

Procurement Policy

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Policy Owner	Chief Operations Officer
Contact Officer	Manager of Finance and Administration

Supporting documentation

Legislation	<ul style="list-style-type: none"> • <i>Local Government Act 2009</i> • <i>Local Government Regulation 2012</i> • <i>Public Sector Ethics Act 1994</i> • <i>ISO 26000 Guidance on Social Responsibility</i>
Policies	<ul style="list-style-type: none"> • Code of Conduct • Corporate Credit Card Policy • Local Preference Policy • Procurement Procedure • Gifts and Benefits Policy • Fraud and Corruption Prevention Policy • Asset Disposal Policy
Delegations	<ul style="list-style-type: none"> • Financial Delegations
Forms	<ul style="list-style-type: none"> • Authority to Tender Form • Conflict of Interest Declaration • Variations
Supporting Documents	<ul style="list-style-type: none"> • Corporate Plan 2021 - 2025

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Intent

The purpose of this Policy is to set out Carpentaria Shire Council's (Council's) approach to the acquisition of goods and services, and to satisfy Council's statutory obligations under Section 198 of the Local Government Regulations 2012. This Policy aims to ensure all Council officers implement sound contracting principles during day-to-day operations to achieve value for Council, whilst maintaining the principles of the policy outlined in the succeeding sections.

Scope

This policy applies to officers, agents and contractors (including temporary contractors) of the Council collectively referred to as "officers".

Policy Statement

This policy applies to the procurement of goods, materials, equipment and related services, construction contracts, service contracts (including maintenance) and consultancies.

Officers carrying out procurement activities must comply with Council's policies and procedures. They must also comply with all relevant Act's and legislation including but not limited to the Local Government Act 2009 (the Act) and the Local Government Regulation 2012 (the Regulation).

Procurement must only be undertaken where there is a budget for the expenditure, or it is otherwise authorised by a Council resolution unless the emergency provisions in the Regulation apply.

Sound Contracting Principles

Councillors and officers must have regard to the 'sound contracting principles' s104 (3) of the Act.

The principles are:

- a) value for money; and
- b) open and effective competition; and
- c) the development of competitive local business and industry; and
- d) environmental protection; and
- e) ethical behaviour and fair dealing.

Whilst the sound contracting principles are to be considered, equal consideration is not required to be given.

Value for money

Council must harness its purchasing power to achieve the best value for money. The concept of value for money is not restricted to price alone. The value for money assessment must include consideration of:

- a) contribution to the advancement of Council's priorities and
- b) fit for purpose, quality, services and support; and
- c) whole of life costs; and
- d) environmental, social and economic impacts; and
- e) technical compliance issues; and

- f) risk exposure; and
- g) workplace health and safety.

Open and effective competition

Procurement should be open and result in effective competition in the provision of goods and services. Council must give fair and equitable consideration to all prospective suppliers.

The development of competitive local business and industry

Where price, performance, quality, suitability and other evaluating criteria are comparable, the following areas may be considered in evaluating offers:

- creation of local employment opportunities;
- more readily available servicing support;
- more convenient communications for contract management;
- the benefit to Council of an associated local commercial transaction.

Environmental protection

Council promotes environmental protection through its procurement processes and will consider the following:

- environmentally friendly goods and services;
- foster the development of products and processes of low environmental and climatic impact;
- promote the use of environmentally friendly goods and services; and
- encourage environmentally responsible activities.

Ethical behaviour and fair dealing

Officers are to behave with impartiality, fairness, independence, openness, integrity and professionalism in their discussions and negotiations with suppliers and their representatives.

Council officers must:

- declare any perceived or actual conflicts of interests throughout the procurement process;
- maintain confidentiality of offers and security of information;
- maintain good quality documentation in accordance with Councils records management procedures.

Procurement Thresholds

All procurement must be:

- sourced according to the minimum requirements in the table below unless an exception applies; and
- approved by the relevant officer with the financial delegation; and
- be accompanied by evidence of quotations, or documented reasons for insufficient quotations; and
- made by purchase orders, except where otherwise defined in the Procurement Procedure.

The Purchasing Thresholds table sets out the minimum requirements unless any of the legislative exceptions are applied.

Table 1: Purchasing Thresholds (excluding GST)

	Amount (GST excl.)	PSA	RPQS (ROPS)	All other purchasing (minimum)
Small	\$0-\$7,000	No quotes	No quotes	1 (or more) verbal/written quote, however consideration given to invite quotes for purchases where operationally efficient to do so.
	>\$7,000-\$15,000	No quotes	No quotes	Invite 2 (or more) quotes
Medium	>\$15,000-\$200,000	No quotes	Consideration given to invite quotes	Invite 3 (or more) quotes
Large	≥\$200,000	No quotes	Consideration given to invite quotes	Tender

The procurement procedure sets out the legislative requirements and related guidance in greater detail.

Purchasing – Exceptions

Under the Local Government Regulation 2012, there are options available for purchasing exemptions. A guideline to these exemptions can be found on Council's intranet. All consideration for an exemption should be discussed and approved by the Department Director / Chief Operating Officer or the CEO prior to purchase.

Compliance with Council's Workplace Health and Safety Procedures

To ensure compliance with

- Work Health and Safety Act 2011
- Work Health and Safety Regulation 2011
- AS/NZS 31000:2018 Risk Management – Principles and Guidelines,

Council officers involved in purchasing are to abide by Council's Workplace Health and Safety (WHS) Outsourcing & Procurement Procedure and WHS – SPPRC-3.6.1 Purchasing & Supplier Control.

Disposal of Land and Non-Current Assets

As per Section 227 of the Local Government Regulation (LGR) 2012, Council must not enter into a valuable non-current asset contract (disposal of a valuable non-current asset) unless it first invites written tenders for the contract under Section 228, or offers the non-current asset for sale by auction.

Responsibilities

All Council officers and employees responsible for purchasing goods and services of any kind must comply with this Policy. It is the responsibility of Council employees involved in the procurement process to understand the meaning and intent of this policy and to familiarise themselves with Council's policies, guidelines and procedures. Council employees must undertake procurement activities in accordance with their delegation of authority, as outlined in the Procurement Procedure.

Examples of policy breaches

Examples of breaches of the procurement policy are available on Council's Intranet under Corporate Procedures and Guidelines.

Definitions

Term	Definition
Act	<i>Local Government Act 2009</i>
Regulation	<i>Local Government Regulation 2012</i>
Officer	Refers to any officer of Council who is involved, in any form, in the procurement process. An officer includes employees, contractors, volunteers, and all others who perform work on behalf of Council.
Manager	Includes all persons appointed to a supervisory position including with the title CEO, Director, Manager, Coordinator, Supervisor, Team Leader.
Procurement	The purchase, hire, lease, rental, exchange or any other commercial transaction involving the outlay of funds in return for the provision of goods, equipment and related services, construction contracts and service contracts to Council, Council officers and agents unless specifically exempted under the provisions of the Act or Regulation.
Whole of life cost	Total cost of a good or service over its entire lifecycle. This may include acquisition costs (associated with the initial procurement), operating costs, maintenance costs, cleaning costs, refurbishment costs, support costs and disposal costs.

Adopted by Council by Resolution on 19 February 2025 Resolution 0225/012.



Anne Andrews

Chief Executive Officer