

	<h1>Procurement and Disposal Policy</h1>	<b>Version No:</b>	5.0
		<b>Issued:</b>	August 2010
		<b>Last Review:</b>	October 2023
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Name of Council	Wudinna District Council
File reference	7.63
Responsibility	Financial Management
Policy Level	Mandatory - Sec 49 of the Local Government Act 1999
Minutes reference	11.1.4 21 November 2023
Next review date	Council will endeavour to review this policy every 2 years.
Applicable Legislation	Local Government Act 1999 Statutes Amendment (Local Government Review) Act 2021 Roads (Opening and Closing) Act 1991 Work Health and Safety Act 2012 (and Regulations) Government Business Enterprises (Competition) Act 1996
Related Policies and Procedures	Budget Preparation and Review Policy Financial Management and Internal Control Policy Asset Management & Accounting Policy Treasury Management Policy Prudential Management Policy Public Consultation Policy WHS Consultation & Communication Policy & Procedure WHS Contractor Management Policy & Procedure WHS Hazard Management Procedure WHS Plant Procedure
Related Forms	Quotation Register form Tender Register & Tender Evaluation forms Tender for Surplus Goods Register form Request for Expressions of Interest (LGA Procurement) Request for Quotes (LGA Procurement) Request for Tender (LGA Procurement)

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## 1. INTRODUCTION

- 1.1 In compliance with Section 49 of the Local Government Act 1999 (Act), Council should refer to this policy (Policy) when acquiring goods and services as well as disposing of Land and Assets.
- 1.2 Section 49 of the Act requires Council to prepare and adopt policies on contracts and tenders on:
  - 1.2.1 The contracting out of services; and
  - 1.2.2 Competitive tendering and the use of other measures to ensure that services are delivered cost-effectively; and
  - 1.2.3 The use of local goods and services; and
  - 1.2.4 The sale or disposal of land or other assets.
- 1.3 Furthermore, Section 49 (a1) of the Act requires Council to develop and maintain policies, practices and procedures directed towards:
  - 1.3.1 Obtaining value in the expenditure of public money; and
  - 1.3.2 Providing for ethical and fair treatment of participants; and
  - 1.3.3 Ensuring probity, accountability, and transparency in procurement operations.
- 1.4 This Policy seeks to:
  - 1.4.1 Define the methods by which Council can acquire goods and services;
  - 1.4.2 Demonstrate accountability and responsibility of Council to ratepayers;
  - 1.4.3 Be fair and equitable to all parties involved;
  - 1.4.4 Enable all processes to be monitored and recorded;
  - 1.4.5 Ensure that the best possible outcome is achieved for the Council; and
  - 1.4.6 Define the methods by which Land and Assets are disposed of.
- 1.5 However, this Policy does not cover:
  - 1.5.1 Non-procurement expenditure such as sponsorships, grants, funding arrangements, donations and employment contracts; or
  - 1.5.2 The purchase of land by Council; or
  - 1.5.3 The purchase of fuel; or
  - 1.5.4 Land sold by Council for the non-payment of rates; or
  - 1.5.5 The sale of consumables such as gravel, crusher fines, softfall, etc; or
  - 1.5.6 Disposal of goods which are not owned by the Council, such as abandoned vehicles.

This policy should be read in conjunction with Council's *Financial Management and Internal Control Policy, Asset Management & Accounting Policy and Treasury Management Policy*.

## 2. POLICY OBJECTIVE

Council aims to achieve advantageous procurement outcomes by:

- 2.1 enhancing value for money through fair, competitive, non-discriminatory procurement;
- 2.2 promoting the use of resources in an efficient, effective and ethical manner;
- 2.3 making decisions with probity, accountability and transparency;
- 2.4 advancing and/or working within Council's economic, social and environmental policies;
- 2.5 providing reasonable opportunity for competitive local businesses to supply to Council;
- 2.6 appropriately managing risk; and ensuring compliance with all relevant legislation.

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### 3. PROCUREMENT PRINCIPLES

Council must have regard to the following principles in its acquisition of goods and services and disposal of Land and Assets:

#### 3.1 Open and effective competition

3.1.1 Open and fair competition will be fostered and maintained by providing suppliers and contractors with appropriate access to Councils procurement opportunities. Council will ensure where reasonably practicable, that:

- there is reasonable access for all suitable and competitive suppliers and contractors to the Councils business;
- where market circumstances limit competition, procurement activities recognise this and associated methodology takes account of it; and
- adequate, identical, and timely information is provided to all suppliers to enable them to bid.

3.1.2 Employees shall engage in procurement activities on behalf of Council and will always undertake their duties in an ethical, open and impartial manner, act responsibly, behave professionally and exercise sound judgement.

#### 3.2 Obtaining value for money

3.2.1 This is not restricted to price alone.

3.2.2 An assessment of value for money must include, where possible, consideration of:


- The contribution to Council's long-term plan and strategic direction;
- Any relevant direct and indirect benefits to Council, both tangible and intangible;
- Efficiency and effectiveness;
- The performance history, and quality; scope of services and support of each prospective supplier;
- Fitness for purpose of the proposed goods and service;
- Whole of life costs including acquiring, using, maintaining and disposal;
- Council's internal administration costs;
- Technical compliance issues;
- Risk exposure;
- Prevailing market forces and trends;
- The value of any associated environmental benefits;
- Other relevant matters identified in specific procurement process documentation.

3.2.3 Employees with procurement delegation identified in the Delegation Table are encouraged to negotiate with suppliers and contractors to enhance the quality of the outcome to Council which may be related to price, quality and/or conditions with appropriate documentation in place.

#### 3.3 Probity, Accountability and Transparency

3.3.1 Council will demonstrate accountability in procurement by ensuring decisions are able to be explained and evidence provided to ensure an independent third party can clearly see a fair and reasonable process has been followed. Personnel must be able to account for all decisions and provide feedback on them. Additionally, an audit trail will be visible for all procurement activities for monitoring and reporting purposes.

3.4 3.3.2 Delegations define the limitations within which Council employees are permitted to work. Council employees will not incur expenditure unless they have a delegated authority and funds are

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allocated for that specific expenditure in a budget approved by Council and in accordance with Councils Budget Preparation and Review Policy. **Effective Management of the End-to-End Procurement Lifecycle**

3.4.1 the procurement lifecycle includes all the steps and tasks within the procurement process from need identification and data gathering to contract management, delivery of goods/services and relationships with suppliers.

3.4.2 Council will determine appropriate methodology within the various steps of the procurement lifecycle including planning, risk management, tendering, purchasing, contracting and financial control regarding the scale, complexity, and importance of the goods, works, services or consultancies being acquired.

### 3.5 Ensuring compliance with all relevant legislation

3.6 Council will ensure compliance with all relevant legislation and notes that the list on the opening page of this policy is not exhaustive. **Encouragement of the development of competitive local business and industry**

Where the evaluation criteria are comparable, Council may consider the following:

3.6.1 the creation of local employment opportunities;

3.6.2 increased availability of local servicing support;

3.6.3 increased convenience with communications with the supplier for contract management;

3.6.4 economic growth within the local area;

3.6.5 benefit to Council of associated local commercial transaction; and/or

3.6.6 the short and long term impact of the procurement on local business.

### 3.7 Environmental protection

Council will seek to:

3.7.1 Adopt purchasing practices which conserve natural resources;

3.7.2 Align the Council procurement activities with principles of ecological sustainability;

3.7.3 Purchase recycled and environmentally friendly preferred products where possible;

3.7.4 Integrate relevant principles of waste minimisation and energy;

3.7.5 Foster the development of products and services which have a low environmental impact;

3.7.6 Provide leadership to business, industry, and the community in promoting the use of environmentally sensitive goods and services.


### 3.8 Work, Health & Safety

Council will only engage suppliers and/or contractors who are able to maintain a level of WHS that is acceptable in accordance with Council's WHS Policies and Procedures, and any additional requirements specified in terms and conditions of contractual arrangements.

#### 3.8.1 Introduction of Plant to the Workplace

In accordance with 4.2 of Council's Plant Procedure, when the purchase of an item of plant or equipment is required, the relevant Manager should utilise the Plant or Equipment Pre-Purchase Checklist to ensure that the item of plant or equipment complies with the various legislative requirements for plant and consultation with the workers is undertaken.

Adequate information must be provided by the manufacturer/supplier concerning each purpose for which the plant is designed or manufactured and any conditions necessary to ensure that the plant is without risks to health and safety when used for a purpose for which it was designed or manufactured or when assembling, storing, decommissioning, dismantling, or disposing of the plant.

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A risk assessment must be undertaken for all plant purchases where one does not exist or is out of date.

The identification of hazards should be conducted in accordance with the Hazard Management Procedure and include the general duties of designers, manufacturers, importers, suppliers, those who install, construct or commission plant and those with management or control of plant (as outlined in the WHS Regulations 2012, Chapter 5, Part 1).

### 3.8.2 *WHS Contractor Management*

Council has an obligation to ensure that Contractors engaged by Council have an understanding and a commitment to WHS as competent providers of the good or services they are contracted to provide.

Council maintains a Preferred Contractors Register for all contractors who have already provided the necessary documents in order to comply with Council's WHS Contractor Management Policy and Procedure. Where possible, contractors should be selected from this register.

Council officers must ensure when engaging contractors they administer Council's WHS Contractor Management Policy and Procedure, including the selection, monitoring and induction components.

### 3.8.3 Disposal of Assets, in particular Plant and Equipment, shall comply with the requirements of the WHS Regulations 2012, Regulation 199-200.

## 4. PROCUREMENT METHODS

Generally, open, and fair competition is best achieved by undertaking a tender process so that all interested parties have an opportunity to bid. However, there may be procurements in which a tender process will not necessarily deliver the most advantageous outcome for the Council – in such instances, other market approaches may be more appropriate.

The Council may, having regard to its Procurement Principles and any other factors considered relevant by the Council, in its absolute discretion determine to utilise one or more of the following procurement methods:

### 4.1 **Direct Purchasing**

This is where Council purchases from a single source, without first obtaining competing bids. Suitable for low value, low risk goods and services, and where the supplier already has a successful service history with Council.

It may also be appropriate if the Council has identified a particular product as the only one which is suitable for the relevant purchase, and there is only one supplier.


Includes purchasing using Corporate Credit Cards.

### 4.2 **Quotations (Informal)**

This is where Council obtains quotations from prospective suppliers. The number of quotes sought is dependent on the estimated purchase value (refer to Procurement Considerations table).

Details of all quotes must be recorded on a "Quotation Register" form (Appendix 1), including details of the commercial terms of the quote and these records are to be retained within Council's records system.

Where possible, the Council should insist on written quotes.

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#### 4.3 Request for Quotations (RFQ)

This is where Council obtains written quotations from prospective suppliers.

A minimum of three (3) written quotations including a delivery or completion requirement should be sought.

Model RFQ forms can be downloaded from [www.lga.sa.gov.au](http://www.lga.sa.gov.au), and should be used where detailed specifications are required.

Details of the quotes received as well as the evaluation process is to be recorded on a “Quotation Register” form (Appendix 1). All documents and advertisements are to be retained within Council’s records system.

#### 4.4 Requests for Expressions of Interest (REOI)

This is where Council issues an open invitation for proposed goods and/or service.

This method may be used where there is a potentially large market for the proposed goods and/or service, and the Council would like to be able to prepare a short list of suppliers to then invite to participate in a tender process.

Model REOI forms can be downloaded from [www.lga.sa.gov.au](http://www.lga.sa.gov.au).

#### 4.5 Requests for Proposals (RFP)

This is where the Council issues a request for proposals to meet the requirements of the Council, but the Council is not committed to a particular method or solution and is seeking proposals from the market to deliver the outcomes desired by the Council.

This could follow a REOI or be the initiating state of a procurement process.

This is suitable where the Council seeks innovation, or the Council does not have a precise specification or outcome in mind.

#### 4.6 Request for Tenders (RFT)

This is where the Council issues a tender for a proposed goods and/or service.

Council may issue a “Select” Request for Tender where it has already issued a REOI, or where it has reasonable grounds for only dealing with a select group of potential suppliers.

Otherwise, Council may issue an “Open” Request for Tender.

Model RFT forms can be downloaded from [www.lga.sa.gov.au](http://www.lga.sa.gov.au).

All details of received Tenders must be recorded on a “Tender Register” form (Appendix 2), and the subsequent evaluation and selection of the tender must be recorded on a “Tender Evaluation” form (Appendix 3) (customised to accommodate the type of service and/or goods tendered for).

#### 4.7 Panel Contracts

This is where the Council establishes panel arrangements with a select group of suppliers – generally, this occurs once the Council has completed its appointment of such suppliers in accordance with this Policy, and can include either:

A standing offer from a pool of suppliers for the provision of goods and services on agreed terms; or

The prequalification of certain suppliers who may or may not be engaged on terms to be agreed.

Once a panel has been established, the Council may purchase the particular goods and/or service through such panel arrangements.

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#### 4.8 Strategic Alliances

This is where the Council undertakes procurement through contract arrangements already established and administered by other organisations, including:

- 4.8.1 LGA Procurement;
- 4.8.2 Vendor Panel
- 4.8.3 G6 Procurement Group;
- 4.8.4 Procurement Australia.

### 5. PROCUREMENT CONSIDERATIONS

The appropriate method of procurement will be determined by reference to a number of factors, including:


#### 5.1 Value of the Purchase

Value of Purchase (exclusive of GST)	Possible Method of Procurement
Up to \$4,999	Direct Purchasing
\$5,000 to \$49,999	A minimum of two (2) written quotes (Informal)
\$50,000 to \$99,999	Request at least three (3) written quotations from suppliers who Council considers can meet its requirements. The request must be made using the form RFQs with detailed specifications, Request for Quotations, Long or Short Forms (as can be downloaded from LGA Procurement) should be used.
\$100,000 +	Request for Tender process shall be undertaken using the most appropriate method for the particular goods or services being tendered (I.e: "select tender" or "open market tender", refer to 4.6 above). Where possible, Request for Tenders should be done using the services of LGA Procurement or LGA's SA Tenders and Contracts website. This ensures that the process has some external controls.
Any value – subject to complexity and specification	REOI, RFP

The value of the purchase will be calculated as follows:

- Single one-off purchase – the total amount, or estimated amount, of the purchase (excluding GST);
  - Multiple purchases – the gross value, of the estimated gross value, of the purchases (excluding GST); or
  - Ongoing purchases over a period of time – the annual gross value, of the purchases (excluding GST).
- 5.2 Cost of an open market approach versus the value of the acquisition and the potential benefits.
  - 5.3 The particular circumstances of the procurement activity.
  - 5.4 The objectives of the procurement.
  - 5.5 The size of the market and the number of competent suppliers.
  - 5.6 The Council's leverage in the marketplace.
  - 5.7 Time constraints.
  - 5.8 A global assessment of the risks associated with the relevant activity and/or project, including the risk profile of the procurement and any risks associated with the preferred procurement method.

The Chief Executive Officer has the discretion to determine the appropriate tendering process required.

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## 6. DOCUMENTING ARRANGEMENTS

The Council acknowledges that in procuring goods and services it enters into legal agreements with suppliers. When doing so, the Council has identified that there are a number of different ways to negotiate and document these arrangements.

### 6.1 Purchase Orders

6.1.1 This is where Council is purchasing routine low value and low risk goods and services.

6.1.2 Generally, Purchase Orders have limited terms and conditions and should not be used for non-routine, high value and high risk goods and services.

6.1.3 All procuring should be formalised into a Purchase Order (with the exception of those listed on Schedule 1), and include general ledger allocations and/or project or plant numbers.

### 6.2 Supplier standard contracts

6.2.1 This should only be used where Council is purchasing routine, low value and low risk goods and services.

6.2.2 Supplier standard contracts should be used with caution as they will be drafted in favour of the supplier, and may not suit the requirements of the Council

### 6.3 Council prepared contracts

6.3.1 Where the Council is using procurement processes other than direct purchasing, RFQ or informal quotes, the Council prefers to use its own contracts, whether standard or bespoke.

6.3.2 These documents will protect the Council's interests and should be used for procurements which are medium to high risk and cost.

## 7. EXEMPTIONS FROM THIS POLICY

Council may be exempt from the requirement to seek tenders or quotations, if:

- 7.1 there may be significant public risk if the procurement is delayed by process requirements, such as emergency situations threatening life and property; or
- 7.2 to ensure that residents or occupants of Council owned buildings are not subject to discomfort or hardship due to breakdown of building facilities or equipment; or
- 7.3 to ensure the security of Council's assets; or
- 7.4 a small, stable and well documented supply market exists such that Council can ensure that all potential suppliers are invited to participate; or
- 7.5 time constraints; or
- 7.6 Council purchases goods at an auction; or
- 7.7 Council purchases second-hand goods; or
- 7.8 the contract is made with, or under an arrangement with or made by:
  - a) The State, a government entity, a local government owned corporation, another local government, Local Government Corporate Services (LGCS Pty Ltd) or Strategic Purchasing (MPAS Group); or
  - b) Another Australian Government, an entity of another Australian Government or a local government of another State or a Territory; or
- 7.9 The Chief Executive Officer or Council determines that it is impracticable for a particular case, and the reasons are documented.
- 7.10 Purchasing of Diesel stock has been deemed impractical to source multiple quotes due to a limited number of local suppliers. Council resolved in February 2019, Resolution 10.3.3 that Council source



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bulk fuel supplies from Mogas Regional being the only supplier that employs local people. The market is to be tested with quotes from competitors six monthly.

7.11 A neighbouring council is able to provide shared services that meet Council's needs.

When assessing the most effective method of obtaining goods and/or services, Council officers should consider the administrative costs to Council of seeking tenders or quotations independently, and the reduction of these costs which can be achieved by use of approved alternative arrangements outline above.

The granting of waiver of competitive process must be appropriately documented and shall only be approved by the Chief Executive Officer.

Where a Funding Agreement specified that Council must follow a prescribed tendering process which differs from this Policy, the project funded under that Agreement is exempted from this Policy.

Where a purchase is made in the event of any emergency the expenditure must be within the officer's delegated authority, limited to that required to alleviate the emergency situation only and officers must ensure that appropriate methods of purchase are resumed as soon as practicable.

## 8. DELEGATIONS

### 8.1 Purchasing Authority

Only the Officers listed in the Procurement Delegation Table are entitled to sign requisitions and then only in accordance with their financial delegation limits. By signing a requisition/purchase order all officers are confirming that they have taken full notice of this policy and will comply with all of the requirements of this Policy.

### 8.2 Procurement Delegation Table

POSITION	\$200 - \$5,000	\$ 5001 – \$50,000	\$50,001 - \$200,000	\$200,001 +
Chief Executive Officer	✓	✓	✓	✓
Manager Works & Infrastructure Services	✓	✓	✓	
Corporate Services Manager	✓	✓		
Mechanic & Works Supervisor	✓			

Significant purchase decisions which are outside of normal operational budget expenditure/requirements for day to day operations will be cleared with the CEO (or Acting CEO in the absence of the CEO).

## 9. PRUDENTIAL REQUIREMENTS

Before engaging in any commercial project, Council will have regard to Section 48 of the *Local Government Act* and Councils Prudential Management Policy and will prepare a prudential report accordingly.

## 10. CONSIDERATIONS PRIOR TO DISPOSAL OF LAND AND ASSETS

Any decision to dispose of Land and Assets will be made after considering (where applicable):

- 10.1 the usefulness of the Land and Asset;
- 10.2 the current market value of the Land and Asset;
- 10.3 the annual cost of maintenance;
- 10.4 any alternative future use of the Land or Asset;

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- 10.5 any duplication of the Land or Asset or the service provided by the Land or Asset;
- 10.6 any impact the disposal of Land or Asset may have on the community;
- 10.7 any cultural or historical significance of the Land or Asset;
- 10.8 the positive and negative impacts the disposal of the Land or Asset may have on the operations of the Council;
- 10.9 the long-term plans and strategic direction of the Council;
- 10.10 the remaining useful life, particularly of an Asset;
- 10.11 a benefit and risk analysis of the proposed disposal;
- 10.12 the results of any community consultation process;
- 10.13 any restrictions on the proposed disposal;
- 10.14 the content of any community land management plan; and
- 10.15 any other relevant policies of the Council.


## 11. DISPOSAL METHODS

### 11.1 Land disposal

- 11.1.1 The Council may resolve to dispose of Land.
- 11.1.2 Where the Land forms or formed a road or part of a road, the Council must ensure that the Land is closed under the Roads Opening and Closing Act 1991 (SA) prior to its disposal.
- 11.1.3 Where Land is classified as community land, the Council must:
  - 11.1.3.1 Undertake public consultation in accordance with the Act and the Council's Public Consultation Policy; and
  - 11.1.3.2 Ensure that the process for the revocation of the classification of Land as community land has been concluded prior to its disposal; and
  - 11.1.3.3 Comply with all other requirements under the Act in respect of the disposal of community land.
- 11.1.4 Where the Council proposed to dispose of Land through the grant of a leasehold interest, the Council must have complied with its obligations under the Act, including its public consultation obligations under Section 202 of the Act.
- 11.1.5 The Council will, where appropriate, dispose of land through one of the following methods:
  - 11.1.5.1 Open market sale – advertisement for disposal of the Land through the local paper and where appropriate, a paper circulating in the State, or by procuring the services of a licensed real estate agent and/or auctioneer (following compliance with this Policy);
  - 11.1.5.2 Expressions of interest – seeking expressions of interest for the Land;
  - 11.1.5.3 Select tender – seeking tenders from a selected group of persons or companies;
  - 11.1.5.4 Open tender – openly seeking bids through tenders, including public auction;
  - 11.1.5.5 By negotiation – with owners of land adjoining the Land or others with a pre-existing interest in the Land, or where the Land is to be used by a purchaser whose purpose for the Land is consistent with the Council's strategic objectives for the Land.
- 11.1.6 Selection of a suitable disposal method will include consideration of (where appropriate):
  - 11.1.6.1 The number of known potential purchasers of the Land;
  - 11.1.6.2 The original intention of the use of the Land;

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- 11.1.6.3 The current and possible preferred future use of the Land;
- 11.1.6.4 The opportunity to promote local economic growth and development;
- 11.1.6.5 Delegation limits, taking into consideration accountability, responsibility, operation efficiency and urgency of the disposal;
- 11.1.6.6 The total estimated value of the disposal; and
- 11.1.6.7 Compliance with statutory and other obligations.
- 11.1.7 The Council will not dispose of Land to any Council Member or employee of the Council who has been involved in any process related to a decision to dispose of the Land and/or the establishment of a reserve price.
- 11.1.8 If Land is to be disposed of by any means, then (unless the Council resolves otherwise) at least one independent valuation must be obtained to establish the reserve price for the Land. The independent valuation must be made no more than 6 months prior to the proposed disposal.
- 11.1.9 The Council will seek to dispose of Land at or above current market valuation by whichever method is likely to provide the Council with a maximum return, unless there are reasons for the Council to accept a lesser return which is consistent with the Council's overall strategic direction. These reasons must be documented in writing.
- 11.1.10 If the disposal is not to be on the open market, the disposal should be at or above current market valuation (with due regard to all associated costs to achieve the transaction or such other amount as the Council resolves).
- 11.2 Asset disposal**
  - 11.2.1 The Council will, where appropriate, dispose of Assets through one of the following methods:
    - 11.2.1.1 Trade-in – trading in equipment to suppliers;
    - 11.2.1.2 Expressions of interest – seeking expressions of interest from buyers;
    - 11.2.1.3 Select tender – seeking tenders from a selected group of persons or companies;
    - 11.2.1.4 Open tender – openly seeking bids through tenders;
    - 11.2.1.5 Public auction – advertisement for auction through the local paper and, where appropriate, a paper circulating in the State, or procuring the services of an auctioneer (following compliance with this Policy)
  - 11.2.2 Selection of a suitable method will include consideration of (where appropriate):
    - 11.2.2.1 The public demand and interest in the Asset;
    - 11.2.2.2 The method most likely to return the highest revenue;
    - 11.2.2.3 The value of the Asset;
    - 11.2.2.4 The costs of the disposal method compared to the expected returns; and
    - 11.2.2.5 Compliance with statutory and other obligations.
  - 11.2.3 Preference will be given to community groups for Minor Plant and Equipment
  - 11.2.4 Elected Members, employees of the Council or members of their immediate family will not be permitted to purchase Assets unless the purchase is via an open tender process or a public auction, and the tender submitted or bid made is the highest.

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- 11.2.5 Purchasers of Assets must be required to agree in writing that before purchasing any Asset that no warranty is given by the Council in respect of the suitability and condition of the Asset for the purchaser and that the Council will not be responsible for the Asset in any respect following the sale.
- 11.2.6 Where a tender process is selected, recording of the tender process including receipt, opening and selecting must be recorded using a “Tender for Surplus Goods Register” form (Appendix 3).

## 12. RECORDS

The Council must record written reasons for utilising a specific procurement or disposal method in each activity and where it uses a procurement or disposal method other than specified in this Policy.

## 13. FURTHER INFORMATION

This Policy will be kept on the Council’s website for the public to view.  
 Council will endeavour to review this Policy every two years, however, Council may revise or review this Policy at any time (but not so as to affect any process that has already commenced).

	<h1>Procurement and Disposal Policy</h1>	<b>Version No:</b>	5.0
		<b>Issued:</b>	August 2010
		<b>Last Review:</b>	October 2023
		<b>Next Review:</b>	May 2025

## SCHEDULE 1 – PURCHASE ORDER EXCEPTIONS

All goods and services over the value of \$200 (excluding GST), must be procured by purchase order.

The following goods and services have been identified as exempt from this process:

- Accommodation
- Banking Services
- Dial Before You Dig Services
- Expenditure Ancillary to Salaries and Wages (Allowances, Superannuation, etc)
- Freight or Courier Services
- Insurance
- IT Servicing and Maintenance (with the exception of new services to be added)
- Licence and Membership fees
- Postal Charges and Services
- Professional Services (i.e. Auditing, Accounting and Legal)
- Purchases/Contractors that have been created by means of a Tender/Contract
- Refunds or Reimbursements of Expenses
- Minor Electrical and Plumbing Repairs where cost is unknown but likely to be minimal
- Software Licence Renewals and Maintenance
- Statutory Government Charges
- Subscriptions
- Taxi Fares
- Travel Costs (flights, etc)
- Utilities (eg Water, Electricity, Emergency Services Levy, Gas, Internet)
- Vehicle Registrations
- Visa Card Purchases
- Workers Compensation Payments

## APPENDIX 1



Doc ID:  
File:

### QUOTATION REGISTER

To be used for all purchases expected to be between \$5,000 and \$99,999

**TICK APPROPRIATE BOX:**

Purchase \$5,000 to \$49,999  
at least 2 Written Quotes

Purchase \$50,000 to \$99,999  
at least 3 Written Quotes

**DATE:** \_\_\_\_\_ **OFFICER REQUESTING QUOTES:** \_\_\_\_\_

**DESCRIPTION OF GOODS/SERVICES REQUIRED:**

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**TIME CONSTRAINTS:** \_\_\_\_\_

#### QUOTATIONS SOUGHT:

	From	Date Received
1		
2		
3		
4		

#### QUOTATION EVALUATION

	Price (value for money) (0-5)	Time Constraints (0-5)	Supplier Reputation (0-5)	Local Supplier (where possible) (0-5)	WHS Requirements Met (0-5)	Total
1	\$ ( )					/25
2	\$ ( )					/25
3	\$ ( )					/25
4	\$ ( )					/25

#### SUMMARY AND BASIS OF DECISION:

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**PURCHASE ORDER NO:** \_\_\_\_\_

Rating	Qualification	Description
5	Excellent	Full achievement of the requirements specified in the documentation for that criterion. Demonstrated strengths, no significant weakness or omissions.
4	Very Good	Sound achievement of the requirements specified in the documentation for that criterion. May contain minor weaknesses or omissions which may be acceptable as offered.
3	Satisfactory	Reasonable achievement of the requirements specified in the documentation for that criterion. Some weaknesses or omissions which could be corrected/overcome with minimum effort.
2	Unsatisfactory	Minimal achievement of the requirements specified in the documentation for that criterion. Some weaknesses or omissions that may be possible to correct/overcome and make acceptable.
1	Poor	Existence of numerous weaknesses or omissions that are difficult to correct/overcome and make acceptable.
0	No Score	Totally deficient and non-compliant

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## APPENDIX 2



Doc ID:  
File:

### TENDER REGISTER

To be used for all purchases expected to be \$100,000+

**TENDER NO:** \_\_\_\_\_

**DESCRIPTION OF TENDER:**  
\_\_\_\_\_  
\_\_\_\_\_

**PERIOD OF TENDER:**

Opened:		Closed:	
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**METHOD OF ADVERTISING AND DATES OF ADVERTISING:**

Via: <small>(E.g.: West Coast Sentinel)</small>	Dates Advertised:		
	22/9/2016	29/9/2016, etc	

**TENDERS RECEIVED:**

	From	Date Received	Method of Delivery <small>(e.g. email, post)</small>
1			
2			
3			

*Tenders were kept secured before opening via:* \_\_\_\_\_

**TENDER OPENING:**

The above tenders were opened on (date/time): \_\_\_\_\_


**In the presence of (at least two officers):**

Officer 1	Officer 2	Officer 3
Name:	Name:	Name:
Position:	Position:	Position:
Signature:	Signature:	Signature:

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Issued: 18/05/2021

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		<b>Next Review:</b>	May 2025

## APPENDIX 3



Doc ID:  
File:

### Tender Number & Description

#### TENDER EVALUATION

List the tenderers and summarise the points to note from each one (consistent with the tender specifications).

##### Tender 1 - Name

- Price
- Experience
- Location

##### Tender 2 - Name

- Price
- Experience
- Location

#### TENDER CRITERIA

Summarise the criteria that the tenders are getting compared against. For Example:

##### Price

The price is the sum that the Council would be required to pay to the tenderer for the work or service provided. This should include all costs over the duration of the contract. For the purpose of this assessment, the tender submissions will be compared against each other with the lowest value receiving the highest score and the highest tender value receiving the lowest score.

##### Local Supplier

Council like to support local business and therefore location of the supplier should be assessed. The location of supplier will be assessed as follows:

- 5 = Supplier based in the Council District
- 4 = Supplier based on the Eyre Peninsula
- 3 = Supplier based in the rest of South Australia
- 2 = Supplier based in Australia
- 1 = Supplier based overseas

Below is an example of the selection criteria that can used. This should be reviewed and altered taking into account the type of tender being evaluated and the expected outcomes of the tender.

Weighting can also be changed depending on what is more important for the tender being evaluated.

#### EVALUATION

	Weighting	Tender #1		Tender #2		Tender #3		Tender #4	
		SCORE	Weighted Score	SCORE	Weighted Score	SCORE	Weighted Score	SCORE	Weighted Score
Price	50%	3	150	2	100	4	200	4	200
Relevant Experience	10%	3	30	5	50	5	50	5	50
Methods / Resources	20%	4	80	5	100	5	100	3	60
WHS Requirements Met	10%	5	50	3	30	3	30	4	40
Local Supplier	10%	5	50	4	40	4	40	4	40
<b>Totals</b>	<b>100%</b>		<b>360</b>		<b>320</b>		<b>420</b>		<b>390</b>



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		<b>Last Review:</b>	December 2016
		<b>Next Review:</b>	December 2018



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Rating	Qualification	Description
5	Excellent	Full achievement of the requirements specified in the documentation for that criterion. Demonstrated strengths, no significant weakness or omissions.
4	Very Good	Sound achievement of the requirements specified in the documentation for that criterion. May contain minor weaknesses or omissions which may be acceptable as offered.
3	Satisfactory	Reasonable achievement of the requirements specified in the documentation for that criterion. Some weaknesses or omissions which could be corrected/overcome with minimum effort.
2	Unsatisfactory	Minimal achievement of the requirements specified in the documentation for that criterion. Some weaknesses or omissions that may be possible to correct/overcome and make acceptable.
1	Poor	Existence of numerous weaknesses or omissions that are difficult to correct/overcome and make acceptable.
0	No Score	Totally deficient and non-compliant

### **RECOMMENDATION**

*Summarise your evaluation and recommend a tenderer.*

### **CONFLICT OF INTEREST**

Having made all reasonable enquiries, I declare that I do not have any known actual or potential conflicts of interest in respect of the Tender, its responses or the provision of the Services.


\_\_\_\_\_

**Name**

**POSITION**

*This completed evaluation should be ratified by either the Chief Executive Officer or Council (attach this evaluation to Council report), and then ensure that this along with all other documentation is recorded in Documents and filed in an appropriate tender file.*

<b>Decision Ratified By:</b> <i>(council meeting, committee meeting, etc)</i>	<b>Date:</b>
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		<b>Last Review:</b>	December 2016
		<b>Next Review:</b>	December 2018

## APPENDIX 4



Doc ID:  
File:

### TENDER FOR SURPLUS GOODS REGISTER

To be used for the tendering of surplus goods or materials estimated to be worth \$200+

**TENDER NO:** \_\_\_\_\_

**DESCRIPTION OF GOODS TENDERED:**

---

**PERIOD OF TENDER:**

Opened:		Closed:	
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**METHOD OF ADVERTISING AND DATES OF ADVERTISING:**

<b>Via:</b> <i>(E.g.: The Granite, West Coast Sentinel, etc)</i>	<b>Dates Advertised:</b> <i>E.g.: 22/9/2016 &amp; 29/9/2016</i>

**TENDERS RECEIVED:**

	From	Date Received	Method of Delivery <i>(e.g. email, post)</i>
1			
2			
3			

*Tenders were kept secured before opening via:*

**TENDER OPENING:**

The above tenders were opened on (date/time):

**In the presence of:**

<b>Officer 1</b>	<b>Officer 2</b>
<i>Name:</i>	<i>Name:</i>
<i>Position:</i>	<i>Position:</i>
<b>By signing this you are also declaring that you have no conflict of interest with either of the parties that have tendered.</b>	
<i>Signature:</i>	<i>Signature:</i>

**TENDER EVALUATION**

	From	Tendered Price	Comments
1			
2			
3			

**WINNING TENDER:** \_\_\_\_\_

<b>Decision Ratified by</b> <b>Chief Executive Officer:</b>		<b>Date:</b>	
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Version 1.1  
Document No: 7.17.3  
Issued: 10/05/2021

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