



## **PROCUREMENT POLICY**

**ADOPTED BY COUNCIL: 17 NOVEMBER 2021**





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**1. BACKGROUND**

- 1.1 Until 30 June 2021, the legislative requirements relating to procurement were set out in the *Local Government Act 1989* (LGA 1989). Those provisions were, from 1 July 2021, replaced by provisions in the *Local Government Act 2020* (LGA 2020).
- 1.2 The specific requirements are in sections 108 and 109 of the LGA 2020 (see the Attachment).
- 1.3 To summarise:
  - a) every council must adopt a new Procurement Policy by 31 December 2021;
  - b) the Procurement Policy must meet the requirements of the LGA 2020;
  - c) a council must comply with its Procurement Policy; and
  - d) the Procurement Policy must be reviewed at least every four years.
- 1.4 Compared with the LGA 1989, there are some key differences:
  - a) there is no provision for the Minister for Local Government to grant exemptions from tendering requirements;
  - b) there is no legislative reference to agency arrangements whereby a council can engage an agent (such as the Municipal Association of Victoria {MAV}, Procurement Australia or another council) to act as its agent in conducting a tendering process;
  - c) there is however, provision for collaborative procurement arrangements between councils and with public bodies;
  - d) there is no provision to novate contracts (ie: transfer the contract to another contractor if the current contractor is bought out, merged etc); and
  - e) apart from the broad legislative provisions, councils are required to establish their own procedures, such as setting the threshold over which proposed contracts are to be the subject of an expression of interest (EOI) or tendering process.

**2. PURPOSE**

- 2.1 The purpose of this Procurement Policy (“Policy”) is to:
  - a) set a good governance and compliance direction for Council and Council employees in undertaking procurement;
  - b) establish a procurement framework for Council to achieve value for money and continuous improvement in the provision of services for the community;
  - c) ensure that Council resources are used efficiently and effectively to improve the overall quality of life of people in the local community;
  - d) achieve compliance with relevant legislative requirements;

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- e) achieve high standards of probity, transparency, accountability and risk management;
- f) give preference to the procurement of environmentally sustainable goods, services and works;
- g) ensure all EOI respondents, tenderers, contractors and suppliers are given an equal opportunity to tender or quote;
- h) give preference to the procurement of goods, services and works from within the municipal district and the region where price, quality, service standards and delivery are comparable to other suppliers; and
- i) collaborate with other councils and public bodies in the procurement of goods and services.

### 3. SCOPE

- 3.1 This Policy provides the principles processes and procedures that will be applied to the purchase of all goods, services and works obtained and/or undertaken by Council.
- 3.2 The Policy applies from when Council has identified a need for procurement of goods, services and works and continues to the delivery of goods or completion of the works or services.

### 4. APPLICATION

- 4.1 The Policy applies 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.

### 5. DEFINITIONS

- 5.1 In this Policy, the following terms have the meaning indicated:
  - a) **collaborative procurement** means procurement resulting from a procurement process involving other councils or public bodies conducted by or on behalf of Council;
  - b) **contract sum** means the known or estimated value of the contract (including GST) over the contract term, including:
    - i.any extension periods;
    - ii.anticipated contingency allowances or variations;
    - iii.all other known, anticipated and reasonably foreseeable costs;

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- c) **corporate social responsibility** (CSR) means when suppliers comply with Council's relevant CSR requirements and/or use their buying power to generate social and environmental value above and beyond the financial value of the goods, services or works being procured;
- d) **emergency** means a sudden or unexpected event requiring immediate action including the occurrence of a natural disaster, flooding or fire event such as flooding or fire at a Council property, the unforeseen cessation of trading of a core service provider, other situation which is liable to constitute a risk to life or property and situations which arise when:
  - i. a state of emergency has been declared under the *Public Health and Wellbeing Act 2008*;
  - ii. a state of disaster has been declared under the *Emergency Management Act 1986*;
- e) **delegated officer** means a member of Council staff who has been delegated powers pursuant to section 47 of the LGA 2020;
- f) **expression of interest** means a publicly advertised process which invites preliminary proposals for a potential contract and which is followed by a selective tendering process whereby one, some or all of the EOI respondents are invited to submit a tender;
- g) **region** means the area comprising the municipal district of West Wimmera and the adjacent municipal districts; and
- h) **respondent** means an entity or person which responds to an EOI.

## 6. LEGISLATIVE COMPLIANCE STANDARDS

Council's procurement activities shall be carried out to the professional standards required by best practice and in compliance with legislative requirements.

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## 7. PROCUREMENT METHODOLOGY

7.1 *Table 1* is a summary of the methodology for procurement at certain threshold levels.

| Procurement Threshold (AUS\$ inc of GST)  | Procurement Methodology  |
|---|--|
| \$0 to \$1,999  | <ul style="list-style-type: none"> <li>Obtain at least one (1) verbal or emailed quotation.</li> <li>Raise a purchase order.</li> </ul>  |
| \$2,000 to \$8,000  | <ul style="list-style-type: none"> <li>Obtain at least one (1) written or emailed quotation.</li> <li>Raise a purchase order.</li> <li>Quotations must be registered with the Procurement and Contracts Officer.</li> </ul>  |
| \$8,001 to \$25,000   | <ul style="list-style-type: none"> <li>Request at least two (2) written or emailed quotations.</li> <li>Raise a purchase order.</li> <li>Quotations must be registered with the Procurement and Contracts Officer.</li> </ul>  |
| \$25,001 to \$80,000  | <ul style="list-style-type: none"> <li>Request at least three (3) written or emailed quotations.</li> <li>Prepare an evaluation report for approval by the relevant delegated officer.</li> <li>Raise a purchase order.</li> <li>Quotations must be registered with the Procurement and Contracts Officer.</li> </ul>  |
| \$80,001 to \$149,999<br>(Goods & Services)<br><br>\$80,001 to \$199,999<br>(Works) | <ul style="list-style-type: none"> <li>Request at least three (3) written or emailed quotations.</li> <li>Prepare an evaluation report for approval by the relevant delegated officer.</li> <li>Raise a purchase order.</li> <li>A formal contract is required.</li> <li>The contract must be registered with the Procurement and Contracts Officer.</li> </ul>              |
| \$150,000 plus<br>(Goods & Services)<br><br>\$200,000 plus<br>(Works)               | <ul style="list-style-type: none"> <li>Undertake a publicly advertised EOI or tendering process through Council's e-Procure portal.</li> <li>Prepare an evaluation report for approval by the relevant delegated officer or Council.</li> <li>A formal contract is required.</li> <li>The contract must be registered with the Procurement and Contracts Officer.</li> </ul> |

*Table 1*



7.2 Council’s standard methods of procurement include:

- a) by credit cards and petty cash;
- b) by purchase orders following a request for quotation process;
- c) pursuant to a contract following an EOI or public tendering process; or
- d) pursuant to a contract entered into under a collaborative arrangement.

**8. PROCUREMENT UNDER \$150,000 FOR GOODS OR SERVICES OR UNDER \$200,000 FOR WORKS**

8.1 At the discretion of the Chief Executive Officer (CEO) or his/her delegate, a public tender process may be used for a contract with an expected value of less than \$150,000 (for goods or services) or \$200,000 (for works) if the process will serve Council’s best interests and provide a better outcome.

**9. PROCUREMENT EQUAL TO OR GREATER THAN \$150,000 FOR GOODS OR SERVICES OR EQUAL TO OR GREATER THAN \$200,000 FOR WORKS**

9.1 For all procurements equal to or greater than \$150,000 (for goods or services) or equal to or greater than \$200,000 (for works) for the whole term of the contract, the procurement process will be undertaken by a public tender process in compliance with the LGA 2020 and this Policy, except where:

- a) Council has resolved that the contract must be entered into because of an emergency;
- b) the contract is awarded by the CEO pursuant to the provisions of his or her delegation from the Council relating to a state of emergency declared under the *Public Health and Wellbeing Act 2008* or a state of disaster declared under the *Emergency Management Act 1986*;
- c) where there is only one provider for the goods, services or works;
- d) the contract results from a collaborative or government panel arrangement;
- e) the contract is a type of contract that has been exempted by Regulations;
- f) the expenditure relates to purchases from information technology resellers and software developers (eg: for renewal of software licences etc) where there is a sole supplier who holds the intellectual property rights to the software;
- g) the expenditure is in relation to statutory insurance schemes (eg: motor vehicle compulsory third party, WorkCover etc); or
- h) the acquisition is of a cultural or artistic nature.

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9.2 Other purchases not subject to quotations or tendering processes include:

- a) electricity, gas, water and telephone services;
- b) superannuation;
- c) taxes and levies;
- d) external (financial) auditors; <sup>1</sup>
- e) elections; <sup>2</sup>
- f) valuations; <sup>3</sup>
- g) Australia Post services; and
- h) allowances and reimbursements.

## 10. EXPRESSIONS OF INTEREST

10.1 An EOI is a two stage process and does not replace the need to call tenders. Following an EOI process, Council may invite one, some or all respondents to submit a tender.

10.2 An EOI is generally structured with the following components:

- a) overview of requirements;
- b) invitation to submit; and
- c) evaluation criteria.

10.3 An EOI is suited to circumstances where:

- a) there are likely to be many tenderers;
- b) tendering will be costly or the procurement is complex; or
- c) there is uncertainty as to the interest of suppliers to offer the potential goods or services or to undertake the proposed work.

## 11. PROCUREMENT THROUGH COLLABORATIVE ARRANGEMENTS AND GOVERNMENT PANELS

11.1 Council may procure goods, services or works without undertaking a public tender process through State Purchase Contracts and Whole of Victorian Government Contracts.

<sup>1</sup> Appointed by the Auditor General.

<sup>2</sup> The Victorian Electoral Commission is the statutory provider.

<sup>3</sup> Valuers are appointed by the Valuer-General.

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11.2 Council may also procure goods, services or works where it enters into an agreement for a public body or a council to act as the agent for the Council or for a group of councils provided that the public body or agent council and the participating councils have similar procurement policies and practices and that the proposed specifications, Conditions of Tender and Conditions of Contract to be used by the public body or agent council are satisfactory.

**12 PROCUREMENT PRINCIPLES**

12.1 Council will apply the following fundamental best practice principles to every procurement, irrespective of the value and complexity of that procurement:

- a) value for money;
- b) open and fair competition;
- c) accountability;
- d) risk management; and
- e) probity and transparency.

**13 EVALUATION CRITERIA**

13.1 When inviting EOIs or tenders, the documentation will be specific to the proposed services, goods or works and will include the evaluation criteria which will be determined by the CEO or a Director prior to advertising.

13.2 The evaluation criteria will generally include:

- a) mandatory criteria (ie: pass/fail) – eg:
  - i. third party accreditation (eg: relating to occupational health and safety or quality management);
  - ii. attendance at a pre tender briefing;
- b) weighted criteria:
  - i. price;
  - ii. capacity to meet the requirements of the contract;
  - iii. relevant experience;
  - iv. occupational health and safety;
  - v. environmental management;
  - vi. sustainable procurement; and
  - vii. corporate social responsibility.

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13.3 The evaluation criteria will be listed in order of importance in the EOI or tender documentation.

13.4 The % age weighting to be applied to the criteria will be determined by the CEO or a Director prior to advertising and will not be disclosed in the tender documentation.

**14 SUPPORT OF LOCAL BUSINESS**

14.1 Council is committed to buying from local businesses where such purchases may be justified.

14.2 Wherever practicable, Council will fully examine the benefits available through purchasing goods, services or works from suppliers within the municipal district or the region. Where applicable, Council will endeavour to obtain goods, services and works from contractors where there is scope for an economic contribution to the municipal district or region.

14.3 In this context, Council will have regard to the following principles in its acquisition of goods, services and works:

- a) encouraging the support of competitive local/regional business and industry;
- b) the creation of local employment opportunities;
- c) increased availability of local servicing support;
- d) increased convenience with communications with the supplier for contract management;
- e) economic growth within the region;
- f) the benefit to Council of local commercial transactions; and/or
- g) the short and long term impact of the procurement process on local business.

**15 SUSTAINABLE PROCUREMENT CONSIDERATIONS**

15.1 Council is committed to procuring goods, services or works that will deliver value for money and will generate benefits for Council and its community whilst reducing damage to the environment and human health.

15.2 In its procurement practices, Council will promote and encourage the following environmental, economic and social sustainability considerations:

- a) minimisation of waste:
  - i. by avoiding or reducing the use of goods, materials, products or services that generate waste;
  - ii. by re-using goods, products or materials, where possible, to extend their useful lifecycle;
  - iii. by purchasing goods, products or materials that are recycled or are recyclable;

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- b) subject to the nature of the procurement, Council may apply up to a 10% price preference to those suppliers who demonstrate in their tenders or quotations that their goods, products or materials are either recycled or can be recycled;
- c) promoting and encouraging Council procurement in relation to:
  - i. reduction of greenhouse gas emissions;
  - ii. maximisation of energy efficiency and improving energy management;
  - iii. reduction of water consumption and improving water management; and
  - iv. minimisation of nature destruction and pollution.

15.3 Subject to the nature of the procurement, Council may procure goods, services or works:

- a) from local suppliers in order to promote and encourage economic development in the community and foster the relationships with local businesses;
- b) from suppliers who will demonstrate innovative or creative approaches to delivering goods, services or works; and
- c) 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).

15.4 Whenever practicable, Council will give effective and substantial preferences to contracts for the purchase of goods, machinery or material manufactured or produced in Australia.

15.5 Subject to the nature of the procurement, Council may procure goods, services or works which will:

- a) generate employment opportunities in the region; <sup>4</sup>
- b) promote and encourage social inclusion amongst local residents;
- c) support and promote gender equality and safety; and
- d) support and promote safe and fair workplaces.

15.6 A price preference of up 10% may be applied to potential suppliers who demonstrate in their submissions or quotations one or more of the factors specified in clause 15.5.

<sup>4</sup> See clause 5.1(g)

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## 16 PROBITY REQUIREMENTS

16.1 Councillors, Council staff 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. Accordingly, Councillors, Council staff and all persons engaged in procurement on Council's behalf must:

- a) comply with the legal and Policy requirements;
- b) ensure appropriately competitive processes have been used in the procurement process;
- c) act impartially, fairly and with integrity;
- d) apply consistent and transparent processes; and
- e) avoid conflicts of interest and comply with confidentiality requirements.

16.2 In procurement matters, all Council employees and all persons engaged in procurement on Council's behalf:

- a) must complete and lodge a Conflict of Interest Declaration and a Confidentiality Agreement if engaged in the evaluation of quotations, EOIs or tenders;
- b) must disclose a general or material conflict of interest before providing advice or reports or any other matter where it could be perceived that an interest might unduly influence them; and
- c) who have been delegated Council powers, duties or functions, must not exercise those powers, duties or functions if they have a conflict of interest;

16.3 In procurement matters, all Councillors must:

- a) avoid conflicts between their public duties as a Councillor and their personal interests and obligations;
- b) disclose any conflict of interest in any situation where it could be perceived that an interest might unduly influence them; and
- c) not direct or influence a Council employee in the exercise of any power or in the performance of any duty or function.

## 17 ELECTION PERIOD

17.1 Council will comply with the requirements of section 69 (2)(b) of the LGA 2020 which provides that during the election period, a council cannot commit the council to expenditure exceeding one per cent of the Council's income from general rates, municipal charges and service rates and charges in the preceding financial year.

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## 18 GOVERNMENT FUNDING

- 18.1 Where funding has been sought and received through the State and/or Federal Government to undertake projects, all related expenditure must comply with this Policy. This applies to Council projects, delegated committee, community asset committee and advisory committee projects and where Council has sought funding on behalf of a community group.

## 19 CONTRACT NOVATIONS

- 19.1 In instances where a Council contractor wishes to have the contract novated to another contractor, the Council will:
- a) undertake a due diligence in relation to the proposed contractor by obtaining a credit report and/or requesting the proposed contractor's most recent audited financial statements;
  - b) ensure the proposed contractor can meet all the requirements of the contract, including, but not limited to, insurances and bank guarantees; and
  - c) if satisfied that the proposed novation is satisfactory, arrange for the relevant parties to execute a Deed of Novation.

## 20 COUNCIL STAFF – BUSINESS AND PLANT

- 20.1 Councillors and staff who own or have a financial interest in a business may submit an EOI, tender or quotation for goods, services or works however, they must declare the conflict of interest to the CEO or as part of their submission.
- 20.2 Staff who own or have a financial interest in a business may only procure goods and/or services from their own business on behalf of Council with the prior written approval of their supervisor.

## 21 GIFTS, BENEFITS AND HOSPITALITY

- 21.1 Councillors and Council staff must comply with Council's Gift Policy.
- 21.2 Councillors and Council staff should not visit the premises of a tenderer, contractor, organisation, firm or individual uninvited unless on official business. All business negotiations in accordance with this Policy should be conducted on Council premises.
- 21.3 Offers of bribes, inducements, commissions or other irregular approaches from organisations or individuals (no matter how limited the evidence available), must be promptly brought to the attention of the CEO.

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## 22 RISK MANAGEMENT AND OCCUPATIONAL HEALTH AND SAFETY

- 22.1 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.
- 22.2 All contractors and service providers must comply with all legislated occupational health and safety requirements. These are mandatory requirements and non-compliance may lead to termination of the contract. Suppliers must, upon request by Council, provide evidence of accreditation, certification or policy requirements when providing goods, services or works.

## 23 INTERNAL CONTROL

- 23.1 Council employees and all persons engaged in procurement on Council's behalf must diligently follow the framework of internal controls over procurement processes in order to ensure:
- a) more than one person is involved in, and responsible for, each procurement transaction;
  - b) transparency in the procurement process;
  - c) a clearly documented audit trail exists for procurement functions;
  - d) appropriate authorisations are obtained and documented;
  - e) systems are in place for appropriate monitoring and performance measurement;
  - f) all records relevant are maintained in accordance with the *Public Records Act 1973*;
  - g) information received by Council during a procurement process is to be stored in a secure location. Councillors and Council employees are to protect such information, by refusing to release:
    - i. information disclosed by organisations in EOIs, tenders or quotations during the procurement process;
    - ii. information that is commercial in confidence; and
    - iii. pre-contract information including, but not limited to, information provided in quotations, EOIs or tenders or subsequently provided in pre-contract negotiations.
- 23.2 Notwithstanding clause 23(1)(g), Council recognises that procurement documentation may be subject to a freedom of information application pursuant to the *Freedom of Information Act 1982*.

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**24 PERFORMANCE MANAGEMENT AND REPORTING**

24.1 The CEO must ensure procurement activity is monitored on an ongoing basis and provide as a minimum, an annual report to the Audit and Risk Committee (the Committee) on:

- a) procurement activity;
- b) compliance with this Policy, legislation and key internal controls;
- c) financial savings;
- d) opportunities to improve procurement processes;
- e) evaluation of contractor performance; and
- f) economic, environmental and social benefits achieved through procurement.

24.2 Procurement activities will be included regularly in the Internal Audit Plan and related internal controls will be audited by the internal auditors and reported to the Committee at a frequency determined by the Committee.

**25 COLLABORATIVE PROCUREMENT**

25.1 Where practical, Council will collaborate with other councils and public bodies in the procurement of goods or services. This will be achieved by:

- a) participating in networking opportunities and special interest groups within the region;
- b) developing partnerships with small rural shires and/or neighbouring councils to facilitate regional training and professional development opportunities; and
- c) consulting with other councils and public bodies to assess if there is an opportunity for collaborative procurement activities.

**26 CORPORATE CREDIT AND PURCHASE CARDS**

26.1 Credit and purchase cards must be used in accordance with Council's Credit and Purchase Card procedure.

**27 PETTY CASH**

27.1 Petty cash will be used to purchase small incidental goods or services and/or urgent purchases and is limited to \$50.00 per transaction. A claim for petty cash reimbursement will be authorised by a delegated officer.

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**28 EOIs & TENDER EVALUATION**

28.1 Council staff and all persons engaged in procurement on Council’s behalf must ensure that:

- a) EOI and tender evaluations are conducted in accordance with the methodology set out in Council’s Procurement Manual <sup>5</sup> and EOI or tender documents;
- b) a tender evaluation panel (TEP) is established to evaluate each tender against the evaluation criteria;
- c) the composition of the TEP is determined by the CEO, a Director or his or her delegated Manager prior to advertising the EOI or tender;
- d) the TEP produces a written report of its evaluation and presents it’s recommendations to the relevant Director; and
- e) the evaluation process is robust, systematic and unbiased.

28.2 At the discretion of the CEO or a Director:

- a) a TEP may include external personnel for specialised knowledge;
- b) a probity advisor may be appointed to monitor a procurement process and/or advise the TEP; and
- c) a probity auditor may be appointed to review a procurement and/or evaluation process for continuous improvement.

**29 AWARDING OF CONTRACTS BY COUNCIL**

29.1 Where it is proposed that a contract be awarded by Council, the matter will be considered “in camera” in accordance with section 3 of the LGA 2020.

**30 DELEGATIONS AND AUTHORITY**

30.1 Council will, in accordance with LGA 2020, maintain a Delegations Register which specifies the level of delegated authority required for approval of a quotation, purchase order, contract, tax invoice and any other expenditure and contractual process for each instance of procurement.

30.2 A delegation for Council employees, except to the CEO, may be amended from time to time at the sole discretion of the CEO. The CEO’s delegated authority threshold is set by Council and is included in the Instrument of Delegation from Council to the CEO.

<sup>5</sup> Being developed/reviewed

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**31 EXECUTION OF CONTRACT OR AGREEMENT**

31.1 The CEO will execute any contract or agreement on behalf of Council provided that:

- a) the awarding of the contract is within the CEO’s financial delegation; or
- b) Council has, by resolution, awarded the contract.

31.2 The CEO may delegate the execution of any contract or agreement to a Director.

**32 CONTRACT MANAGEMENT**

32.1 The purpose of contract management is to ensure that Council, and where applicable its residents and ratepayers, receive the goods, services or works provided to the required standards of quality and quantity as intended by the contract.

32.2 The provision of goods, services and works by contract potentially exposes Council to risk. Council will minimise it’s risk exposure by measures such as:

- a) standardising contracts to include current, relevant clauses;
- b) requiring a contractor to provide evidence of a labour hire licence under the *Labour Hire Licensing Act 2018*;
- c) ensuring the contract or purchase order reflects the tender pricing;
- d) requiring security deposits where appropriate;
- e) requiring evidence of relevant insurance cover;
- f) referring specifications to relevant experts where appropriate;
- g) requiring a correctly executed contract before commencement;
- h) use of or reference to relevant Australian Standards (or equivalent);
- i) effectively managing contracts including monitoring and enforcing performance; and
- j) adhering to Council’s Risk Management Framework and adhering to relevant occupational health and safety contractor compliance procedures.

**33 CONTRACT VARIATIONS**

33.1 During the course of a contract there may be valid reason(s) for a contract to be varied. Variations often involve a financial cost. All claims for variations must be in writing and approved by the delegated officer. The delegated officer may approve a contract variation subject to:

- a) the contract variation(s) in aggregate not resulting in the estimated contract sum exceeding the financial limit delegated to the position;
- b) there being a budget allocation; and

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- c) the contract variation being in accordance with this Policy.

Any cumulative variance for a contract greater than fifteen percent (15%) of the original contract price must be:

- a) authorised by Council; or
- b) authorised by the CEO if:
  - i. he or she considers that the contract services or works need to continue;
  - ii. the variation can be accommodated without a material impact on the Council's budget; and
  - iii. the CEO reports the variation approval to the next available Council meeting.

33.2 If there is more than a fifteen percent 15% difference between a regular tax invoice and a purchase order, it must be redirected to the relevant delegated officer for authorisation.

### 34 GENDER EQUALITY

34.1 Council acknowledges that it must comply with the *Gender Equality Act 2020*, (the GEA) the main purpose of which are to require the public sector, councils and universities:

- a) to take positive action towards achieving workplace gender equality; and
- b) to promote gender equality in their policies, programs and services.

34.2 Council also notes that the GEA requires councils to:

- a) undertake a gender impact assessment when developing or reviewing any policy of, or program or service provided by, the entity that has a direct and significant impact on the public;
- b) prepare a Gender Equality Action Plan (GEAP); and
- c) undertake a workplace gender audit before developing a GEAP.

34.3 Given the legislative requirements, when advertising relevant tenders, Council will consider the impact of options available to advance gender equality through procurement activity.

34.4 This may include practices to support supplier diversity (e.g: supporting women-led businesses) but also filter categories such as requiring suppliers to be compliant with the *Workplace Gender Equality Act (Cth)* or the GEA or have gender equitable practices in place. As an initial step in the process, Council's Conditions of Tender will be amended to include a questionnaire relating to gender quality.

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**35 TRAINING AND SKILL DEVELOPMENT**

- 35.1 In order to promote continuous improvement, Council will provide:
- a) training for the procurement staff and ongoing opportunities to update their skills and knowledge;
  - b) 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
  - c) induction training for new employees which will provide guidance on the Policy and procedures.

**36 PROCUREMENT MANUAL**

- 36.1 The CEO will develop and maintain a Procurement Manual which will detail the procedure and processes and provide guidance to Council staff on all operational aspects of procurement.
- 36.2 The Procurement Manual will support Council in the implementation of the legislative requirements and the requirements of this Policy.

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**LEGISLATIVE REFERENCES AND RELATED POLICIES AND DOCUMENTS**

|                           |   |
|---------------------------|---|
| Acts                      | <i>Gender Equality Act 2020</i><br><i>Local Government Act 2020</i><br><i>Modern Slavery Act 2018 (Cth)</i><br><i>Occupational Health and Safety Act 2004</i>   |
| Regulations               | <i>Local Government (General) Regulations 2015</i><br><i>Local Government (Governance and Integrity) Regulations 2020</i><br><i>Local Government (Planning and Reporting) Regulations 2020</i>  |
| Guidance notes            | Social Procurement- A Guide for Victorian Local Government<br>Victorian Local Government Best Practice Procurement Guidelines.  |
| Related Council documents | <i>Corporate Credit &amp; Purchase Cards Policy 2020</i><br><i>Councillor Code of Conduct 2021</i><br><i>Election Period Policy 2019</i><br><i>Environmental Policy 2017</i><br><i>Fraud and Corruption Control Policy 2020</i><br><i>Gift Policy 2021</i><br><i>Public Interest Disclosure Policy 2020</i><br><i>Public Transparency Policy 2020</i><br><i>Risk Management Policy 2018</i><br><i>Staff Code of Conduct</i> |

**DOCUMENT HISTORY**

| Version Number | Issue Date | Author | Description of Change |
|----------------|------------|--------|-----------------------|
| 0.1            |            |        | First draft           |
|                |            |        |                       |

|                         |                                   |                        |                    |
|-------------------------|-----------------------------------|------------------------|--------------------|
| <b>Policy Adopted:</b>  | Ordinary Meeting 19 August 2020   | Minute Book Page 43321 | RecFind E20/000284 |
| <b>Policy Reviewed:</b> | Ordinary Meeting 17 November 2021 | Minute Book Page       | RecFind E21/000185 |
|                         |                                   |                        |                    |
|                         |                                   |                        |                    |

**LOCAL GOVERNMENT ACT 2020**

**PROCUREMENT PROVISIONS**

**Section 108**

(1) A Council must prepare and adopt a Procurement Policy which specifies the principles, processes and procedures applying in respect of the purchase of goods and services by the Council, including for the carrying out of works.

(2) A Procurement Policy must seek to promote open and fair competition and provide value for money.

(3) A Procurement Policy must include the following:

- (a) the contract value above which the Council must invite a tender or seek an expression of interest;
- (b) a description of the criteria to be used by the Council to evaluate whether a proposed contract provides value for money;
- (c) a description of how the Council will seek collaboration with other Councils and public bodies in the procurement of goods or services;
- (d) the conditions under which the Council may purchase goods or services without inviting a public tender or expression of interest;
- (e) a description of the process to be undertaken in inviting a public tender or expression of interest; and
- (f) any other matters prescribed by the Regulations.

(4) The contract value to be included in a Procurement Policy in accordance with subsection (3)(a) must not exceed the value prescribed by the regulations for the purposes of this section.

(5) A Council must review its Procurement Policy at least once during each 4 year term of the Council.

(6) A Council must adopt the first Procurement Policy under this section within 6 months of the commencement of this section.

(7) Until a Council adopts a Procurement Policy under this section:

- (a) the procurement policy approved by the Council under section 186A of the *Local Government Act* 1989 which is in effect before the commencement of this section applies as if the procurement policy had been adopted under this section; and
- (b) the restrictions on the power of a Council to enter into a contract under sections 186 and 186A of the *Local Government Act* 1989 as in force before the commencement of this section continue to apply as if those sections had not been repealed.

**Section 109**

(1) A Council must comply with its Procurement Policy before entering into a contract for the purchase of goods or services or the carrying out of works.

(2) The Chief Executive Officer must ensure that any report to the Council that recommends entering into a procurement agreement includes information in relation to any opportunities for collaboration with other Councils or public bodies which may be available

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