



ARGYLE CORPORATE ADVISERS

IPSWICH CITY COUNCIL IPSWICH CENTRAL CIVIC PROJECT PROBITY REVIEW OF THE PROCUREMENT OF PROJECT MANAGEMENT SERVICES

PROBITY STATEMENT

Origin Securities Pty Limited as Trustee for the Origin Securities Trust trading as Argyle Corporate Advisers (Argyle), in its role as Probity Advisor to Ipswich City Council (Council) in the Ipswich Central Civic Project (the Project), has been requested to undertake a Process and Probity Review of the appointment of Ranbury Management Group (Ranbury) as the provider of Project Management Services since 2016 and subsequently requiring a number of changes to contracting arrangements dictated by changing circumstances involving the contract principal and including necessary variations.

Fee Proposals from Ranbury, dated 11 September 2019 and 17 October 2019, set out their scope of work and the costs relating to the following:

- Package 1 – Civic Project – 11 September 2019
- Package 2 – Nicholas/Union Streets – 17 October 2019
- Package 3 – Commonwealth Hotel – 17 October 2019
- Package 4 – Retail Projects -17 October 2019

Council has sought our advice that the process to negotiate additional project management services for the project is consistent with:

- ICC procurement principles;
- the existing Management Services Agreement (MSA); and
- the sound contracting principles, including value for money, as set out in Section 104 (3) of the Local Government Act, 2009.

Further, Council sought Argyle's advice in relation to the administration of the MSA and an appropriate course of action to extend the MSA to mid-2022 to meet the revised timing requirements for the project, including works which have been added with Council approval.

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Argyle has undertaken this Process and Probity Review with information and assistance from representatives of Ranbury and Council who have provided significant information including documents and information in meetings.

Ranbury's previous fee proposals, since their appointment in 2016 including Package 1, have been the subject of both internal and independent quantity surveyor reviews in relation to value for money. The same process is being followed in respect of Ranbury's proposal for Packages 2 – 4.

PROBITY OPINION

It is Argyle's opinion that the administration of the MSA to date has been consistent with ICC's procurement principles and probity requirements with due process being followed and is therefore able to withstand scrutiny. Further, an appropriate course of action is to extend the MSA to mid-2022 to meet the revised timing requirements for the project including some works (set out in the packages above) which have been added and allowing for work which may be required to the end of the defects period.

Peter Bruton
Probity Advisor
23 October 2019