's Audit Committee and Infrastructure and Environment Committee Chairpersons. In particular, Council was advised that any prudential review should occur after (and separate to) the engagement of a consultant to undertake the Office Accommodation Review.

Following the workshop, Management sought Council's guidance and direction at the Ordinary Council Meeting on 14 December 2020 in relation to the scope of this review in order to advance with engaging a suitably qualified consultant to undertake same, with Council resolving as follows:

14.1 *Review of Office Accommodation – Project Scope*

Moved Councillor Boon Seconded Councillor Strudwicke 2020/ 437

“that Council, having considered Item 14.1 – Review of Office Accommodation – Project Scope, dated 14 December 2020, receives and notes the report and in doing so instructs the Chief Executive Officer (CEO) to:

- 1. Proceed with the tender process to engage a suitably qualified consultant;***
- 2. Include the following key areas in the scope for the tender brief:***
 - a. Review of current office facilities and efficiencies/functionality of same***
 - b. The incorporation of Council-owned community facilities***
 - c. Future options and considerations for office accommodation, including growth projections for the region***
 - d. Overall cost benefit analysis; and***
- 3. Include any other matters the CEO believes necessary for inclusion in the tender brief.”***

CARRIED

Service Review

In addition to a request to review Council's office accommodation, Members will recall the following resolution:

18.2 *APC Services*

Moved Councillor Lush Seconded Councillor Keen 2019/ 129

“that the Chief Executive Officer initiate a review of services administered by Adelaide Plains Council to identify any areas of cost efficiency and or new processes not covered by the organisational review.”

CARRIED

The service review was initially intended to be initiated as part of the upcoming review of Council's Infrastructure and Asset Management Plan, however, Management recently determined that this service review would be more appropriately initiated as part of the review of office accommodation.

Discussion

Scope

Specifically, the Request for Quote specified the following services:

- Review of current office facilities and efficiencies/functionality of same:
 - Review all of Council's current office buildings and associated assets, including the Mallala Principal Office, Mallala Library, Mallala Council Chamber, Mallala Depot, Two Wells Service Centre, Two Wells Council Chamber, Two Wells Office Annex and Two Wells Library.

- Part of this review would need to incorporate whether the existing buildings/sites are 'fit for purpose' in terms of WHS requirements, accessibility by the public (by vehicle and on foot), customer experience in using these facilities and ease of use. It would involve examining opportunities to convert or combine existing buildings and also look to explore community expectations and the future urban growth and associated increased demand for services that is likely to occur for Council over the coming years. This would naturally involve exploring size of Council's current facilities, particularly in terms of Council's ability to continue holding its monthly meetings, Committee Meetings and any other external meetings and ensure that suitable and appropriate access is provided to the public for these purposes.
- The incorporation of Council-owned community facilities:
 - Review of existing office and Council-owned community facilities (e.g. size and configuration of Council's Library buildings and capacity to house expanded collections) together with potential future needs and service provision. For example, it may be that Council wishes to explore options relating to a 'Community Hub' or other similar service where residents and ratepayers can access additional services, either Council or other. It would be prudent to look at current floor area space and future options in this regard, for example, the combination of buildings or services for maximum efficiencies.
 - At some stage in the future, Council may also wish to explore offering additional, discretionary services to the community and so this must always be factored into any review and incorporation of new buildings or facilities. Part of this may include offering the opportunity for members of the community, e.g. community groups, to lease Council or community buildings/rooms.
- Future options and considerations for office accommodation, including growth projections for the region
 - This part of the review would flow on from the initial review of Council's current office facilities (outlined above). It would review many of the factors already outlined such as suitability and efficiencies of current facilities, opportunities to combine or convert existing buildings and community needs.
 - The focus would need to be on looking at Council's future population growth projections and the community expectations and demand for services and indeed make recommendations in relation to resourcing/labour needs.
 - It would also include considering opportunities relating to Crown Land at Two Wells and the possibility to leverage off the private sector (i.e. Xavier College and shared spaces). Also worthy of inclusion would be considering public/private partnership opportunities. Finally, asset rationalisation would also be worthwhile considering.
 - Consideration should also be given to the impact of working expectations post COVID-19 (such as staff working remotely, building density/capacity).
 - Council would be expecting a suite of recommendations to stem from this part of the consultant's work (as well as from the review in its entirety).
- Overall cost benefit analysis
 - This would involve a comprehensive analysis and associated guidance from the consultant in relation to the overall benefits to Council based on whatever is

proposed/recommended from this review. Cost is obviously a key consideration, however overall efficiencies, customer/community experience, service delivery and long-term sustainability is also important. Subject to the consultant's recommendations, we would also anticipate being provided with estimated timeframes for implementation.

- Review of services administered by the Council to identify any areas of cost efficiency.

Method of Procurement

Given the significance of this project, and potential for further work to be required beyond the initial review, Management determined to go above and beyond the requirements of Council's Procurement Policy and, accordingly, a Request for Quote was presented to three consultants. Two consultants returned completed quotes.

Proposals

Council sought quotes from four consultants in total. Two consultants provided detailed proposals (**Attachment 1** and **Attachment 2** to this report) and two declined to do so based on the brief not suiting skill set and inability to complete the proposal in time.

Each proposal demonstrates the relevant consultant's intended methodology, timeframe, fee structure, relevant experience and general consultant information. Provided for at **Attachment 3** to this report is a Summary Table with key information distilled for Members' convenience along with Management's recommendation following evaluation of the quotes. However, in addition to the information that has been extracted in the Summary Table, it is strongly recommended that Members carefully consider each proposal in its entirety prior to forming a view of which consultant to appoint.

Conclusion

While the Procurement Policy, and indeed the relevant delegations, would permit the Chief Executive Officer to engage a consultant without further resolution of Council, given the significant political and community interest likely to arise in relation to this project, the fact that furthering this initiative will be entirely a matter for the Elected Body rather than the administration and, in particular, that both quotes have come in above the initial budget allocation, the Chief Executive Officer is now seeking direction from the Elected Body in terms of the appointment of a consultant and the associated budget variation.

At the conclusion of the Review of Council Accommodation and Services, subsequent decisions of Council are likely to attract strong community reaction, both positive and negative, and will significantly impact the Council's future operations. It is therefore prudent that Council invest in a thorough review process from the outset, which would be followed by a thorough planning process and ultimately a prudential review (as required by the Local Government Act).

It is recommended that Council carefully consider the two proposals and instruct the Chief Executive Officer to engage a consultant to undertake the Review of Council Accommodation and Services, and make the necessary budget revision, accordingly.

References

Legislation

Local Government Act 1999

Council Policies/Plans

2020/2021 Annual Business Plan and Budget – page 20

Procurement Policy

Strategic Plan 2021-2024

Enviably Lifestyle

Emerging Growth

Proactive Leadership

RECOMMENDATION

“that Council, having considered the matter of Item 21.3 – *Review of Council Accommodation and Services – Appointment of Consultant* in confidence under sections 90(2) and 90(3)(d) of the *Local Government Act 1999*, resolves that:

- 1. The staff report and minutes of the meeting pertaining to Item 21.3 – *Review of Council Accommodation and Services – Appointment of Consultant* remain confidential and not available for public inspection until both consultants who provided proposals for the Review of Council Accommodation and Services have been notified of the Council’s decision;**
- 2. Attachment 1, Attachment 2 and Attachment 3 pertaining to Item 21.3 – *Review of Council Accommodation and Services – Appointment of Consultant* remain confidential and not available for public inspection until further order of the Council;**
- 3. Pursuant to section 91(9)(a) of the *Local Government Act 1999*, the confidentiality of the matter will be reviewed every 12 months; and**
- 4. Pursuant to section 91(9)(c) of the *Local Government Act 1999*, the Council delegates the power to revoke this confidentiality order to the Chief Executive Officer.”**