



Procurement Policy

CONTENTS

| | | |
|-----|--|----|
| 1. | PURPOSE..... | 3 |
| 2. | SCOPE..... | 3 |
| 3. | POLICY STATEMENT | 3 |
| 4. | PROCUREMENT METHODOLOGY | 4 |
| 5. | PROCUREMENT UNDER \$150,000 FOR GOODS OR SERVICES (UNDER \$200,000 FOR CONSTRUCTION WORKS) | 5 |
| 6. | PROCUREMENT EQUAL TO OR GREATER THAN \$150,000 FOR GOODS OR SERVICES (EQUAL TO OR GREATER THAN \$200,000 FOR CONSTRUCTION WORK)..... | 5 |
| 7. | EXPRESSIONS OF INTEREST | 6 |
| 8. | ALTERNATE ARRANGEMENTS | 6 |
| 9. | EXEMPTIONS FROM THE REQUEST FOR PUBLIC TENDER AND REQUEST FOR QUOTATION PROCESSES | 7 |
| 10. | PROCUREMENT PRINCIPLES | 7 |
| 11. | SUSTAINABLE PROCUREMENT CONSIDERATIONS | 8 |
| 12. | PROBITY REQUIREMENTS | 9 |
| 13. | RISK MANAGEMENT AND OCCUPATIONAL HEALTH AND SAFETY | 10 |
| 14. | INTERNAL CONTROL..... | 11 |
| 15. | PERFORMANCE MANAGEMENT AND REPORTING | 11 |
| 16. | COLLABORATIVE PROCUREMENT | 12 |
| 17. | PROCUREMENT CREDIT CARDS..... | 12 |
| 18. | PETTY CASH..... | 12 |
| 19. | TENDER EVALUATION..... | 12 |
| 20. | BEST AND FINAL OFFER..... | 13 |
| 21. | DECISIONS RESERVED FOR COUNCIL..... | 13 |
| 22. | DECISIONS RESERVED FOR CHIEF EXECUTIVE OFFICER..... | 13 |
| 23. | DELEGATIONS AND AUTHORITY | 13 |
| 24. | EXECUTION OF CONTRACT OR AGREEMENT | 14 |
| 25. | CONTRACT MANAGEMENT | 14 |
| 26. | TRAINING AND SKILL DEVELOPMENT | 14 |
| 27. | RESPONSIBILITIES | 15 |
| 28. | DEFINITIONS OF TERMS OR ABBREVIATIONS USED | 15 |
| 29. | RELATED LEGISLATION AND DOCUMENTS..... | 17 |
| 30. | PROCUREMENT GUIDELINES | 17 |
| 31. | HUMAN RIGHTS STATEMENT OF COMPATABILITY | 18 |
| 32. | POLICY OWNER | 18 |
| 33. | COUNCIL TENDERS WEBPAGE | 18 |
| 34. | FEEDBACK..... | 18 |
| 35. | DOCUMENT INFORMATION | 19 |

1. PURPOSE

- 1.1 This procurement policy ('Policy') is made in accordance with section 108 of the Local Government Act 2020 (the 'Act').
- 1.2 The purpose of the Policy is to:
- 1.2.1 Establish the principles, processes and procedures applying in respect of the purchase of goods and services by Golden Plains Shire Council ('Council'), including for the carrying out of works
 - 1.2.2 Promote open and fair competition and provide value for money for Council
 - 1.2.3 Establish the contract value above which Council must invite a tender or seek an expression of interest, and the conditions under which Council may purchase goods without inviting a public tender or expression of interest
 - 1.2.4 Establish the criteria to be used by Council to evaluate whether a proposed contract provides value for money
 - 1.2.5 Establish how Council will seek collaboration with other Councils and public bodies in the procurement of goods and services
 - 1.2.6 Describe the process to be undertaken in inviting a public tender or expression of interest
 - 1.2.7 Demonstrate the consideration of sustainability in procurement of goods, services and works with respect to social, economic and environmental factors; and
 - 1.2.8 Achieve compliance consistent with the requirements of S108 of the Act.



2. SCOPE

- 2.1 This Policy will apply to all Councillors, Council employees and all persons engaged in procurement on Council's behalf, and they will be accountable for compliance with all relevant legislative requirements and requirements of this Policy.
- 2.2 This Policy applies to the purchase of all goods, services and works obtained and/or undertaken by Council.
- 2.3 This policy does not extend to related accounts payable processes.

3. POLICY STATEMENT

- 3.1 This Policy applies from when Council has identified a need for procurement of goods, services and works and it continues through to the delivery of goods or completion of works or services.
- 3.2 Employees engaged in any procurement activity must be able to demonstrate that

they have complied with the Policy.

- 3.3 Non-compliance with the Policy may result in a breach of legislative requirements and Council disciplinary actions may be imposed if you breach fraud, corruption, bribery or Australian Consumer Laws.

4. PROCUREMENT METHODOLOGY

- 4.1 The table below records a summary of the procedure for procurement at certain threshold levels including those for and the delegated authority to sign the Contracts on Council's behalf as follows:
- 4.2 Procurement may not be split to avoid procurement thresholds.
- 4.3 **All ICT procurements (Hardware, Software, Software as a Service) must be approved by an authorised delegate from the ICT and Digital Transformation unit.**

| Procurement Threshold (Inclusive of GST) | Procurement Methodology | Authority to Sign Contract/Agreement*** |
|--|--|---|
| \$0-\$5,500 | <ul style="list-style-type: none"> Request at least one (1) verbal or written quote; and Raise a Purchase Order | In accordance with instrument of delegation |
| \$5,501-\$33,000 | <ul style="list-style-type: none"> Request a minimum two (2) written quotes from suitable suppliers or one (1) quote from Panel of Suppliers; <i>and</i> Raise a Purchase Order | |
| \$33,001 - \$149,999 (Goods & Services) \$33,001 - \$199,999 (Construction Works) | <ul style="list-style-type: none"> Request three (3) written quotes from identified suitable suppliers or two written quotes from a Panel of Suppliers Raise a Purchase Order A formal contract may be required | |
| \$150,000 or greater (Goods & Services) \$200,000 - or greater (Construction Works) | <ul style="list-style-type: none"> Public tender process through Council's tender portal; OR Procure goods, services, or works under alternate arrangements (see clause 9 of this Policy) - (If using a Panel, minimum three written quotes) And: <ul style="list-style-type: none"> A formal contract is required and a Probity Plan may be required (i.e., <i>High Risk</i>) | |

*** for guidance, refer to Council's Delegations Register

- 4.4 Council's standard methods of procurement incorporate:
- 4.4.1 Procurement Credit Cards and Petty Cash (see clauses 17 and 18);

- 4.4.2 Purchase Order following a Request for Quotation process (see clause 5);
- 4.4.3 Contract following a public tender process (see clause 6); and
- 4.4.4 Contract entered under the Collaborative and Alternate Procurement Arrangements (see clause 8, 16 and
- 4.4.5 Council's 'Exemptions from the Request for Tender and Request for Quotation Process' procedure).

5. PROCUREMENT UNDER \$150,000 FOR GOODS OR SERVICES (UNDER \$200,000 FOR CONSTRUCTION WORKS)

- 5.1 For all procurements under this heading Council is required to follow a Request for Quotation (RFQ) process as follows:
 - 5.1.1 Procurements with a value up to \$5,500 should be made after requesting at a minimum one (1) verbal quotation;
 - 5.1.2 Procurements with a value between \$5,501 to \$33,000 should be made after requesting at a minimum two (2) written quotations from suitable supplier or (1) quote from Panel of Suppliers;
 - 5.1.3 Procurements with a value between \$33,001 to \$149,999 should be made after requesting at a minimum three (3) written quotations from a suitable supplier or (2) quotes from Panel of Suppliers.
- 5.2 At the Chief Executive Officer or their delegate's discretion, a public tender process may be used for values less than \$149,999 if this process will serve Council's best interests and provide a better outcome.
- 5.3 All values are inclusive of GST.

6. PROCUREMENT EQUAL TO OR GREATER THAN \$150,000 FOR GOODS OR SERVICES (EQUAL TO OR GREATER THAN \$200,000 FOR CONSTRUCTION WORK)

- 6.1 For all procurements equal to or greater than \$150,000 for the whole term of the contract must be:
 - 6.1.1 undertaken by public tender process in compliance with the Act and this Policy; OR
 - 6.1.2 a public tender process is not required if the contract is procured in the following circumstances:
 - 1. Procured where Council has resolved that the contract must be entered into because of an emergency
 - 2. Procured under approved collaborative and alternate arrangements, as stated under clause 8, 16 of this policy and the Act
 - 3. Procured under approved accordance with the exemption procedure; or
 - 4. The contract is a type of contract that has been exempted by regulation.
- 6.2 All procurements under this clause must be processed through the procurement team or in consultation with the procurement team.

7. EXPRESSIONS OF INTEREST

- 7.1 At the discretion of the Chief Executive Officer or his or her delegate, Council may determine to seek expressions of interest where:
- 7.1.1 There are likely to be many tenderers;
 - 7.1.2 The tendering process will be costly or procurement is complex and Council does not wish to impose the costs of preparing full tenders on all tenderers;
 - 7.1.3 There is uncertainty as to the willingness and/or interest of parties or suppliers to offer the potential goods or services or to undertake the proposed works; or
 - 7.1.4 Council seeks advice from the market about how to best procure the goods, services or works.

8. ALTERNATE ARRANGEMENTS

- 8.1 Council may procure goods, services or works without undertaking a public tender or other procurement process through collaborative arrangements, government or nominated agents such as, but not limited to:
- 8.1.1 State Purchase Contracts (SPCs), Whole of Victorian Government Contracts (WoVGs), Construction Supplier Register (CSR) and e-Services Register
 - 8.1.2 Aggregators and local government group purchasing schemes such as the Municipal Association of Victoria Procurement (MAV Procurement) and Procurement Australia;
 - 8.1.3 Public Bodies, Authorities or Agencies such as Barwon Water, Waste and Resource Recovery Groups (WRRGs) etc.
 - 8.1.4 Council may form or join a group of other councils to procure goods, services or works where one council of the group acting as the agent for the other Councils undertakes a competitive process. In this event the agent Council must comply with the requirements of the Act as well as giving priority to achieving the best outcomes for the municipal community and ensuring transparency of council decisions, actions and information.
- 8.2 Council employees must ensure that they follow a process, where applicable, required by the bodies outlined in clause 8.1.
- 8.3 Where the procurement process is not conducted in-house (refer to 8.1), council staff must ensure they provide adequate and reliable advice to the elected council, CEO or other respective delegated authority to allow it/them to make sound decisions on procurement matters.
- Where applicable, this may include taking actions such as but not limited to:
- 8.3.1 Reviewing and settling project specifications,
 - 8.3.2 Reviewing conditions of contract and other contract documentation;
 - 8.3.3 Ensuring that probity arrangements are in place for the entirety of the procurement process or having regard to the circumstances, confirming that probity arrangements were in place during the procurement;

- 8.3.4 Making a decision or recommendation to either accept one of the suppliers or reject all;
- 8.3.5 Reviewing tenders received and the tender evaluation where applicable and accessible;
- 8.3.6 Selecting one supplier or a panel subject to obtaining value for money, and
- 8.3.7 Exercising discretion in accepting one of the suppliers or a panel.

9. EXEMPTIONS FROM THE REQUEST FOR PUBLIC TENDER AND REQUEST FOR QUOTATION PROCESSES

- 9.1 Exemptions from the Request for Quotation process are set out in the Council's 'Exemptions from the Request for Public Tender and Request for Quotation Processes' procedure.
- 9.2 The CEO or delegate may approve ad-hoc exemptions in exceptional circumstances where it can be demonstrated that it is in the best interests of the community to do so.
- 9.3 If Council employees or persons engaged in procurement on Council's behalf request the exemption, they must follow the requirements of the exemption procedure as described in this clause.

10. PROCUREMENT PRINCIPLES

- 10.1 Council will apply the following fundamental best practice principles to every procurement, irrespective of the value and complexity of that procurement:
 - 10.1.1 Value for money;
 - 10.1.2 Open and fair competition that demonstrates impartiality, accountability and meets relevant ethical and legal requirements.
 - 10.1.3 Accountability;
 - 10.1.4 Sustainability (social, economic and environmental outcomes);
 - 10.1.5 Risk management.
 - 10.1.6 Probity and transparency.
- 10.2 All prospective contractors and suppliers must be treated impartially and afforded an equal opportunity to tender or submit a quotation.
- 10.3 The principle of Value for Money underpins Council's procurement function. It is the achievement of a desired procurement outcome at the best possible price, not necessarily the lowest price, based on a set list of financial and non-financial criteria relevant to the procurement. Council must apply the Best Value principles which require, among other matters, that:
 - 10.3.1 All services provided by Council must meet the quality and costs standards and achieve continuous improvement in the provision of services for its community
 - 10.3.2 Contribute to the advancement of Council's priorities and objectives
 - 10.3.3 Fit for purpose, quality, social and environmental impacts, service and support; and
 - 10.3.4 Cost-related factors including whole-of-life costs and transaction costs

associated with acquiring, using, holding, maintaining and disposing of the goods, services or works.

- 10.4 Value for money is best achieved by:
- 10.4.1 Undertaking competitive procurement processes
 - 10.4.2 Using aggregated contracts where appropriate
 - 10.4.3 Identifying and rectifying inefficiencies in procurement processes
 - 10.4.4 Working with suppliers to create relationships that are professional and productive; and
 - 10.4.5 In accordance with section 101(1) of the Act and the relevant provisions of the *Competition and Consumer Act 2010* (Cth).

11. SUSTAINABLE PROCUREMENT CONSIDERATIONS

- 11.1 Council is committed to procure goods, services or works that will deliver value for money whilst ensuring that Council achieves the most positive environmental, social and economic impacts possible for the Community across the entire lifecycle of goods, services and works.

- 11.2 Council will promote and encourage in its procurement activities and decision making, the following environmental, economic and social sustainability considerations:

Environmental Sustainability

- 11.3 Minimise waste, by:
- 11.3.1 Avoiding or reducing the use of goods, materials, products or services that generate waste;
 - 11.3.2 Re-using goods, products or materials, where possible, to extend their useful lifecycle;
 - 11.3.3 Procuring goods, products or materials that are recycled or are recyclable.
- 11.4 Use recycled or Recyclable Materials:
- 11.4.1 Subject to the nature of the procurement, Council may apply up to a 10% price advantage to those suppliers who demonstrate in their submissions or quotations that their goods, products or materials are either recycled or can be recycled.
- 11.5 Promote and encourage sustainability in Council procurement activities and decision making by:
- 11.5.1 Maximisation of energy efficiency and improving energy management;
 - 11.5.2 Reduction of water consumption and improving water management;
 - 11.5.3 Reduction of air, water and soil pollution, greenhouse gas emissions, waste production, natural resource, biodiversity depletion and destruction.
 - 11.5.4 Considering a product or asset's lifecycle
 - 11.5.5 Managing demand to reduce procurement requirements
 - 11.5.6 Engaging suppliers who are also committed to reducing their environmental impact.

Economic Sustainability

- 11.6 Subject to the nature of the procurement, Council may procure goods, services or works:
- 11.6.1 from local suppliers to promote and encourage economic development in the community and foster the relationships with local business;
 - 11.6.2 from the suppliers who will demonstrate innovative or creative approaches to delivering goods, services or works;
 - 11.6.3 which will consider the benefits and disadvantages of life-cycle costing of goods, services or works (i.e, purchase price, maintenance, operating and disposal costs)
 - 11.6.4 ensuring accountability and transparency.

Social Sustainability

- 11.7 Council is committed to building stronger communities and meeting social objectives which benefit the community and commits to integration of measures in its procurement processes and documentation which promote improved social outcomes which subject to the nature of the procurement, Council may procure goods, services or works which will:
- 11.7.1 Generate local employment opportunities for the community;
 - 11.7.2 Promote and encourage social inclusion amongst local residents;
 - 11.7.3 Support and promote gender equality and safety;
 - 11.7.4 Support and promote safe and fair workplaces;
 - 11.7.5 Support Indigenous businesses.

Council's Discretion in Price Preference

- 11.8 Subject to the nature of the procurement, Council may apply up to a 10% price advantage to those suppliers who demonstrate in their submissions or quotations one or more factors under clause 11.6 Economic Sustainability and clause 11.7 Social Sustainability of this Policy.

12. PROBITY REQUIREMENTS

- 12.1 Council employees and all persons engaged in procurement on Council's behalf must exercise the highest standards of integrity in a manner able to withstand the closest possible scrutiny. A formal probity plan should be developed, and an external independent probity advisor appointed in the following circumstances:
- 12.1.1 Where a proposed contract is considered by Council or the CEO or approved delegate to be particularly complex, of a high risk or controversial nature or requiring a high level of public confidence.
- 12.2 A probity advisor may be appointed to any tender evaluation panel and may be appointed to oversee the evaluation process.
- 12.3 Council employees and all persons engaged in procurement on Council's behalf have an overriding responsibility to:
- 12.3.1 Comply with all legislative and policy requirements;
 - 12.3.2 Ensure appropriately competitive process have been used in the procurement process;
 - 12.3.3 Act impartially, fairly and with honesty and integrity;

- 12.3.4 Apply consistent and transparent process; and
- 12.3.5 Avoid perceived or real conflicts of interest and comply with confidentiality requirements.
- 12.4 In procurement matters, all Council employees (and all persons engaged in procurement on Council's behalf):
 - 12.4.1 Must complete and lodge a Conflict of Interest Declaration and a Confidentiality Agreement if engaged in the evaluation of quotations or tenders;
 - 12.4.2 Must disclose a direct or indirect interest and the type of interest before providing advice or reports or any other matter where it could be perceived that an interest might unduly influence them;
 - 12.4.3 Who have been delegated Council powers, duties or functions are prohibited from exercising those powers, duties or functions if they have a conflict of interest;
 - 12.4.4 Must adhere to the requirements of this Policy and Officer Code of Conduct; and
 - 12.4.5 Must adhere to the requirements of Council's Gifts, Benefits and Hospitality Policy.
- 12.5 Councillors of the Council, in accordance with the Act:
 - 12.5.1 Must not intentionally misuse their position to gain or attempt to gain, directly or indirectly, an advantage for themselves or any other person, or to cause or attempt to cause detriment to the Council or another person;
 - 12.5.2 Must comply with the conflict of interest provisions of the Act and declare a conflict of interest in accordance with the Governance Rules;
 - 12.5.3 Must not intentionally direct or seek to direct a Council employee in the exercise of any power or in the performance of any duty or function of the employee;
 - 12.5.4 Must not intentionally or recklessly disclose information that the person knows, or should reasonably know is confidential information.

13. RISK MANAGEMENT AND OCCUPATIONAL HEALTH AND SAFETY

- 13.1 Council is committed to manage all aspects of its procurement processes in line with its risk management policy and in such way that all risks, including occupational health and safety, are identified, analysed, evaluated, treated, monitored and communicated to the standards required by the law, Australian Standards and Council policies and procedures. Council will apply appropriate risk avoidance and mitigation strategies whenever practicable and appropriate.
- 13.2 Council requires all contractors, service providers and volunteers to comply with all OH&S legislative requirements. These are mandatory requirements and non-compliance will disqualify prospective suppliers. Suppliers must, upon request by Council, provide evidence of certification or policy when providing goods, services or works.
- 13.3 Council will minimise its risk exposure through measures that:
 - 13.3.1 Allow sufficient planning and lead-time for procurement preparation and consideration;

- 13.3.2 Integrate risk identification at the earliest planning stage to inform the procurement process;
- 13.3.3 Use Council standard-form or Australian Standard contracts which include current, relevant clauses to mitigate risk to Council;
- 13.3.4 Require security deposits where appropriate;
- 13.3.5 Refer specifications to relevant technical experts;
- 13.3.6 Review and negotiate contract departures and non-standard contracts prior to the award of the contract with advice retained as evidence of review and approval of the terms;
- 13.3.7 Ensure agreements are executed prior to commencement; and
- 13.3.8 Ongoing and timely contract management.

14. INTERNAL CONTROL

- 14.1 In accordance with section 101 of the Act, Council employees and all persons engaged in procurement on Council's behalf must diligently follow a framework of internal controls over procurement processes in order to ensure:
 - 14.1.1 More than one person is involved in, and responsible for, each procurement transaction;
 - 14.1.2 Transparency and probity in the procurement process;
 - 14.1.3 A clearly documented audit trail exists for procurement functions;
 - 14.1.4 Required authorisations are obtained and documented;
 - 14.1.5 Systems are in place for appropriate monitoring and performance measurement;
 - 14.1.6 Council maintains all records relevant to administering this Policy in accordance with the *Public Records Act 1973* (Vic); and
 - 14.1.7 Information received by Council that is commercial in confidence must not be disclosed and is to be stored in a secure location. Councillors and Council employees are to protect confidential information, by refusing to release or discuss the following at a minimum:
 - 1. Information disclosed by organisations in tenders, quotation or during tender negotiations;
 - 2. All information that is commercial in confidence; and
 - 3. Pre-contract information including but not limited to information provided in quotes and tenders or subsequently provided in pre-contract negotiations.

15. PERFORMANCE MANAGEMENT AND REPORTING

- 15.1 In order to continually improve its processes and outcomes Council will evaluate, and at the direction of the Chief Executive Officer report, the following aspects of all procurement and contract management:
 - 15.1.1 opportunities to improve the processes;

- 15.1.2 incorporate process improvements to policies, procedures, guidelines and day-to-day practices; and
- 15.1.3 evaluate contractor performance.

16. COLLABORATIVE PROCUREMENT

- 16.1 In accordance with section 108(c) of the Act, the Council will first give consideration to collaboration where practical with other Councils and public bodies or utilise Collaborative Procurement Arrangements, when procuring goods, services and works in order to take advantage of economies of scale to achieve the best outcomes for the community.
- 16.2 Where practical, Council will co-operate with other organisations and collaborate with other councils in order to achieve the best outcomes for the community and generate benefits for Council, participating Councils, society and the economy.
- 16.3 Council reports that recommend commencing a procurement process must identify the opportunity if available including:
 - 16.3.1 The nature of those opportunities, if any, and the councils or public bodies with which they are available; and
 - 16.3.2 Why Council did, or did not, pursue the identified opportunities for collaboration in relation to that procurement process.

17. PROCUREMENT CREDIT CARDS

- 17.1 Procurement credit cards must be used in accordance with Council's Procurement Card Use procedure.

18. PETTY CASH

- 18.1 Petty cash will be used to procure small incidental goods or services and/or urgent purchases and is limited up to \$82.50 per transaction. A claim for petty cash reimbursement will be authorised by a delegated supervisor.

19. TENDER EVALUATION

- 19.1 Council employees and all persons engaged in procurement on Council's behalf must ensure that:
 - 19.1.1 Tender evaluations will be conducted in accordance with the methodology set out in Council's procurement guidelines and tender documents;
 - 19.1.2 A tender evaluation panel will be established to evaluate each tender submission against the selection criteria;
 - 19.1.3 A composition of the tender evaluation panel will be determined by a Director or delegate Manager;

- 19.1.4 A tender evaluation panel will produce a written report of their evaluation and present their recommendation/s to a Director; and
 - 19.1.5 The evaluation process is robust, systematic and unbiased.
 - 19.2 At the discretion of the Chief Executive Officer or a Director:
 - 19.2.1 A tender evaluation panel may include external personnel where appropriate in order to ensure best possible outcome;
 - 19.2.2 A probity advisor may be appointed to any procurement process and/or tender evaluation panel in order to provide advice and guidance on probity related matters;
 - 19.2.3 A probity auditor may be appointed to review a procurement and/or evaluation process for continuous improvement; and
 - 19.2.4 An evaluation panel may be established for a Request for Quotation process for complex, high risk or high value projects.
-

20. BEST AND FINAL OFFER

- 20.1 Council may shortlist tenderers and invite each shortlisted tenderer to submit its best and final technical and price offers on the basis of the tender requirements.
 - 20.2 Once a preferred tenderer is selected negotiations can be conducted in order to obtain the optimal solution and commercial arrangements, providing they remain within the intent and scope of the tender.
-

21. DECISIONS RESERVED FOR COUNCIL

- 21.1 Council employees must ensure that they seek Council's resolution on:
 - 21.1.1 All contracts with expenditure greater than the financial delegation to the Chief Executive Officer from the Council, or otherwise required by the Act;
 - 21.1.2 All contract variations that seek to increase the total contract sum by equal to or greater than 15% provided that the original contract was approved by a Council resolution.
-

22. DECISIONS RESERVED FOR CHIEF EXECUTIVE OFFICER

- 22.1 All contracts with expenditure equal to or less than the financial delegation to the Chief Executive Officer from the Council must be approved in accordance with the relevant instrument of delegation.
 - 22.2 All values in clauses 21 and 22 are inclusive of GST.
-

23. DELEGATIONS AND AUTHORITY

- 23.1 In accordance with sections 10 and 11 of the Act, Council will maintain a Delegations Register which specifies the level of delegated authority required for approval of a quotation, purchase order, tender, invoice and any other expenditure and contractual process for each instance of procurement.

- 23.2 A delegation for Council employees, except the Chief Executive Officer, may be amended from time to time at the sole discretion of the Chief Executive Officer or his or her delegate. The Chief Executive Officer's delegated authority is set by Council.
- 23.3 All contract variations that seek to increase the total sum by an amount that is less than 15% of the total sum of the contract will be approved in accordance with the relevant instrument of delegation.
-

24. EXECUTION OF CONTRACT OR AGREEMENT

- 24.1 The Chief Executive Officer or delegated officer will execute any contract or agreement on behalf of Council provided that:
- 24.1.1 The sum of the contract or agreement is within the officer's delegated authority; or
 - 24.1.2 Council by its resolution has awarded the contract or agreement which is outside the Chief Executive Officer's financial delegation.
 - 24.1.3 Notwithstanding clause 23 Council may resolve to delegate execution of a contract or agreement to the Mayor or Council's delegate.
-

25. CONTRACT MANAGEMENT

- 25.1 Council will maintain a Contracts Register where it will record contracts that Council has entered into for the procurement of goods, services or works.
- 25.2 The purpose of contract management is to ensure that Council, and where applicable its customers, receive the goods, services or works provided to the required standards of quality and quantity as intended by the contract.
- 25.3 The provision of goods, services and works by contract potentially exposes Council to risk, Council will minimise its risk exposure by measures such as:
- 25.3.1 standardising contracts to include current, relevant clauses;
 - 25.3.2 requiring a contractor to provide evidence of a labour hire licence under the *Labour Hire Licensing Act 2018* (Vic);
 - 25.3.3 ensuring the contract or purchase order reflects the tender pricing;
 - 25.3.4 requiring security deposits where appropriate;
 - 25.3.5 requiring evidence of relevant insurance cover;
 - 25.3.6 referring specifications to relevant experts where appropriate;
 - 25.3.7 requiring a correctly executed contractual agreement before commencement;
 - 25.3.8 use of or reference to relevant Australian Standards (or equivalent); and
 - 25.3.9 effectively managing the contract including monitoring and enforcing performance.
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26. TRAINING AND SKILL DEVELOPMENT

- 26.1 In order to continually improve procurement practices, Council will provide:

- 26.1.1 training for the procurement team and ongoing opportunities to update their skills and knowledge;
- 26.1.2 strategic and governance training for the management team about their roles and responsibilities in leading and supporting Council's procurement and governance processes and practices; and
- 26.1.3 induction training for new employees which will provide core guidance on Council's procurement policy and procedures.

27. RESPONSIBILITIES

Compliance, monitoring and review

- 27.1 The policy owner is responsible for ensuring the policy:
 - 27.1.1 aligns with relevant legislation, government policy and Council's requirements/strategies/values;
 - 27.1.2 is implemented and monitored (i.e. the policy is followed, reflects the changing policy environment, and emerging issues are identified); and
 - 27.1.3 is reviewed to evaluate its continuing effectiveness (e.g. achieving its purpose, remains relevant/current).

Reporting

- 27.2 No additional reporting is required.

Records Management

- 27.3 Council must maintain all records relevant to administering this policy in accordance with the *Public Records Act 1973*.

28. DEFINITIONS OF TERMS OR ABBREVIATIONS USED

| Term | Definition |
|---|---|
| <i>Act</i> | <i>Local Government Act 2020</i> |
| <i>Collaborative Procurement Arrangement</i> | Collaborative procurement is the centralisation of the procurement of goods, services or works which are repetitive and common to multiple organisations, or that are highly complex and benefit from specialisation and may be achieved through aggregation of agreements and panels, sharing expertise or knowledge or combined Council procurements. |
| <i>Aggregators / Alternate Nominated Arrangements</i> | Organisations that aggregate demand for goods or services across multiple Councils and go to market as Council's agent. Councils may access contracts created by alternate aggregators at any time (MAV Procurement, Procurement Australia, State Government, council/s, public bodies, agents or authorities) unlike a one-off collaborative procurement activity. |
| <i>Contract management</i> | The process that ensures all parties to a contract fully meet their respective obligations as efficiently and effectively as possible, in order to deliver the contract objectives and provide Value for Money. |

PROCUREMENT POLICY

| | |
|--------------------------------------|---|
| <i>Council</i> | Golden Plains Shire Council organisation, including Councillors and Council Staff. |
| <i>Councillors</i> | Council's elected representatives (the Mayor and Councillors) or Administrator(s) appointed to act in this capacity. |
| <i>Council Staff</i> | Includes all Council officers, temporary employees, contractors, volunteers and consultants while engaged by Council. |
| <i>Direct purchasing</i> | A buyer does not conduct any competitive process in the procurement of a good or service and selects/purchases the goods or services instantly without any evaluation or selection process e.g., Purchase Card; use of Panel/aggregator etc. |
| <i>Indigenous Business</i> | An Indigenous Business is one that is at least 50% owned by an Aboriginal or Torres Strait Islands person(s) <ul style="list-style-type: none"> (consistent with Supply Nation's definition). |
| <i>Local Business</i> | A commercial business with an operational premise that is physically located within the municipal borders of the G21 Group of Councils |
| <i>Geelong Region Alliance (G21)</i> | The 5 Councils comprising the G21, being the Colac Otway Shire, Golden Plains Shire, City of Greater Geelong, Borough of Queenscliff and Surf Coast Shire Councils. |
| <i>Probity</i> | Within government, the term "probity" is often used in a general sense to mean "good process". A procurement process that conforms to the expected standards of probity is one in which clear procedures that are consistent with the Council's policies and legislation, are established, understood, and followed from the outset. These procedures need to consider the legitimate interests of suppliers and ensure that all potential suppliers are treated equitably. |
| <i>Purchase Order</i> | A form of contract. It is an official document used to authorise and record the purchase of goods or services by a buyer and is the prime reference confirming the contractual situation between the buyer and supplier |
| <i>Procurement</i> | Procurement is the whole process of acquisition of external goods, services and works. This process spans the whole life cycle from initial concept through to the end of the useful life of an asset (including disposal) or the end of a service contract. |
| <i>Sustainability</i> | Activities that meet the needs of the present without compromising the ability of future generations to meet their needs. |

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| <i>Tender Process</i> | The process of inviting parties from either a select list or via public advertisement to submit an offer by tender followed by evaluation of submissions and selection of a successful bidder or tenderer in accordance with pre-determined evaluation criteria. |
| <i>Value for Money</i> | Value for Money in procurement is about selecting the supply of goods, services and works considering both cost and non-cost factors including: non-cost factors such as contribution to the advancement of Council's priorities, fitness for purpose, quality, service and support, and cost-related factors including whole-of-life costs and transaction costs associated with acquiring, using, holding, maintaining, and disposing of the goods, services or works. |

29. RELATED LEGISLATION AND DOCUMENTS

Strategic Documents, Policies or Procedures

- 29.1 Complaints Handling Policy
- 29.2 Employee Code of Conduct
- 29.3 Councillor Code of Conduct
- 29.4 Risk Management Framework
- 29.5 Occupational Health and Safety Policies
- 29.6 Best Practice Procurement Guidelines 2013 (Victorian Local Government)

Legislation

Council must comply with all the relevant provisions of the Acts and Regulations in all procurement matters, including but not limited to:

- 29.7 *Charter of Human Rights and Responsibilities Act 2006* (Vic)
- 29.8 *Competition and Consumer Act 2010* (Cth)
- 29.9 *Local Government Act 2020* (Vic)
- 29.10 *Local Government (General) Regulations 2015* (Vic)
- 29.11 *Modern Slavery Act 2018*
- 29.12 *Occupational Health and Safety Act 2004* (Vic)
- 29.13 *Occupational Health and Safety Regulations 2017* (Vic)
- 29.14 *Privacy and Data Protection Act 2014* (Vic)
- 29.15 *Public Records Act 1973* (Vic)

30. PROCUREMENT GUIDELINES

- 30.1 Council will develop and maintain procurement guidelines which will detail the procedure and processes and provide guidance to Council on all operational aspects of procurement.

31. HUMAN RIGHTS STATEMENT OF COMPATABILITY

- 31.1 As a public authority, Council has a duty to act compatibly with human rights and to give human rights proper consideration in decision making.
- 31.2 It is considered that this policy does not impact negatively on any rights identified in the Charter of Human Rights and Responsibilities Act 2006 (Vic).

32. POLICY OWNER

- 32.1 The Director Corporate Services is the policy owner.
- 32.2 The policy owner is the individual who is given the responsibility to review, edit and maintain this policy and associated procedure. The policy owner is also the point of contact for any questions regarding this policy.

33. COUNCIL TENDERS WEBPAGE

- 33.1 Information about Council's current, closed and awarded tenders will be published on the Council Tender webpage.

34. FEEDBACK

- 34.1 You may provide feedback about this document by emailing enquiries@gplains.vic.gov.au
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35. DOCUMENT INFORMATION

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| DOCUMENT TYPE: | Council Policy |
| DOCUMENT STATUS: | Approved |
| DOCUMENT OWNER POSITION: | Director Corporate Services |
| APPROVED BY: | Council |
| DATE ADOPTED: | 28 March 2023 |
| VERSION NUMBER: | 3 |
| LGA 2020 REVIEW DATE REQUIREMENT: | Procurement Policy must be reviewed least once during each 4-year term of the Council <i>Section 108 LGA 2020</i> |
| REVIEW DATE GPSC COUNCIL: | The Procurement Policy must be reviewed at least once in each financial year. |
| DATE RESCINDED: | N/A |
| EVIDENCE OF APPROVAL: | _____ Signed by Chief Executive Officer |
| FILE LOCATION: | G:\Finance\PROCUREMENT\PPolicy October2021\Policy Feb2023 |
| NOTES: | Policy documents are amended from time to time, therefore you should not rely on a printed copy being the current version. Please consult Council's Policy page on the Golden Plains Shire Council website to ensure that the version you are using is up to date. Available at: https://www.goldenplains.vic.gov.au/residents/my-council/about-council/council-policies |