UNSOLICITED PROPOSAL POLICY

Adopted: 24 March 2025

TRIM: *330422.2024*

1. POLICY PURPOSE

1.1 Liverpool City Council's Unsolicited Proposal Policy establishes how Council processes unsolicited proposals and joint ventures or partnerships solicited by Council.

1.2 This Policy applies to circumstances where Council is approached by public or private sector organisations and/or individuals to conduct social benefit projects, build and/or finance infrastructure, provide goods or services, or undertake a major commercial activity.

1.3 The Policy supports Council to manage proposals in a structured, transparent, and efficient way, compliant with legislative and regulatory requirements, and community expectations. The policy provides clarity to the public on how proposals will be assessed.

2. SCOPE

2.1 This Policy establishes governance arrangements for:

(a) Unsolicited Proposals received by Council,

(b) public-private partnerships entered into by Council, and

(c) separate legal entities established by Council such as joint ventures.

2.2 The proposals to which the Policy applies include:

(a) land-related proposals, for example where Council is approached by an organisation wanting to develop on Council-owned land,

(b) any direct approach by a person or organisation wanting to provide goods, works or services to Council,

(c) establishment of business relationships or structures that require ministerial or departmental approval under the Local Government Act 1993, such as a partnership or joint venture.

3. POLICY PRINCIPLES

3.1 This Policy is underpinned by the following principles.

3.2 Council will seek to obtain the best value for money for residents and ratepayers when considering and making decisions about proposals.

3.3 Council will allocate risk wherever it is best able to be managed.

3.4 Council will ensure good public accountability and transparency and will protect the public interest.

3.5 Council will manage actual, potential and perceived conflicts of interest so that decisions are made as fairly and impartially as possible.

3.6 Council will appropriately protect commercial confidentiality and security of material but will balance this against an emphasis on transparency and disclosure of the rationale, processes and outcomes of proposals.

3.7 If a proposal is accepted, effective contract management over the lifecycle of the project is a priority so as to preserve risk allocation and achieve value for money over the full lifecycle of the project.

4. GLOSSARY OF TERMS

4.1 The glossary of terms and acronyms used in this Policy are as follows:

Term	**Meaning**
PJV	A collective acronym which refers to 'Partnership and/or Joint Venture' and includes public-private partnerships and establishment of any separate entity as defined in the Local Government Act 1993.
PRC	Refers to “Project Review Committee” which is a committee convened by the OLG to consider unsolicited proposals and business cases.
Significant Project	Any project with an estimated total cost of more than $50 million or such other amount as may be prescribed by the regulations, or

Term	Meaning
	Any project where the relevant council's financial contribution, or its equity position, amounts to 25% or more of the council's annual revenue that is lawfully available for spending on facilities or services of the kind to which the project relates.
Partnership	A "partnership" is a legal arrangement where two or more entities own a business together. The entire business is shared for as long as the business exists. Partners contribute money, time and expertise to making a profitable business that lasts until the partnership is dissolved.
Joint Venture	A "joint venture" (**JV**) is a business relationship which is actually nothing more than a partnership created for a single project or undertaking which normally lasts only so long as the project lasts. Large-scale JVs between Council and the private sector for the construction, maintenance and operation of infrastructure assets and procurement of related services can also be called public private partnerships (**PPP**).
Public Private Partnership (**PPP**)	A Public Private Partnership (PPP) is defined under the *Local Government Act 1993 (Sect 400B)* as an arrangement between a council and a private person to provide public infrastructure or facilities (being infrastructure or facilities in respect of which the council has an interest, liability or responsibility under the arrangement), and in which the public infrastructure or facilities are provided in part or in whole through private sector financing, ownership or control.
Public Infrastructure	Public infrastructure refers to infrastructure facilities, systems and structures that are developed, owned, and

Term	Meaning
	operated by government. It includes all infrastructure facilities that are open to the general public for use, such as roads and transport, waste management facilities, communications, libraries, parks, sport grounds, swimming pools, childcare centres and social infrastructure including health care facilities, educational facilities, convention or recreational facilities, accommodation facilities, civic centres and public housing facilities.
Related Services	Related services include (but are not limited to) building management, maintenance, IT, security, cleaning, grounds-keeping, waste services, childcare and any main or core services that Council may decide to include.
Core Services	Core services are those services where there is a direct relationship between the service provider and the public and for which Council has particular responsibilities.
Entity	"Entity"[1] means any partnership, trust, joint venture, syndicate or other body (whether or not incorporated).
Intellectual Property	"Intellectual Property" refers to inventions, original designs and practical applications of good ideas protected by statute law through copyright, patents, registered designs and trademarks. It includes trade secrets, proprietary know-how and other confidential information protected against unlawful disclosure by common law and through additional contractual obligations such as confidentiality agreements.
Unsolicited Proposal	An approach to Council from a Proponent with a proposal to deal directly with Council over a commercial proposition, where Council has not requested the proposal. This may

[1] Local Government Act 1993, Section 358

Term	Meaning
	include proposals to build and/or finance infrastructure, provide goods or services, or undertake a major commercial transaction.
Direct Negotiations	The term "direct negotiations" refers to exclusive dealings between Council and another party without first undergoing a competitive process. Direct negotiations are sometimes referred to as directly sourced, single-sourced or non-competed contracts.

5. LEGISLATIVE AND REGULATORY REQUIREMENTS

5.1 This Policy has considered the following legal and administrative instruments which establish the framework within which unsolicited proposals may be considered:

(a) *Local Government Act 1993*, *section 55 (requirements for tendering),*

(b) *Local Government Act 1993, Chapter 12, Part 1 (How do Council's operate?),*

(c) *Local Government Act 1993, Chapter 12, Part 6 (Public-private partnerships),*

(d) *Local Government (General) Regulation 2021, Part 7 (tendering),*

(e) Office of Local Government (OLG) - Public Private Partnership (PPP) Guidelines – January 2022,

(f) OLG - Formation of Corporations and Entities (Section 358) Guideline, January 2022,

(g) ICAC (August 2018) - Direct Negotiations: Guidelines for Managing Risk.

6. PROCUREMENT FRAMEWORK

6.1 Council operates in accordance with legislation and government guidelines, including the *Local Government Act 1993* (LG Act) and the *Local Government (General) Regulation 2021* (LG Regulation). Council procures goods, works, services and projects via a framework established under the LG Act and LG Regulation, which includes inviting tenders for contracts for goods, works or services for a specified value as enacted in Council's Procurement Policy and Procurement Standards.

Exemptions from Tendering

6.2 Council's principal approach to procurement is based on competition, in order to achieve value for money in a fair and transparent manner. Council is obliged to invite tenders for contracts listed in section 55(1) of the LG Act.

6.3 Section 55(3) of the LG Act exempts Council from the requirement to invite tenders for some categories of contracts. The exemptions include contracts:

(a) entered into by Council with the Crown (whether in right of the Commonwealth, New South Wales or any other State or a Territory), a Minister of the Crown or a statutory body representing the Crown;

(b) entered into by Council with another council;

(c) involving a public-private partnership (**PPP**), but only to the extent that the contract is part of a project that has been assessed or reviewed under Part 6 of Chapter 12 of the LG Act.[2]

(d) involving an estimated expenditure or receipt of an amount of less than $250,000 or another amount as may be prescribed by the regulations.

---

[2] A "joint venture" (JV) with a private sector business partner can be regarded as a PPP under the definitions provided under this policy - refer to glossary of terms. A list of potential JVs that Council might consider are included at **Appendix C**.

.

(e) involving an estimated expenditure or receipt of an amount of less than $150,000 or another amount as may be prescribed by the regulations for a contract involving the provision of services where those services are, at the time of entering the contract, being provided by employees of the council.

Ministerial Consent

6.4 Regardless of the value of a proposal, under section 358(1)(a) of the LG Act, Council may only form (or participate in the formation of) a corporation or other entity, or acquire a controlling interest in a corporation or other entity, with the consent of the Minister and adhere to any conditions the Minister specifies. The term "entity" includes any partnership, trust, joint venture, syndicate, or other body (whether or not incorporated).

6.5 Council will need to formally seek approval to form a new entity by making the necessary application to the Minister for Local Government. This is a separate process to the PPP assessment process.

6.6 In applying for the Minister's consent under section 358, Council must demonstrate that the formation of, or the acquisition of the controlling interest in, the corporation or entity is in the public interest. In doing so, Council should be guided by the OLG Guidelines on Formation of Corporations and Entities.

PPP Assessment

6.7 Under the OLG PPP Guidelines (2022), PPP projects are initially reviewed by OLG. Where the Chief Executive of OLG considers a project to be significant and/or high risk, the project will be referred to a Local Government Project Review Committee (**PRC**).

6.8 The PRC is established by section 400J(1) of the LG Act to review Council processes for significant and/or high risk projects before the Council can enter into the PPP. The PRC is chaired by the Chief Executive of the OLG. The criteria the OLG will use to assess the applications are included in Part D of the Guidelines and included as Appendices A & B to this policy.

7. PJVs WITH THE CROWN OR ANOTHER COUNCIL

7.1 OLG has developed a guidance paper to assist councils in promoting collaboration and developing partnerships involving other councils and government entities in PJVs.

7.2 The guidelines identify three key approaches regarding PJVs with other councils or government agencies. These are:

(a) **Integrated multi service/business sharing approaches**, where a number of councils enter into a collaborative arrangement on the understanding that they will have a substantial, long-term strategic relationship and will share a common future that is mutually beneficial.

(b) **Single service/business approaches**, where a number of councils join together to achieve common outcomes in an identified business function or service provision.

(c) **Knowledge sharing and organisational development approaches**. These schemes may be offered by professional associations, or they may be more of an informal arrangement between councils. Regional Organisations of Councils (ROCs) are an example of such an approach, as is the Greater Sydney Commission[3] and the Western Parkland City Authority[4].

7.3 In consideration of, or when proposing, PJVs with the Crown or other councils, Council will have regard to the provisions of section 355 of the LG Act, which sets out how a council may exercise its functions, and section 358(1)(a), which sets out restrictions on the formation of corporations and other entities. Further guidance on the requirements of section 358 can be found in OLG's Formation of Corporations and Entities (Section 358) Guideline.

[3] Leads on land use assumptions, prepares district and regional plans for Greater Sydney, provides spatial directions, growth and housing targets.

[4] The focus of the Western Parkland City will be the Western Sydney Aerotropolis: a new smart city being planned as the catalyst for advanced careers, innovative education, growing business, sustainable utilities and digital networks. All connected by new and renewed roads, trains and metro corridors.

8. PUBLIC PRIVATE PARTNERSHIPS (PPP)

8.1 Part 6 of Chapter 12 of the LG Act states that the Departmental Chief Executive (**OLG**) may from time to time issue guidelines requiring specified procedures and processes to be followed by councils in relation to entering into, and carrying out projects under, public-private partnerships (**PPP**).

8.2 Any council entering into a PPP must comply with the OLG Guidelines on the Procedures and Processes to be followed by Local Government in Public-Private Partnerships – January 2022.

The Guidelines

8.3 Under the guidelines, Council cannot enter into, nor carry out any project under a PPP unless it has provided the Departmental Chief Executive (**DCE**) with an assessment of the project to be carried out under the partnership. In providing such an assessment, Council's CEO is required to certify that it has been prepared in accordance with the PPP guidelines. Before formally notifying the Secretary, Council will have developed the project to a stage where it has been formally approved, in principle, by a resolution of the Council, and the broad concepts and principles have been formed, approved and settled.

8.4 A list of criteria to be addressed is outlined in the OLG the self-assessment form (see Part D, Form 1 of the Guidelines) along with the full list of documents required for the "initial assessment" (Part D, Form 2 of the Guidelines). A detailed outline of what should be addressed in the submission to the DCE is included at Appendices A and B.

Significant Project

8.5 Under the PPP Guidelines, projects are initially reviewed by OLG. Where the DCE considers a project to be significant and\or high risk, the project will be referred to a Project Review Committee (**PRC**) for review. A significant project is defined in the Act as:

(a) any project with an estimated total cost of more than $50 million or such other amount as may be prescribed by the regulations, or

(b) any project where the relevant council's financial contribution, or its equity position, amounts to 25% or more of the council's annual revenue that is lawfully available for spending on facilities or services of the kind to which the project relates.

8.6 A high risk project is:

(a) any project that the OLG considers is likely to result in the council either losing money or asset value; or

(b) any project where there is considered to be a transfer of financial risk from the private sector to the council; or

(c) a project that appears to be inconsistent with council's community responsibilities.

8.7 Once the PRC has assessed the documentation provided by council, advice will be issued on whether the council can proceed with the project or whether there are outstanding matters to be addressed. If the DCE advises Council that the project is not required to be referred to a PRC, Council is entitled, subject to obtaining the Minister's consent under section 358(1)(a) of the LG Act, to enter into the PPP, and carry out the project that is the subject of the assessment.

Changes to the project

8.8 There may be valid reasons for a significant change in plan and therefore project outcomes, deliverables and costs. If this is the case, a new Council resolution should be made to reflect the change and a new proposal submitted to the DCE. This procedural requirement has the effect of placing a premium on full project specification as early as practicable.

9. INITIAL INTERACTIONS

9.1 Council wants to reduce the barriers to businesses and other government entity stakeholders entering initial discussions with Council regarding project ideas and/or the strategic direction of Liverpool Council. Encouraging such interactions enhances Council's opportunity to seek innovative solutions for the improvement of the LGA.

10. PROCESS TYPES

10.1 There are several ways in which Council may pursue a project under the LG Act. Council may purchase what it needs or enter into a different business structure such as a PJV. This section identifies some of the processes and the associated requirements.

Tendering

10.2 Tenders have traditionally been the main way Council approaches the market and awards contracts. Tendering Guidelines for NSW Local Government were adopted by the Deputy Director General (Local Government) in 2009, under section 23A of the *Local Government Act 1993*. Council's Procurement Policy and associated Procurement Standards set out the legal obligations and guidelines for all procurement activities. The process owner for tendering and direct negotiation procurement is Council's Procurement and Contracts team.

Direct Negotiation

10.3 Direct negotiations refer to exclusive dealings between Council and another party without first undergoing a competitive process. Council is generally required to invite tenders before entering into a contract but this requirement does not apply to:

(a) contracts that are not captured by section 55(1) of the LG Act;

(b) contracts that are exempt by section 55(3) of the LG Act, which includes under section 55(3)(i) contracts where, because of extenuating circumstances, remoteness of locality or the unavailability of competitive or reliable tenderers, Council decides by resolution (which states the reasons for the decision) that a satisfactory result would not be achieved by inviting tenders.

10.4 Council may decide after inviting tenders that it will not award the contract (LG Regulation, section 178). In that event, Council must decide to take one of the actions in section 178(3) of the LG Regulation, which includes deciding, by resolution of the council, to enter into negotiations with any person (whether or not the person was a tenderer) with a view to entering into a contract in relation to the subject matter of the tender.

10.5 Council can undertake direct negotiations with preferred suppliers without first conducting an open approach to the market in the exceptional circumstances permitted under the LG Act and LG Regulation. However, it must justify why direct negotiation is appropriate based on specific market research and analysis.

10.6 The NSW Independent Commission Against Corruption (ICAC) have released guidelines to help NSW public sector agencies involved in direct negotiations with external parties. Council will apply the ICAC guidelines on Direct Negotiation as appropriate to any direct negotiations.

10.7 Council's Procurement Policy and associated Procurement Standards set out the legal obligations and guidelines for all procurement activities. Council's Procurement team will be informed of any direct negotiations and their advice followed regarding the conduct of any negotiations.

Unsolicited Proposals

10.8 Unsolicited proposals occur where Council is approached by a Proponent with a proposal to deal directly with Council over a commercial proposition, where Council has not requested the proposal. This may include proposals to build and/or finance infrastructure, provide goods or services, or undertake a major commercial transaction.

10.9 The process for treatment of unsolicited proposals is covered in Council's Unsolicited Proposal Process Guide. Council recognises that such approaches are not a substitute for routine competitive procurement.

10.10 Council will generally only consider unsolicited proposals where both the proposal and its proponent have unique attributes that others could not deliver a similar proposal with the same value-for-money outcome.

10.11 Council will consider directly negotiating with an individual or organisation that presents a PJV proposal where circumstances justify this approach and at its absolute discretion, consistent with its statutory responsibilities under the LG Act.

10.12 If Council decides to progress a PJV unsolicited proposal, that should not be interpreted as any form of explicit or implied support for planning consents or approvals. Such proposals must be broadly consistent with Council's objectives and plans and offer some unique attributes that justify departing from a competitive tender process.

10.13 Council recognises that a Proponent will be entitled to a fair rate of return for its involvement in a PJV project and that outcomes should be mutually beneficial for the Proponent and Council. Further, Council recognises the right of Proponents to derive benefit from unique ideas. The approach to the identification, recognition and protection of intellectual property rights will be addressed and agreed with the Proponent during Stage 1 of the process.

10.14 Where Council determines a proposal as not meeting the criteria, it reserves the right, if it so choses to go to market in accordance with the section 55 of the LG Act. The Proponent is entitled to participate in that procurement process should the concept be offered to the market but will have no additional rights beyond those afforded to other market participants. If Council elects to go to market in such circumstances, it will respect any Intellectual Property (IP) owned by the Proponent.

Probity Fundamentals

10.15 Council seeks to conduct its commercial dealings with integrity. The assessment of proposals must be fair, open and demonstrate the highest levels of probity consistent with the public interest. The assessment of Unsolicited Proposals and PJV proposals will be conducted through the application of established probity fundamentals as set out in Council's Probity Standard.

Resource Commitment

10.16 For an Unsolicited Proposal or PJV proposal to progress, Council and the Proponent will be required to commit resources. The staged approach to assessment seeks to balance resource input at each stage in order to reduce the potential for unnecessary expenditure. While this Policy sets out information and processes to minimise costs for Proponents, Council will not reimburse costs associated with PJV Proposals.

11. GOVERNANCE ARRANGEMENTS

11.1 For both Unsolicited Proposals and PJV proposals, Governance arrangements will include whole-of-Council management and co-ordination through an appointed gateway manager, consideration by Council's CEO, assessment of the proposal by an appointed Project Control Group (**PCG**) including community consultation and adoption by Council.

11.2 The process owner for solicited, tendered and non-tendered procurement proposals is Council's Procurement and Contracts team. The process owner for unsolicited, non-tendered procurement proposals involving PJV scenarios is Council's City Economy Unit.

11.3 If a proposal reaches the PCG stage of the assessment process, Council will establish appropriate governance arrangements that will detail the make-up and responsibilities of the PCG and assessment/technical panels, management of confidentiality and conflict of interest, and provide details of any appointed Probity Adviser.

Table 11.1: Process owner matrix

Proposal Type	Procurement Process	PJV Proposed?	Process Owner
Solicited	Competitive Tender	Possible	Procurement and Contracts Team
Solicited	Direct Negotiations	Possible	Procurement and Contracts Team
Unsolicited	Direct Negotiations	No	City Economy Unit
Unsolicited	Direct Negotiations	Possible	City Economy Unit

Enterprise Risk Management (ERM)

11.4 Council understands that large, unmitigated risks can adversely impact upon its stakeholders and its ability to achieve strategic and operational objectives. Accordingly, Council is committed to a systematic, proactive and enterprise wide approach to managing risk.

11.5 Council's application of ERM is set out in its Enterprise Risk Management Policy. The policy sets out the principles and practices by which Council will assess risks associated with PJV proposals. Council is committed to the formal, systematic, structured and proactive management of PJV risks across Council. This includes financial, legal, reputational, safety, service delivery and environmental risks.

Table 11.2

	Consequence				
Likelihood	**1 Very Low**	**2 Minor**	**3 Moderate**	**4 Major**	**5 Severe**
5 Almost Certain	Medium	Medium	High	Extreme	Extreme
4 Likely	Low	Medium	Medium	Extreme	Extreme
3 Possible	Low	Low	Medium	High	Extreme
2 Unlikely	Low	Low	Medium	Medium	High
1 Rare	Low	Low	Low	Medium	Medium

11.6 The risk assessment matrix (at Table 11.2) is consistent with that adopted in Council's ERM Framework and can be used for PJV risk assessment

Risk Appetite

11.7 All proposals for PJV projects need to consider and address Council's risk appetite as part of its governance arrangements around project assessment. Risk appetite is the amount of risk that Council is willing to take in pursuit of its objectives and may vary depending on the importance and complexity of each PJV proposal.

11.8 Council acknowledges that there is a certain level of inherent risk in PJV activities and that accepting that risk requires Council to consider its current financial and staffing capacities and the potential long term financial, environmental and social sustainability and impacts of PJV projects. Risk tolerances need to be considered by the assessment team both prior and during the assessment process in consultation with the Executive and the Head of Audit and Risk.

11.9 Council's approach to risk appetite is set out in its Enterprise Risk Management Policy.

12. ROLES AND RESPONSIBILITIES

Procurement and Contracts Team

12.1 The process owner for solicited, tendered and non-tendered procurement proposals involving PJV scenarios is Council's Procurement and Contracts team (**Refer Table 11.1**).

12.2 For solicited proposals involving PJV procurement scenarios, Council's Procurement and Contracts Team are to act in compliance with legal and regulatory requirements as set out under Council's Procurement Policy, the associated Procurement Standards, and tendering guidelines issued by OLG.

12.3 The role of the Procurement and Contracts team is to provide guidance across procurement related matters relating to PJVs and to review, monitor and manage purchasing processes and policies to ensure Council obtains the best quality, price and service from suppliers while meeting the needs of Council and staff.

12.4 If the PJV is being established by tender, then Council's Procurement Manager will have ownership of the process.

City Economy team

12.5 The process owner for unsolicited, non-tendered procurement proposals involving PJV scenarios is Council's City Economy Unit (**Refer Table 11.1**).

12.6 For unsolicited proposals involving PJV procurement scenarios, the City Economy Unit will act as a gateway and be responsible for maintaining contemporaneous records of all meetings, correspondence, plans and communications with the project stakeholders and proponent/s in compliance with the Unsolicited Proposal Process Guide.

12.7 The Manager City Economy acts as the contact point for initial interactions with business and Government regarding unsolicited proposals and is tasked with evaluating the information supplied by the Proponent and meeting with Council representatives and stakeholders.

Proponent

12.8 For Unsolicited Proposals, the Proponent is required to:

(a) prepare an outline Submission and meet with the City Economy Unit to discuss its unique characteristics and other key principles, prior to lodgement of a formal submission. This involves the Proponent completing an initial Schedule of Information Requirements (Refer to the Unsolicited Proposal Process Guide);

(b) prepare and lodge with Council an Initial Submission for Preliminary Assessment. This involves the Proponent completing the *Schedule of Information Requirements* and attaching any other relevant information.

12.9 For solicited proposals, the Proponent responds to Council requests in accordance with standard procurement processes.

Head of Governance

12.10 Council's Head of Governance is responsible for providing a range of support across Council; working with the Leadership Team in the development and implementation of Governance in PJV initiatives, including contributing to providing strategic advice in respect to governance and issues associated with PJV proposals.

Gateway approval: CEO

12.11 Any Unsolicited Proposal or PJV proposal will be considered by the CEO, who will decide after taking Legal, Governance and Procurement advice whether Council will commit to building a business case. This may involve the allocation of resources and funding.

12.12 The staged approach to building the business case as detailed in the Unsolicited Proposal Process Guide seeks to balance resource input at each stage in order to reduce the potential for unnecessary expenditure.

12.13 Should the CEO decide that the proposal has merit, the CEO may approve a formal business case and detailed proposal. Typically, the CEO will appoint a dedicated Project Control Group (**PCG**) and allocate appropriate budget toward assessing the proposal and developing the business case.

Project Control Group

12.14 Where the CEO considers it appropriate, a Project Control Group (PCG) will be established to oversee assessment of any Unsolicited Proposal or PJV proposal (refer to the Unsolicited Proposal Process Guide). Council will establish appropriate governance arrangements that will detail the make-up and responsibilities of any Project Control Group and assessment/technical panels, management of confidentiality and conflict of interest, and provide details of any appointed Probity Adviser.

Advisers

12.15 Advisers may provide expert advice at any stage of the assessment process (as appropriate). The following key advisers may be appointed to provide specialist expertise to assist in project scoping and assessment:

(a) Legal

(b) Financial

(c) Technical

(d) Environmental.

12.16 Other advisers may be appointed where specialist input is required. Appointment of all advisers are to be in accordance with Council's Procurement Policy.

12.17 Engaged Advisers are to follow all project governance and probity requirements.

Probity advisor

12.18 A probity advisor should be appointed in accordance with Council's Probity Standard.

Community consultation

12.19 The PCG assessment must give due consideration to community consultation regarding any solicited or unsolicited PJV proposals. Such consultation will be compliant with Council's Draft Community Engagement Policy, Liverpool Community Participation Plan (CPP) and give consideration on how the proposed PJV might assist Council in meeting its "5 community objectives."

Council approval

12.20 Council will consider any Unsolicited Proposal or PJV proposal based on the business case (or feasibility study as the case may be) and the recommendations of the PCG and SPC.

Appendix A

Form 1: Public Private Partnership (PPP) – Council Self-Assessment Questionnaire

Council Name:

Project Name:

Proposed parties for PPP:

Project Description:

a) Does the project have an estimated total cost of more than $50 million?

b) Does council's financial contribution or equity position amount to 25% or more of the council's annual revenue that is lawfully available for spending on facilities or services of the kind to which the project relates?

c) Is there likely to be a risk of council losing money or asset/land value if the project fails?

d) Is there likely to be a transfer of risk from the private party to council?

e) Is the project consistent with council's community responsibilities?

f) Has the project been planned for as per council's IPR documentation?

g) Is council intending to form a new entity to deliver the PPP?

h) Is council intending to provide land to facilitate the PPP project?

i) Does the project involve other agencies?

j) Has the project received external grant funding?

k) Is the project reliant on external grant funding?

l) Does the project require borrowings (please specify whether TCorp or bank borrowings will be used)?

m) Is the project reliant on special rates variations?

n) Was the project borne out of an unsolicited proposal by the private sector?

o) Does the project combine several smaller projects into one larger project?

p) Does the project involve more than one council?

q) Is council both the applicant as well as the consent authority for any development approval required for the proposed project?

Appendix B

Form 2: Required Documents Checklist – Initial Assessment and Full Assessment

Generic:

1. PPP Council Self-Assessment Questionnaire

Certification and Council Resolutions:

2. GM Certification that the information provided to OLG is correct is to be provided with all submissions to OLG
3. Council Resolution to agree on outcomes and deliverables of the project
4. Council Resolution to proceed with the project as a PPP and submit to OLG for assessment
5. Council Resolution to enter into a contract

Strategic Phase Documents:

6. Clear statement of project relationship to IPR documents (community strategic plan, delivery program, operational plans)
7. Clear statement of outcomes and deliverables (as agreed by Council resolution – see required certification and council resolutions above)
8. Clear outline of the proposed management and governance structure for the PPP entity

Business Case Phase Documents:

9. Justification of PPP as delivery model
10. Justification of need to form new entity under S358 (if proposed)
11. Estimated total project costs and sources of funding
12. Value of contributions
13. Council annual revenue available for the type of PPP proposed
14. Full Business Case and Economic Appraisal
15. Public consultation reports

Project Planning Phase Documents:

16. Project management plan
17. Resource management plan including an assessment of council's capacity to undertake the project
18. Projected Project Timeframes
19. Risk Assessment and Risk Management Plan as per the relevant AS/NZS

Pre-expression of interest (EOI) Phase Documents:

20. EOI documentation

21. Probity plan

22. Assessment plan

Pre-Contract Phase Documents:

23. Summary of EOI and subsequent selection process undertaken

24. All tender documentation that was produced in addition to EOI documentation

25. Final project specifications and objectives

26. Final management structure for chosen PPP vehicle

27. Final Risk Management Plan

28. Financial appraisal

29. Proposed contract

Other: In some cases, OLG and/or the PRC may request independent specialist consultant reports on certain project issues, which will need to be funded and commissioned by council**.**	OLG will notify council of any need of special reports if and when required
Contract Variations: Notification to OLG of any major project variation; i.e. a change in scope, change in project cost of >20% or a delay in project timing of more than 12 months.	OLG and/or the PRC may request updated versions of any of the above documents

APPENDIX C – TYPES OF JOINT VENTURES

JVs can take a variety of forms and may be combined to create a hybrid delivery model. These include (but not limited to):

- *Interlocal Agreements (**IA**):* JVs between Council other governmental agencies, to provide eligible grant match contributions to a project;
- *Privately Financed Project (**PFP**)*: is a contractual arrangement under which the Council grants a concession to the private sector to supply and operate economic or social infrastructure that would traditionally have been acquired and operated by Council;
- *Operation and Maintenance Contract (**O&M**)*: Private sector operating a publicly owned facility under contract;
- *Lease-Develop-Operate (**LDO**)*: Involves a private developer being given a long-term lease to operate and expand an existing facility;
- *Build-Own-Maintain (**BOM**)*: Involves a private sector developer building, owning, and maintaining a facility. Council then leases the facility and operates it using Council staff;
- *Build-Own-Operate-Transfer (**BOOT**)*: Involve a private developer financing, building, owning and operating a facility for a specified period. At the expiration of the specified period, the facility is transferred to Council; and
- *Build-Own-Operate (**BOO**)*: Operate similarly to a BOOT project, except that the private sector operates the facility in perpetuity. The long term right to operate the facility provides the developer with significant financial incentive for the capital investment in the facility.
- *Design, Build, Finance, Operate (**DBFO**)*: A project delivery structure in which the private sector party is awarded a contract to design, construct, finance and operate a capital project. In consideration for performing its obligations under the agreement, the private sector party may be paid by Council or from fees collected from the project's end users.

AUTHORISED BY

Council

EFFECTIVE FROM

24 March 2025

REVIEW DATE

24 March 2029

VERSIONS

Versions	Amended by	Changes made	Date	TRIM Number
1	Council	New	24 March 2025	330422.2024

THIS POLICY HAS BEEN DEVELOPED IN CONSULTATION WITH

- *Procurement*
- *Executive team*
- *Legal*
- *Governance*
- *City Economy*

REFERENCES

Unsolicited Proposal Process Guide

ATTACHMENTS

NIL