



# Procurement Policy

## CONTENTS

1.	<b>PURPOSE</b> .....	3
2.	<b>SCOPE</b> .....	3
3.	<b>POLICY STATEMENT</b> .....	4
4.	<b>PROCUREMENT PRINCIPLES</b> .....	4
4.1	<i>Value for money</i> .....	4
4.2	<i>Open and fair competition</i> .....	5
4.3	<i>Accountability</i> .....	5
4.4	<i>Risk management</i> .....	5
4.5	<i>Probity and transparency</i> .....	6
4.6	<i>Collaborative procurement</i> .....	7
5.	<b>SUSTAINABLE PROCUREMENT</b> .....	7
5.5	<i>Applying sustainable procurement</i> .....	8
6.	<b>PROCUREMENT METHODOLOGY</b> .....	9
6.1	<i>Procurement thresholds and requirements</i> .....	9
6.2	<i>Public tender</i> .....	9
6.3	<i>Expressions of interest</i> .....	10
6.4	<i>Other procurement methods</i> .....	11
6.5	<i>Exemption from procurement process</i> .....	11
6.9	<b>PERFORMANCE MANAGEMENT AND REPORTING</b> .....	11
6.11	<b>ALTERNATE ARRANGEMENTS</b> .....	12
7.	<b>CONTRACT MANAGEMENT</b> .....	12
7.1	<b>DECISIONS RESERVED FOR COUNCIL</b> .....	12
7.3	<b>DECISIONS RESERVED FOR CHIEF EXECUTIVE OFFICER</b> .....	13
7.6	<b>DELEGATIONS AND AUTHORITY</b> .....	13
7.10	<b>EXECUTION OF CONTRACT OR AGREEMENT</b> .....	13
7.12	<b>CONTRACT MANAGEMENT</b> .....	14
8.	<b>TRAINING AND SKILL DEVELOPMENT</b> .....	14
9.	<b>RESPONSIBILITIES</b> .....	14
10.	<b>DEFINITIONS OF TERMS OR ABBREVIATIONS USED</b> .....	15
11.	<b>RELATED LEGISLATION AND DOCUMENTS</b> .....	17
12.	<b>HUMAN RIGHTS STATEMENT OF COMPATABILITY</b> .....	18
13.	<b>POLICY OWNER</b> .....	18
14.	<b>FEEDBACK</b> .....	18
15.	<b>DOCUMENT INFORMATION</b> .....	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 Apply best practice procurement principles in order to:
- a) Achieve value for money and continuous improvement in the provision of services for the community;
  - b) Ensure Council resources are used efficiently and effectively to improve the overall quality of life of people in the Golden Plains Shire community;
  - c) Achieve compliance with relevant legislative requirements;
  - d) Achieve high standards of fairness, openness, probity, transparency, risk management and accountability;
  - e) Minimise the cost of preparing tender, quote or other submissions for potential suppliers.
- 1.2.2 Establish the principles, processes and procedures applying in respect of the purchase of goods and services by Council, including:
- a) The contract value above which Council must engage in a public tender or expression of interest process and the process to be undertaken in doing so;
  - b) The conditions under which Council may purchase goods or services without public tender or expression of interest;
  - c) The criteria to be used by Council to evaluate whether a proposed contract provides value for money;
  - d) How Council will seek to collaborate with other Councils and public bodies in the procurement of goods and services.
- 1.2.3 Implement the principles of social and sustainable procurement in order to promote the economic, social and environmental sustainability of Golden Plains Shire.
- 1.3 This policy has been developed with reference to the Victorian Local Government Best Practice Procurement Guidelines and Social Procurement: A Guide for Victorian Local Government.



## 2. SCOPE

- 2.1 This Policy will apply to all Councillors, Council employees and all persons engaged in procurement on Council's behalf.

- 2.2 This Policy applies to the purchase of all goods, services and works obtained, ordered, purchased, or otherwise acquired by or on behalf of Council.

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### 3. POLICY STATEMENT

- 3.1 Council is committed to transparent, ethical and accountable procurement, in order to promote open and fair competition and provide best value for money on behalf of the Golden Plains Shire community.
- 3.2 Council will apply the following best practice principles in every procurement, regardless of value or complexity:
- 3.2.1 Value for money;
  - 3.2.2 Open and fair competition;
  - 3.2.3 Accountability;
  - 3.2.4 Risk management; and
  - 3.2.5 Probity and transparency.

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### 4. PROCUREMENT PRINCIPLES

#### 4.1 *Value for money*

- 4.1.1 Council will seek to achieve value for money in all procurements. Value for money refers to the achievement of the best possible procurement outcome at the best possible price with reference to financial and non-financial criteria relevant to the procurement.
- 4.1.2 Value for money does not necessarily refer to the lowest price procurement. The Victorian Auditor-General's Office has defined value for money as the optimum combination of quality, quantity, risk, timeliness and cost on a whole-of-contract and whole-of-asset-life basis.<sup>1</sup>
- 4.1.3 Factors that may be considered in determining whether a procurement represents value for money include:
- a) Whether the procurement advances the Council's priorities, including the objectives contained in the Council Plan;
  - b) Whether the goods, works or services being procured are fit for purpose;
  - c) The quality of the goods, works or services being procured;
  - d) The service and support provided in conjunction with the goods, works or services being procured; and
  - e) Whole-of-life costs and transaction costs associated with acquiring, using, holding, maintaining and disposing of goods, works or services.

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<sup>1</sup> Victorian Auditor-General's Office Public Sector Procurement: Turning Principles into Practice, October 2007.

4.2 ***Open and fair competition***

- 4.2.1 All prospective suppliers to Council will be treated impartially and afforded an equal opportunity to tender or submit a quotation.
- 4.2.2 Council will act in an open and transparent manner and will provide all prospective suppliers with equal access to information to ensure that all prospective suppliers are equally informed in developing their procurement proposal.
- 4.2.3 Council will ensure that all procurement processes are undertaken without bias (whether actual or perceived) and that all prospective suppliers are approached and assessed genuinely, on the merits of their proposal and with an open mind.

4.3 ***Accountability***

- 4.3.1 All members of Council staff involved in procurement processes are responsible for their actions and decisions in relation to procurement and for the resulting outcomes. This includes ensuring that decisions made and actions taken are adequately documented to ensure decisions can be substantiated if required.
- 4.3.2 Members of Council staff must ensure that they provide adequate, reliable and honest advice to Councillors and the Chief Executive Officer to enable informed and unbiased decisions to be made on procurement matters.

4.4 ***Risk management***

- 4.4.1 Risk management must be considered throughout the procurement process and should be managed in accordance with the relevant legislation, Australian standards and Council policies and procedures.
- 4.4.2 Risks associated with procurement or with the goods, works or services to be supplied (including occupational health and safety risks) should be assessed and where possible, mitigated throughout assessment and in the selection of prospective suppliers.
- 4.4.3 All suppliers must comply with occupational health and safety legislative requirements. These are mandatory requirements and non-compliance will disqualify prospective suppliers from the procurement process.
- 4.4.4 Council will minimise its risk exposure by:
  - a) Allowing sufficient planning and lead time for procurement preparation and consideration;
  - b) Integrating risk identification at the earliest planning stage to inform the procurement process;
  - c) Using Council standard form or Australian Standard contracts which include current, relevant clauses to mitigate risk to Council;
  - d) Reviewing and negotiating 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;

- e) Requiring security deposits where appropriate;
- f) Referring the development of specifications to relevant technical experts;
- g) Ensuring agreements are executed prior to commencement of services or works or receipt of goods; and
- h) Ensuring ongoing and timely contract management.

**4.5 *Probity and transparency***

4.5.1 Council will conduct its business and procurement processes in a fair, honest and open manner, upholding the highest levels of integrity. Council will ensure that all procurement processes and decisions are consistent with the public interest and capable of withstanding the closest possible scrutiny.

4.5.2 A formal probity plan will be developed and an external independent probity advisor appointed where Council or the CEO considers that a procurement is:

- a) particularly complex, high risk or high value;
- b) controversial or likely to attract significant media or public attention;
- c) otherwise requires or would benefit from additional scrutiny or oversight.

4.5.3 Councillors, Council employees and all persons engaged in procurement on Council's behalf must:

- a) Comply with all legislative and policy requirements, including:
  - This Procurement Policy;
  - Councillor/Employee Code of Conduct (whichever is relevant);
  - Gifts, Benefits and Hospitality Policy;
  - Governance Rules (including Election Period Policy);
  - Fraud and Corruption Control Policy;
  - Public Transparency Policy.
- b) Ensure competitive, transparent and consistent processes have been used in all procurement in accordance with this Policy;
- c) Act impartially, fairly and with honesty and integrity;
- d) Uphold standards of integrity by:
  - Avoiding bias, whether real or perceived;
  - Avoiding conflicts of interest to the extent possible;
  - Disclosing any conflicts of interest in accordance with the Act by completing a Conflict of Interest Declaration;
  - Refraining from exercising delegated powers, duties or functions in relation to any matter about which they have a conflict of interest;
  - Excluding themselves from any decision-making process,

including any discussion, vote or action, in relation to any matter about which they have a conflict of interest;

- Completing and complying with a Confidentiality Agreement if engaged in the evaluation of quotations or tenders;
- Reporting any concerns or failures to comply with this policy to a supervisor.

#### 4.6 **Collaborative procurement**

4.6.1 Where practical, Council will seek and consider opportunities to collaborate 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 best value procurement.

4.6.2 Recommendations to commence a procurement process must identify opportunities for collaboration if available, including:

- a) The nature of those opportunities, if any, and the Council/s or public bodies with which they are available; and
- b) Why Council did, or did not, pursue the identified opportunities for collaboration in relation to that procurement process.

## 5. **SUSTAINABLE PROCUREMENT**

5.1 In determining whether a procurement achieves value for money, Council will consider the triple-bottom line principles, being the environmental, social and economic impacts of the procurement, and seek to deliver the best possible outcome for the community across the entire lifecycle of goods, services and works.

5.2 Council is obligated under the Local Government Act 2020 and Climate Change Act 2021 to reduce greenhouse gas emissions, protect the environment and monitor impacts, have regard for climate change risks, and are required to give priority to achieving best outcomes for community including future generations.

5.3 The Circular Economy (Waste Reduction and Recycling) Act 2021 requires Councils to support the Victorian Government's circular economy targets, diversion of waste from landfill, and value resources through planned recovery and reuse of materials.

5.4 Council's commitment to environmental sustainability in procurement will be achieved by:

5.4.1 Procuring goods, services or works which:

- a) Reduce air, water and soil pollution;
- b) Reduce greenhouse gas emissions;
- c) Avoid or minimise waste production;
- d) Reduce natural resource and/or biodiversity depletion and destruction;
- e) Promote a circular economy;
- f) Are recycled or recyclable.

- 5.4.2 Re-using goods, products or materials, where possible, to extend their useful lifecycle;
- 5.4.3 Considering the environmental impacts of goods, services or works throughout the lifecycle of the asset or procurement;
- 5.4.4 Engaging suppliers who are also committed to reducing their environmental impact.
- 5.5 Council's commitment to social sustainability in procurement will be achieved by procuring goods, services or works which:
  - 5.5.1 Provide opportunities for:
    - a) young people (aged 15-25) experiencing barriers;
    - b) people with a disability;
    - c) Waddawurrung, Eastern Maar and all other Aboriginal and Torres Strait Islander people;
    - d) Disadvantaged or socially excluded people.
  - 5.5.2 Promote gender equality and safety for Aboriginal and Torres Strait Islanders;
  - 5.5.3 Support and promote safe and fair workplaces;
  - 5.5.4 Support and promote Aboriginal and Torres Strait Islanders businesses.
- 5.6 Council's commitment to economic sustainability in procurement will be achieved by:
  - 5.6.1 Procuring goods, services or works which support local business and economic diversity within Golden Plains Shire;
  - 5.6.2 Procuring goods, services or works which support innovation, emerging industries or creative approaches to delivering goods, services or works;
  - 5.6.3 Applying the value for money principles in clause 4.1.3;
  - 5.6.4 Ensuring accountability and transparency.
- 5.7 ***Applying sustainable procurement***
  - 5.7.1 To apply Council's commitment to environmental, social, or economic sustainability, Council officers may apply a minimum of 5% evaluation score preference to quotations or tenders which:
    - a) Use environmentally sustainable products certified by Good Environmental Choice Australia;
    - b) Are Indigenous businesses, as verified by Traditional Owners Corporations, Supply Nation or Kinaway;
    - c) Employ First Nations people in considerable portions of the business;
    - d) Provide a demonstrable and genuine commitment to the factors described in clauses 5.4 (Environmental Sustainability), 5.5 (Social Sustainability), or (Economic Sustainability).
  - 5.7.2 The sustainable procurement preference described in this clause 5.7 will not be applied for local businesses, suppliers or content, as



this is addressed through the local content scoring mechanism.

## 6. PROCUREMENT METHODOLOGY

### 6.1 *Procurement thresholds and requirements*

6.1.1 All procurement must be conducted in accordance with the following procurement requirements, which are also provided in the table at Appendix 2.

- a) Procurements with a value up to \$5,500 may only be made after requesting at a minimum one (1) verbal or written quotation;
- b) Procurements with a value between \$5,501 to \$33,000 may only be made after requesting at a minimum two (2) written quotations from suitable supplier or one (1) written quotation from an established Council, government or nominated agents panel of suppliers;
- c) Procurements with a value between \$33,001 to \$200,000 may only be made after requesting at a minimum three (3) written quotations from a suitable supplier or two (2) written quotes from an established Council, government or nominated agents panel of suppliers;
- d) Procurements with a value of \$200,001 or greater may only be made:
  - After a public tender or expression of interest process is conducted;
  - Using an approved collaborative or alternate arrangement; or
  - After requesting a minimum of three (3) written quotations from an established Council, government or nominated agents panel of suppliers.
- e) Council may establish panels of suppliers following a public tender or expression of interest process.

6.1.2 The methods provided in clause 6.1.1 are the minimum requirements for each procurement value threshold. Higher levels of procurement processes may be conducted for lower value thresholds where it is considered that the process is in Council's best interest.

6.1.3 All procurement of goods, services or works relating to information and communications technology must be approved by the Manager ICT and Digital Transformation.

6.1.4 Procurement must not be split to avoid procurement thresholds (for example, by splitting a transaction into multiple lower value purchases from the same supplier).

6.1.5 All public tender or expression of interest processes must be conducted in conjunction with Council's Procurement business unit.

### 6.2 *Public tender*

6.2.1 Council employees and all persons engaged in procurement on

Council's behalf must ensure that:

- a) Tender evaluations will be conducted in accordance with the methodology set out in Council's procurement guidelines and tender documents;
- b) A tender evaluation panel will be established to evaluate each tender submission against the selection criteria;
- c) A composition of the tender evaluation panel will be determined by a Director or delegate Manager;
- d) A tender evaluation panel will produce a written report of their evaluation and present their recommendation/s to a Director; and
- e) The evaluation process is robust, systematic and unbiased.

6.2.2 At the discretion of the Chief Executive Officer or a Director:

- a) A tender evaluation panel may include external personnel where appropriate in order to ensure best possible outcome;
- b) 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;
- c) A probity auditor may be appointed to review a procurement and/or evaluation process for continuous improvement; and
- d) An evaluation panel may be established for a Request for Quotation process for complex, high risk or high value projects.

6.2.3 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.

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

### 6.3 ***Expressions of interest***

6.3.1 At the discretion of the CEO or their delegate, Council may determine to seek expressions of interest where:

- a) There are likely to be many tenderers;
- b) The tendering process is likely to be costly or complex and Council wishes to minimise the cost to potential suppliers of preparing a tender;
- c) There is uncertainty as to the availability or appropriateness of goods, services or proposed works;
- d) Council seeks advice from the market about how to best procure the goods, services or works; or
- e) It is otherwise in Council's best interests to seek expressions of interest.

6.3.2 Following an expression of interest, Council may determine:

- a) To proceed or not proceed with conducting a further public tender;
- b) To seek tender submissions from a selected number of suppliers who responded to the expression of interest;

- c) Negotiate and/or enter into a contract directly with one or more of the suppliers who responded to the expression of interest; or
- d) Take any other action in relation to the expression of interest as it considers appropriate and necessary.

**6.4 Other procurement methods**

- 6.4.1 Procurement credit cards must be used in accordance with Council’s Procurement Card Use procedure.
- 6.4.2 Petty cash may be used to procure small incidental goods or services and/or urgent purchases, up to a limit of \$82.50 per transaction. A claim for petty cash reimbursement must be authorised by an appropriately delegated officer.

**6.5 Exemption from procurement process**

- 6.5.1 The requirements of this clause 6.12 do not apply where Council has resolved that the contract must be entered into because of an
  - a) Emergency
  - b) Procured under approved collaborative and alternate arrangements, as stated under clause 4.6 of this policy and the Act
  - c) Procured under approved accordance with the exemption procedure; or
  - d) The contract is a type of contract that has been exempted by regulation.
- 6.6 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.
- 6.7 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.
- 6.8 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.

**6.9 PERFORMANCE MANAGEMENT AND REPORTING**

- 6.10 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:
  - 6.10.1 opportunities to improve the processes;
  - 6.10.2 incorporate process improvements to policies, procedures, guidelines and day-to-day practices; and
  - 6.10.3 contractor performance.

**6.11 ALTERNATE ARRANGEMENTS**

6.12 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:

6.12.1 State Purchase Contracts (SPCs), Whole of Victorian Government Contracts (WoVGs), Construction Supplier Register (CSR) and e-Services Register

6.12.2 Aggregators and local government group purchasing schemes such as the Municipal Association of Victoria Procurement (MAV Procurement) and Procurement Australia;

6.12.3 Public Bodies, Authorities or Agencies such as Barwon Water, Waste and Resource Recovery Groups (WRRGs) etc.

6.12.4 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.

6.13 Council employees must ensure that they follow a process, where applicable, required by the bodies outlined in clause 6.12

6.14 Where the procurement process is not conducted in-house (refer to 6.12), 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:

6.14.1 Reviewing and settling project specifications,

6.14.2 Reviewing conditions of contract and other contract documentation;

6.14.3 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;

6.14.4 Making a decision or recommendation to either accept one of the suppliers or reject all;

6.14.5 Reviewing tenders received and the tender evaluation where applicable and accessible;

6.14.6 Selecting one supplier or a panel subject to obtaining value for money, and

6.14.7 Exercising discretion in accepting one of the suppliers or a panel.

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**7. CONTRACT MANAGEMENT**

**7.1 DECISIONS RESERVED FOR COUNCIL**

7.2 Council employees must ensure that they seek Council's resolution on:

- 7.2.1 All contracts with expenditure greater than the financial delegation of the Chief Executive Officer and within approved budget allocation of the total project, will be authorised by the Councillor Contracts Committee.
- 7.2.2 All contracts with expenditure greater than the financial delegation to the Chief Executive Officer from the Council and above the approved allocated budget will be authorised by Council, or otherwise required by the Act.
- 7.2.3 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.

### 7.3 DECISIONS RESERVED FOR CHIEF EXECUTIVE OFFICER

- 7.4 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.
- 7.5 All contract variations that seek to increase the total contract sum equal to or greater than 15%, provided that the original contract was approved by the CEO under financial delegation, can continue to be approved by the CEO up to the CEO total delegation amount
- 7.6 All values in clauses 7.1 - 7.5 are inclusive of GST.

### 7.7 DELEGATIONS AND AUTHORITY

- 7.8 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.
- 7.9 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.
- 7.10 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.
- 7.11 All contract variations that increase the total sum equal to or greater than 15% must be approved by the CEO or Council based on the relevant instrument of delegation

### 7.12 EXECUTION OF CONTRACT OR AGREEMENT

- 7.13 The Chief Executive Officer or delegated officer will execute any contract or agreement on behalf of Council provided that:
  - 7.13.1 The sum of the contract or agreement is within the officer's delegated authority; or

- 7.13.2 Council by its resolution has awarded the contract or agreement which is outside the Chief Executive Officer's financial delegation.
- 7.13.3 Notwithstanding clause 7 Council may resolve to delegate execution of a contract or agreement to the Mayor or Council's delegate.

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**7.14 CONTRACT MANAGEMENT**

- 7.15 Council will maintain a Contracts Register where it will record contracts that Council has entered into for the procurement of goods, services or works.
- 7.16 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.
- 7.17 The provision of goods, services and works by contract potentially exposes Council to risk, Council will minimise its risk exposure by measures such as:
  - 7.17.1 standardising contracts to include current, relevant clauses;
  - 7.17.2 requiring a contractor to provide evidence of a labour hire licence under the *Labour Hire Licensing Act 2018* (Vic);
  - 7.17.3 ensuring the contract or purchase order reflects the tender pricing;
  - 7.17.4 requiring security deposits where appropriate;
  - 7.17.5 requiring evidence of relevant insurance cover;
  - 7.17.6 referring specifications to relevant experts where appropriate;
  - 7.17.7 requiring a correctly executed contractual agreement before commencement;
  - 7.17.8 use of or reference to relevant Australian Standards (or equivalent); and
  - 7.17.9 effectively managing the contract including monitoring and enforcing performance.

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**8. TRAINING AND SKILL DEVELOPMENT**

- 8.1 In order to continually improve procurement practices, Council will provide:
  - 8.1.1 training for the procurement team and ongoing opportunities to update their skills and knowledge;
  - 8.1.2 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
  - 8.1.3 induction training for new employees which will provide core guidance on Council's procurement policy and procedures.

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**9. RESPONSIBILITIES**

**Compliance, monitoring and review**

- 9.1 The policy owner is responsible for ensuring the policy:

- 9.1.1 aligns with relevant legislation, government policy and Council's requirements/strategies/values;
- 9.1.2 is implemented and monitored (i.e. the policy is followed, reflects the changing policy environment, and emerging issues are identified); and
- 9.1.3 is reviewed to evaluate its continuing effectiveness (e.g. achieving its purpose, remains relevant/current).

**Reporting**

9.2 No additional reporting is required.

**Records Management**

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

- 9.3.1 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:
  - a) Information disclosed by organisations in tenders, quotation or during tender negotiations;
  - b) All information that is commercial in confidence; and
  - c) Pre-contract information including but not limited to information provided in quotes and tenders or subsequently provided in pre-contract negotiations.

**10. Best and Final Offer**

- 10.1 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
- 10.2 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.

**11. 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.

## PROCUREMENT POLICY

<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.
<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"> <li>• (consistent with Supply Nation's definition).</li> </ul>
<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.
<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.

## 12. RELATED LEGISLATION AND DOCUMENTS

### ***Strategic Documents, Policies or Procedures***

- 12.1 Complaints Handling Policy
- 12.2 Employee Code of Conduct
- 12.3 Councillor Code of Conduct
- 12.4 Risk Management Framework
- 12.5 Occupational Health and Safety Policies
- 12.6 Best Practice Procurement Guidelines 2013 (Victorian Local Government)
- 12.7 Exemption Procedure from the Request for Public Tender and Request for Quotation Processes

### ***Legislation***

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

- 12.8 *Charter of Human Rights and Responsibilities Act 2006* (Vic)
- 12.9 *Competition and Consumer Act 2010* (Cth)
- 12.10 *Local Government Act 2020* (Vic)
- 12.11 *Local Government (General) Regulations 2015* (Vic)
- 12.12 *Modern Slavery Act 2018*
- 12.13 *Occupational Health and Safety Act 2004* (Vic)

- 12.14 *Occupational Health and Safety Regulations 2017 (Vic)*
  - 12.15 *Privacy and Data Protection Act 2014 (Vic)*
  - 12.16 *Public Records Act 1973 (Vic)*
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**13. HUMAN RIGHTS STATEMENT OF COMPATABILITY**

- 13.1 As a public authority, Council has a duty to act compatibly with human rights and to give human rights proper consideration in decision making.
  - 13.2 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).
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**14. POLICY OWNER**

- 14.1 The Director Corporate Services is the policy owner.
  - 14.2 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.
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**15. FEEDBACK**

- 15.1 You may provide feedback about this document by emailing [enquiries@gplains.vic.gov.au](mailto:enquiries@gplains.vic.gov.au)
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**16. DOCUMENT INFORMATION**

DOCUMENT TYPE:	Council Policy
DOCUMENT STATUS:	Approved
DOCUMENT OWNER POSITION:	Director Corporate Services
APPROVED BY:	Council
DATE ADOPTED:	27 August 2024
VERSION NUMBER:	4
REVIEW DATE	The Procurement Policy must be reviewed at least once in each financial year.
DATE RESCINDED:	N/A
EVIDENCE OF APPROVAL:	<p>_____</p> <p>Signed by Chief Executive Officer</p>
FILE LOCATION:	INT23/AA872E0
NOTES:	<p>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.</p> <p>Available at:</p> <p><a href="https://www.goldenplains.vic.gov.au/residents/my-council/about-council/council-policies">https://www.goldenplains.vic.gov.au/residents/my-council/about-council/council-policies</a></p>

**APPENDIX 1 – PROCUREMENT THRESHOLDS**

Procurement value (inclusive of GST)	Minimum procurement methodology	Minimum documentation
<p><b>Level 1:</b> <b>\$0-\$5,500</b></p>	<ul style="list-style-type: none"> <li>• One (1) verbal or written quote</li> </ul>	<ul style="list-style-type: none"> <li>• Raise a purchase order</li> </ul>
<p><b>Level 2:</b> <b>\$5,501-\$33,000</b></p>	<ul style="list-style-type: none"> <li>• Two (2) written quotes from suitable suppliers</li> </ul> <p><i>or</i></p> <ul style="list-style-type: none"> <li>• One (1) written quote from a Council panel of suppliers</li> </ul>	<ul style="list-style-type: none"> <li>• Raise a purchase order</li> </ul>
<p><b>Level 3:</b> <b>\$33,001 - \$200,000</b></p>	<ul style="list-style-type: none"> <li>• Three (3) written quotes from suitable suppliers</li> </ul> <p><i>or</i></p> <ul style="list-style-type: none"> <li>• Two (2) written quotes from a Council panel of suppliers</li> </ul>	<ul style="list-style-type: none"> <li>• Raise a purchase order</li> </ul> <p><i>and</i></p> <ul style="list-style-type: none"> <li>• A formal contract may be required</li> </ul>
<p><b>Level 4:</b> <b>\$200,001 or greater</b></p>	<ul style="list-style-type: none"> <li>• Public tender process through Council's tender portal</li> </ul> <p><i>or</i></p> <ul style="list-style-type: none"> <li>• Procure goods, services, or works under alternate arrangements</li> </ul> <p><i>or</i></p> <ul style="list-style-type: none"> <li>• Three written quotes from a Council panel of suppliers</li> </ul>	<ul style="list-style-type: none"> <li>• A Probity Plan may be required (see clause 4.5.2)</li> </ul> <p><i>and</i></p> <ul style="list-style-type: none"> <li>• Raise a purchase order</li> </ul> <p><i>and</i></p> <ul style="list-style-type: none"> <li>• A formal contract is required</li> </ul>

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