



Policy

PROCUREMENT POLICY

Responsible Officer: GENERAL MANAGER

Date: 20 August 2024

Review Date: 31 July 2028



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1. Purpose

This Policy provides a framework on procurement and tendering requirements for Council.

The purpose of this Policy is to:

- ensure compliance with relevant legislation;
- enhance value for money through fair, competitive, non-discriminatory procurement;
- promote the use of resources in an efficient, effective and ethical manner;
- encourage probity, accountability and transparency in decision making;
- provide reasonable opportunity for competitive local businesses to supply to council;
- minimise the cost to suppliers of participating in the tendering process;
- allow council to appropriately manage risk; and,
- promote council's economic, social and environmental plans and policies.

This Policy, together with the Procurement Procedures Manual, function as Council's Code for Tenders and Contracts, as defined in Division 2, Section 28 of the Local Government (General) Regulations 2015 (Tas) (Regulations).

2. Scope

In accordance with Part 16, Division 2A, Section 333A and 333B of the Local Government Act 1993 (Tas) (the Act), Council must comply with this Policy when acquiring goods and services. Detail contained in the Policy is consistent with the requirements of the Local Government (General) Regulations 2015 (Tas), Regulations 23 – 29 inclusive.

This Policy must be adhered to by all elected members, employees and other persons at the workplace.

2.1 EXCLUSIONS FROM SCOPE

This Policy will not apply to the engagement of consultants to fill necessary technical specialist, subject matter expert roles to provide advice and support to Council. This type of engagement will be subject to Council's Recruitment Policy and section 3.5 of this policy.



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3. Policy

3.1 PROCUREMENT PRINCIPLES

Council will have regard to the following principles when acquiring goods and services:

- i. Open and effective communication with potential suppliers and other stakeholders;
- ii. Value for money, considering total cost of ownership;
- iii. Enhancing local business and industry; and,
- iv. Ethical behaviour and fair dealing in all transactions

3.2 PROCUREMENT THRESHOLDS

The process for procurement of goods and services will be determined in part by the total cost of that procurement, e.g. the total value of a contract to be let.

In all instances, GST exclusive amounts are to be used to determine the correct procurement process. Where an exact amount is not known, the purchaser must make a reasonable estimate of the likely amount and determine the procurement process based on that value.

Where a procurement will result in multiple purchases or relates to an agreement for purchases over an extended period of time, the total likely cost must be used when determining the correct process to apply.

Procurement thresholds will be set in consideration of the financial delegations of authority set by Council and are detailed in the Procurement Procedures Manual.

3.3 MULTIPLE-USE REGISTERS

To achieve the purpose of this Policy with regard to providing reasonable opportunity for competitive local businesses to supply to council and to minimise the cost to suppliers of participating in the tendering process, Council will identify those goods, works and services which may benefit from the establishment of multiple-use registers, including pre-qualified and preferred supplier lists.

Effective application of these pre-qualified and preferred supplier lists will facilitate efficient and effective procurement of regular goods, works and services. The process of establishing these lists will increase awareness of opportunities to supply to Council in existing and potential businesses on the Island.

Further to the establishment of its own pre-qualified and preferred supplier lists, Council will also monitor the panel arrangements available to it through Local Government Association of Tasmania (LGAT) and other regional authorities and



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strategic partners. Use of these panel arrangements will be encouraged where they are seen to offer value to King Island Council.

3.4 SYSTEMS, PROCESSES AND TEMPLATES

Council will develop and maintain a suite of systems, processes and templates to facilitate compliance with this Policy. Employees and contractors conducting procurement on Council's behalf will be individually responsible for ensuring the correct systems, processes and templates are utilised in their procurement.

3.5 EXEMPTIONS FROM STANDARD PROCUREMENT PROCESSES

The Regulations identify circumstances where Council is not required to issue a public tender process.

For purchases below the threshold for public tender, where an exemption is sought from the procurement process defined in the Procurement Procedures Manual, this must be presented to the General Manager and approved before the procurement process commences.

3.6 EVALUATION AND SELECTION

When conducting procurement of goods, works and services, Council will evaluate and select suppliers in the context of the procurement principles outlined in this policy.

For the avoidance of doubt, the lowest purchase price will not always be the best value for money, nor the lowest total cost of ownership.

3.7 RELATED DOCUMENTS

This policy is to be read in conjunction with the following documents:

- Asset Management Policy
- Child & Youth Safety Framework Policy
- Code of Conduct
- Fraud and Corruption Prevention Policy
- Gifts and Benefits Policy
- Procurement Procedures Manual
- Public Art Policy
- Public Interest Disclosures Policy
- Recruitment Policy
- Related Parties Disclosure Policy
- Risk Management Policy
- Workplace Health & Safety Policy



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3.8 AMENDMENT

Council retains the sole discretion to vary, terminate or replace this Policy from time to time. Council will consult before amendments are made and will notify and train those the amendments apply to.

4. Legislation, Terminology and References

4.1 APPLICABLE LEGISLATION:

All laws in connection with local government procurement and financial management, including but not limited to:

- Local Government Act 1993 (TAS)
- Local Government (General) Regulations 2015 (TAS)

4.2 DEFINITIONS

<u>Term</u>	<u>Meaning</u>
Council	King Island Council
Councillor	An elected member of Council known as a Councillor or Alderman or otherwise meeting the definition of a 'councillor' as defined under section 3 of the <i>Local Government Act 1993</i> (TAS)
Employee	A person who carries out work for Council as an employee of Council.
General Manager	The general manager of Council as appointed under section 61 of the <i>Local Government Act 1993</i> (TAS).
Manager/Supervisor	A person at the Workplace who is appointed to a position that has management/supervisory responsibilities for others or their appropriately nominated or authorised delegate.
Other Persons at the Workplace	A person, other than a Councillor, who carries out work in any capacity for Council, including work as: (a) a contractor or subcontractor. (b) an employee of a contractor or subcontractor. (c) an employee of a labour hire company who has been assigned to work at Council. (d) an apprentice or trainee. (e) a student gaining work experience; or (f) a volunteer.
Procurement	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.
Policy	Procurement Policy
Workplace	A place where work is carried out for Council.



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4.3 HISTORY

Any previous policies used by Council:

- Code for Tenders and Contracts; first approved December 2005, Resolution 356/05, as updated 15 September 2015

5. Policy version and revision information

Title: Procurement Policy
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Version No	Date	Resolution No	Responsible Officer
1.0	20.8.2024	216/24	General Manager



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