

Anne Dalton & Associates

anne@daltonandassoc.com

M: 0417417647

Level 30, 35 Collins Street Melbourne
Postal Address: P O Box 318
East Melbourne 3002
ABN 87 097 262 596

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[REDACTED]

[REDACTED]

City of Darebin
PO Box 91
Preston VIC 3072
by email

Dear [REDACTED]

PROBITY REPORT: DAREBIN CITY COUNCIL EOI AND RFP PROCESS FOR THE DEVELOPMENT AND BUILDING OF AFFORDABLE HOUSING AT 52-60 TOWNHALL AVE PRESTON

The purpose of this Probity Report is to provide an overview of the probity tasks we have undertaken for the above process and to give our findings and conclusion in relation to this process (including the forensic basis for those matters).

1 Background

1.1 We were engaged to provide probity advisory services to this process in March 2019. As probity advisers we are not decision makers in this process. We are independent of the process and confirm that we have no conflicts to declare in relation to it.

2 Overview of the procurement process

2.1 Darebin City Council (**Council**) has undertaken an EOI and then select RFP process for a registered Housing Association to lease and build affordable housing on the site at Townhall Ave, Preston.

2.2 The main steps of the process were as follows:

- The EOI was released publicly in March 2019;

Lease process for Townhall Ave Preston

Probity Report

- The EOI closed on 11 April 2019 and one submission was received through Council's e-Tender system. We were not notified of any late tenders;
- The submission passed the compliance check;
- The compliant tender was read by all scoring members individually. The tender was then considered against the published criteria, the approved evaluation methodology (and weightings) at the evaluation meeting on 18 April 2019. The evaluation team recommended that the tenderer, [REDACTED] proceed to the RFP stage;
- The RFP was released to the respondent on 20 June 2019. The close date was 25 July 2019. By addendum the closing date was extended to 12 September 2019 and the schedules to be provided by that date were updated. The addendum required an "interim" submission to be lodged by the close date;
- The evaluation team met on 14 October for the consensus meeting and at that meeting completed the evaluation of the proposal. The evaluation team determined to recommend that the proposal would be acceptable to Council;
- The Council report (and confidential appendix) on the process (provided to us on 15 October 2019) detailed the evaluation and recommendation process; and
- In February 2020, the Council determined to proceed with RFP Stage 2, seeking a (3B) proposal from the Proponent. The RFP Stage 2 was released to the proponent and the request process closed in early April 2020. The evaluation team considered and assessed the proposal and sought clarifications in relation to it. After consideration of the clarifications, and the Social Impact Assessment Report, the evaluation team determined that they would recommend that the Council accept the proposal and proceed with the proponent, [REDACTED]

3 Probity principles

- 3.1 The overall focus of the probity tasks undertaken was to ensure that the process was undertaken in an accountable and transparent manner and in particular that the following objectives were present:
- Fairness and impartiality;
 - Use of competitive process/value for money;
 - Consistency and objectivity;
 - Security and confidentiality of information; and

Lease process for Townhall Ave Preston

Probity Report

- Identification and resolution of conflicts of interest.

3.2 Additionally, we reviewed the process to assess adherence to the Council's Procurement Policy and the relevant provisions of the *Local Government Act 1989* (Vic) as to conduct requirements of Council staff (section 95) and section 208A with respect to the value for money requirements of the "best value principles".

4 Probity tasks undertaken

4.1 In preparing this report, we note the following specific probity tasks have been undertaken as part of our engagement:

- Provision of a draft Probity Plan;
- Review of the draft EOI and RFP documentation and advice in relation to those documents;
- Advice in relation to the process being undertaken by the Lord Mayor Community Fund and its "interface" with this process;
- Attendance at the EOI evaluation meeting on 18 April 2019;
- Review of the minutes of meeting for 18 April 2018 and the scoring matrix;
- Advice on the RFP process, including attendance at meeting with proponent (and council) on 17 July 2019;
- Attendance at evaluation meeting on 14 October 2019;
- Review of the conflict of interest declarations of the evaluation team members (on the endorsement sheet); and
- Review of Council Report (including scoring matrix¹), and confidential appendix;
- Review of the RFP Stage 2;
- Attendance at evaluation meetings;
- Review of the (draft) Council Report²; and
- Provision of a Probity Report.

4.2 In addition to the above specific probity tasks, we provided probity advice to the project manager as and when required throughout the engagement.

¹ Provided to us by email on 15 October 2019.

² Provided to us by email on 30 June 2020 and email update of 6 July 2020.

Lease process for Townhall Ave Preston

Probity Report

5 Probity findings

5.1 In undertaking the above tasks, and in coming to the findings we do, we had regard to the following facts, circumstances, observations, particulars and matters:

- We note that no conflicts were declared by the evaluators;
- We were not made aware of any breaches of confidentiality;
- We were satisfied, from our observations, that the evaluation team (including those members who are not council officers) understood the probity principles and applicability of the principles to the evaluation process;
- From our attendances and from our review of relevant documentation, including the Council reports and scoring matrix (both for the EOI and the RFP processes (Stages 1 and 2)), we consider that the evaluation process was undertaken in accordance with the published documentation and the approved evaluation methodology.

The Council report (and the confidential appendix) details the process undertaken. We note the recommendation as to proceeding to contract with the RFP respondent, [REDACTED] and the rationale for that recommendation. We consider that the recommendation has appropriate justification and we do not consider probity risks arise from that recommendation. We note that the Council procurement officers also attended at the evaluation meetings; and

- From our attendances at the meetings we observed the evaluators and we were satisfied that they appeared to make their assessment free from improper influence of any other persons. No probity concerns were raised by the evaluators or any other person in relation to the process.

6 Conclusion

6.1 As indicated above, our role has been to:

- advise in respect of and to review the documentation and processes;
- provide advice in respect of those processes; and
- assess adherence to documented procedures.

6.2 In undertaking this role we rely on relevant matters being brought to our attention or we becoming aware of relevant matters through observations at the attendances.

Lease process for Townhall Ave Preston
Probity Report

- 6.3 On the basis of all of the above matters it is our overall assessment that all probity requirements have been met, and that we have not been made aware of any probity issues which remain outstanding or unresolved that have the potential to undermine the integrity of the process. Nothing has come to our attention to indicate that the probity requirements of the *Local Government Act 1989 (Vic)* and relevant Council policies and procedures have not been met.

We would be pleased to discuss any issue arising from this report, if required.

Yours faithfully



Anne Dalton

Probity Practitioner

Anne Dalton & Associates

anne@daltonandassoc.com