

From: [Mike Theelen](#)
To: [Jim Boulton](#)
Cc: [Steve Batstone](#)
Subject: [ArcMail Restored] ZQN7 report; confidential
Date: Sunday, March 13, 2022 2:09:33 PM
Attachments: [image001.png](#)
[CONFIDENTIAL Report to CEO on ZQN7 Procurement FINAL DRAFT 040221.pdf](#)

Hi jim

As per my advice regarding the timing of this report please find attached a confidential report on the ZQN7 procurement process, which has been prepared by Dr Steve Batstone. While i have agreed with Steve the scope of the report Steve was empowered to complete his report and undertake discussion and enquires across the entire organisation without any interference from myself or other staff.

It is with some intense disappointment that i have to advise that the Councils adherence to, and implementation of its Procurement Policy, and Procurement Guidelines has not been at all adequate in respect of the smaller (Under \$50,000) contracts, though as Steve's report notes there does not appear to have been any deliberate attempt to mislead or avoid the policy and guidelines. There are significant improvements to be made in the operation of this part of our policy and guidelines as well as the need to complete the review of theses (already signalled last year) to ensure these meet current industry best practice.

I await your advice on the matter and would be happy to discuss this with yourself and Council at any time.

I want to confirm that we have also received yesterday an enquiry from the Office of the Auditor General following their receipt of a complaint to them regarding ZQN7. At this point they have raised a number of questions similar to those raised by Councillors and internally and we will be responding to them as well, and will keep you and councillors informed of that response as well.

Regards

Mike

Ps the document is a PDF and i note in the concluding sentence in section 3 we refer to ZQN8, which is an obvious typo.

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