

<b>Title:</b>	<b>Purchasing Policy</b>
Policy No:	070
Adopted By:	Council
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Responsibility:	General Manager City Performance
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Version	Decision Number	Adoption Date	History
1	21\1296	30/07/2013	Adopted
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## 1 Policy Summary

Council is committed to obtaining the best possible value for money through the implementation and management of an accountable and transparent purchasing system based on established publicly available assessment criteria. This policy and associated operational policies and procedures set out Council's framework for the acquisition of goods and services.

The purchasing of all goods and services must comply with Council's statutory obligations under the:

- *Local Government Act*; and
- *Local Government (Accounting) Regulations*

The application of this policy is supported by operational policies and procedures covering:

- General purchasing Procedures;
- Corporate credit card use;
- Petty Cash Policy;
- Assessment criteria;
- Stores issues; and
- Tenders and Contracts.

## 2 Policy Objectives

The objective of this policy is to establish a framework for the implementation of Council's purchasing arrangements to ensure:

- Compliance with relevant legislation in relation to purchasing;
- That all purchasing procedures, regardless of the size of the transaction, be open and transparent and able to withstand public scrutiny;
- Purchasing processes remain efficient and effective;

- That an appropriate system of internal control is in operation in relation to purchasing;
- All suppliers are given fair and equitable consideration at all times;
- That officers responsible for purchasing have a clear understanding of their responsibilities and authority; and
- Opportunities are provided to local businesses.

### **3 Background**

Council is required to ensure that there are proper policies and procedures in place to safeguard its resources in accordance with Regulation 10 of the Local Government (Accounting) Regulations. A system of internal control supported by high level and operational policies and procedures is essential to these requirements.

### **4 Policy Statement**

Council officers responsible for purchasing goods and services are to comply with this policy. It is the responsibility of each officer involved in the procurement process to understand this policy and any associated procedures as well as their meaning and intent.

#### Policy Principles

Council officers will have regard to the following principles when carrying out their duties in relation to purchasing:

- Open and effective competition;
- Best value for money;
- Encouraging the development of competitive local business and industry;
- Environmental protection; and
- Ethical behaviour and fair dealing.

#### Local Suppliers

Every effort should be made to utilise local suppliers and to ensure locally based businesses and industries are given an opportunity to participate in quotation or tender processes. A local supplier weighting of 20% is applied to the assessment process for the purposes of local development and value adding.

#### Environmental and Social Purchasing

Officers must consider the environmental and social implications of purchasing. Goods and services that have better environmental and social outcomes will be preferred providing the costs are reasonable and within budget.

## 5 Legislation, terminology and references

The purchasing of all goods and services must comply with Council's obligations under the:

- *Local Government Act*; and
- *Local Government (Accounting) Regulations*

## 6 Implementation and delegation

### Purchasing Procedures

The Purchasing Procedures supplement this policy and define the procedures that officers must adhere to when making purchases.

### Assessment

Assessment is through a comparative analysis of weighted scores against assessment criteria. In general the criteria that may be applied to quotations and tenders are:

- Local development and value adding;
- Past performance;
- Timeliness;
- Capacity;
- Innovation;
- Technical expertise; and
- Price.

In accordance with Section 32(2) of the Local Government Act Council has delegated the authority for implementation of the Purchasing Policy to the Chief Executive Officer.

The General Manager City Performance is accountable for the overall management of the Purchasing Policy.

### Delegated Levels of Authority

Authorised purchasing limits based on delegated levels of authority based on position description are in place.

## 7 Evaluation and review

The Purchasing Policy will be reviewed every two (2) years or at such other time as the General Manager City Performance deems necessary. Reviews will be undertaken by the Finance Manager and any recommendations submitted to the General Manager City Performance for presentation to Council.