
NUMBER: S0010

ACT: LOCAL GOVERNMENT ACT 2009
LOCAL GOVERNMENT REGULATION 2012

POLICY TITLE: PROCUREMENT POLICY

POLICY

1.PURPOSE AND SCOPE

The purpose of this policy is to set out Council's approach for the acquisition of goods and services.

This policy applies to all Council Officers.

2.STRATEGIC OBJECTIVES

Council's strategic procurement and contracting objectives endeavour to:

- 2.1 Support the acquisition of the correct goods and services, in the correct quantities, to the required specification, ideally when (and only when) required.
- 2.2 To support the establishment of a diverse supply chain, with particular focus on entities that deliver or have the potential to deliver social, economic and /or environmental benefit locally and/or regionally.
- 2.3 Assist Council to be better positioned to take direct and indirect costs out of its activities through improved data analytics and by having visibility of Council's entire procurement landscape.
- 2.4 Transform the procurement process from being exclusively concerned with the acquisition of goods and services into one which plays a key role in asset 'whole of life cycle' value management.
- 2.5 Provide a robust and transparent audit trail which ensures that procurement projects are, appropriately planned and approved, delivered on time, within cost constraints and that the needs of end users are fully met.
- 2.6 Ensure that risk is identified, assessed and managed at all stages of the procurement Process.
- 2.7 Increase the probability of obtaining the right outcome when purchasing goods and services.

3.COMMENCEMENT OF POLICY

This Policy will commence from 1 July 2023 and replaces all other policies relating to Procurement.

4.APPLICATION OF POLICY

4.1 All procurement activities of the Council must have regard to the 'sound contracting principles' within the Act.

4.2 The principles are:

- value for money
- open and effective competition
- the development of competitive local business and industry
- environmental protection, and
- ethical behaviour and fair dealing.

4.3 Value for money does not mean just 'lowest price' but includes without limitation:

- a) Alignment with Council's operational and corporate plan objectives.

STATUTORY POLICY

- b) Fit for purpose and quality.
- c) Whole of life cost of an asset.
- d) Stimulating economic development in the local government area and in North Queensland.
- e) Consideration of environmental, social and economic impacts.
- f) Consideration of workplace health and safety.

5. DEFINITIONS

5.1 To assist in interpretation, the following definitions shall apply.

Term	Definition
Officer	Any officer of the Council that has a delegated authority to act and implement this policy
The Act	Local Government Act 2009
The Regulation	Local Government Regulation 2012

6. POLICY PROVISIONS

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

6.2 Council officers must declare any perceived or actual conflicts of interests throughout the procurement process.

6.3 All purchases must be sourced according to the minimum requirements in the table below unless an exception contained in either P0061 Procurement Procedures or Division 3 of Part 6 of the Local Government Regulations 2012 applies. All purchases must be approved by a relevant officer with the approved delegation.

Value	Minimum Requirements
Less than \$5,000	One quote
\$5,001 to \$15,000	Two written quotes
\$15,001 to \$200,000	Three written quotes
More than \$200,000	Public tender required

Values above exclude GST

6.4 Council encourages the development of local suppliers within the Charters Towers region. Where performance, quality, suitability and other evaluation criteria are comparable, the following price percentage allowances shall be considered in evaluating offers:

Percentage	Price Threshold
10%	<\$50,000
5%	\$50,000 - \$200,000
2%	>\$200,000

In this policy, a "local supplier" is a supplier which:

- (i) business is beneficially owned by persons who are residents and rate payers of the local government area of Council; or
- (ii) has its principal place of business within the local government area of Council; or

STATUTORY POLICY

- (iii) otherwise has a place of business within the local government area of Council which solely or primarily employs persons who are residents or rate payers of the local government area of Council.

- 6.5 Council encourages and supports the development of Indigenous Businesses. Where, performance, quality, suitability and other evaluation criteria are comparable, Council officers shall apply a 5% price allowance weighting to Indigenous suppliers when evaluating offers.

Indigenous Businesses that align with Council's local preference clause in 6.4 will attract the Local Business price allowance in addition to the Indigenous Business price allowance.

Framework to determine an Indigenous Business in the first instance.

- A business that is >50% Owned by an Indigenous Person/s.

If the above framework doesn't apply the following may be considered when evaluating Indigenous content.

- < 50% Owned by an Indigenous Person/s – or provides significant advantages to the Indigenous Community through initiatives such as employment or training opportunities, mentoring programs or grants / sponsorships that support Indigenous activities.

- 6.6 Environmentally Sustainable Procurement:
Environmentally Sustainable Procurement is the procurement of goods or services that have a reduced negative impact on the environment when compared with similar or competing products and services that serve the same purpose.
When compiling any procurement documentation including tenders, contracts, quotes or purchasing arrangements, sustainability requirements for the project must be clearly identified in the project scope.
Council's priority areas for considering sustainable products include, but are not limited to:

- Wood and paper products from sustainable sources.
- Sustainable and safe chemical-based products e.g., cleaning products, pesticides, fertilisers.
- Products that are durable and long lasting e.g., avoiding or reducing disposable products and single use plastics.
- Products that consume less energy, fuel, or water in their operation.
- Clean and sustainable energy solutions e.g., solar.

7. POLICY REVIEW

The policy is to be reviewed if relevant legislation changes substantially, or annually.

8. VARIATIONS

CTRC reserves the right to vary, replace or terminate this Policy from time to time.

9. ASSOCIATED DOCUMENTS

- P0061 Procurement Procedure
- P0176/WHS Purchasing Procedure
- HR-P-001 Employee Code of Conduct
- Register of Financial Delegations
- D0129 Purchasing Card Directive
- Local Government Act 2009
- Local Government Regulation 2012
- STRAT0051 Asset Disposal Policy

DOCUMENT REVIEW:

The document is to be reviewed annually or upon changes to relevant legislation.

Document Adopted: Council Meeting 19 April 2023
Resolution Number

Document Contact: Procurement and Depot Coordinator

Document Authorised: Chief Executive Officer

Document ECM No. 1364294