

Procurement Policy

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1 Preamble

The contents of and the commitments that Council makes in this policy are not intended to be and should not be interpreted to be any more than a statement of the City of Onkaparinga's general position in relation to those matters, and to facilitate its aspirations wherever it is reasonable to do so.

2 Policy purpose

The purpose of this policy is to outline the framework that guides procurement activities for the City of Onkaparinga.

It is acknowledged that any legislative requirement which affects Council will take precedence over Council's policies and procedures.

3 Scope

This policy covers all expenditure-related procurement activities for the provision of goods, works and services to the Council. This policy applies to anyone who undertakes or is involved in procurement activities on behalf of the Council. Compliance with the procedures contained herein is mandatory unless expressly indicated otherwise.

This policy excludes:

- Non-procurement expenditure such as sponsorships, grants, funding arrangements, donations and employment contracts
- The disposal of land and other assets owned by the City of Onkaparinga
- Unsolicited bids/offers (refer to *Unsolicited Bids Procedure*)
- Government fees, licencing, registration and levees

4 Definitions

ASIC	Australian Securities and Investments Commission – an independent Australian government body that acts as Australia's corporate regulator
Contract	A formal agreement for the delivery of specified goods, works or services
Contractor, Consultant	An organisation engaged by City of Onkaparinga to undertake specified works, services or supply of goods; a Contractor shall include a Consultant

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Local	Includes both definitions: Local Supplier - a Supplier that has a physical business location from which the business operates, (whether leased, owned or rented) within the City of Onkaparinga boundary True Local Supplier - a Supplier with a Registered Business Address that is within the City of Onkaparinga (as determined by the 'Australian Business Register' website www.abr.business.gov.au)
Registered Business Address	The address a business operates from, as per the ASIC register
Quotation	A proposal, bid or offer that is submitted in writing in response to a request
Supplier	Any person or organisation contracted to supply goods, services or works to the Council
Tender	A proposal, bid or offer that is submitted by a Supplier in response to a request for submission/tender/offer

5 Strategic context

Onkaparinga 2035:

- A city with a prosperous, diverse and competitive economy
- A prepared city that values natural resources, landscapes and sustainable management

6 Policy

All procurement activities are to be undertaken by Council staff in accordance with this policy and supporting procedures and guidelines.

This policy supports the principles of open and fair competition for the provision of goods and services.

The policy requires the Council's procurement activities to:

- Obtain value in the expenditure of public money
- Provide ethical and fair treatment of participants
- Assist in developing competitive local business and industry, by supporting Local Suppliers wherever possible
- Promote open and effective competition
- Consider the environmental impact of the purchase
- Ensure probity, accountability and transparency in procurement operations

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6.1 Value for money

The Council will undertake efficient and effective procurement activities to ensure value in the expenditure of public money.

Value for money shall consider financial factors (whole of life costs) and non-financial factors (including risk) associated with the procurement.

Value for money shall consider whole of life costs and may not necessarily favour the lowest price.

6.2 Providing for ethical and fair treatment of participants

The Council will act in an open and transparent manner in its procurement activities. In all instances, Suppliers will be treated fairly and equitably, with impartiality, independence and integrity.

Consideration to the following measures shall be given:

- Ensuring Council officers disclose any conflict of interest and disregard any personal interest when undertaking a procurement activity
- Presenting clear and easy to understand evaluation criteria and methodology
- Conducting transparent and consistent evaluation processes

The Council will ensure that probity is maintained by upholding integrity, honesty and confidentiality through appropriate delegations and reporting.

The Council will provide open and fair competition by providing Suppliers with reasonable opportunities to do business with Council, in accordance with procurement procedures.

6.3 Local business support

Wherever possible, procurement is to be undertaken in a manner that supports Local Suppliers (that meet the definition in this policy). This support shall include:

- ensuring that Local Suppliers are afforded fair and reasonable opportunity to compete in the supply of goods, services and works for the Council, which may therefore create employment and economic development opportunities in the local area
- maximising the number of hours of work allocated to Local Suppliers
- maximising the use of local materials
- all procurements shall include an assessment of Local Supplier support in addition to other assessment criteria

6.4 Environmental sustainability considerations

The Council maintains a commitment to environmental sustainability through procurement and contracting activities that conserve resources, save energy, and maintain environmental quality and safety.

Therefore, consideration shall be given to:

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- products that are made from recycled materials and/or minimise the generation of waste to landfill
- identify environmental performance criteria in specifications for goods and consider these when assessing options

When engaging Suppliers, the Council requires a minimum standard of environmental management, which includes compliance with all applicable environmental laws, policies, guidelines, codes of practice and any licence from the Environmental Protection Authority.

6.5 Confidentiality

The Council will maintain the confidentiality of information provided by Suppliers in any procurement process.

6.6 Risk management

Council will ensure that appropriate risk management procedures are applied when undertaking procurement activities. Key strategic procurement risk categories to be considered are:

- Financial
- Operational – including business continuity
- Work health and safety
- Environmental
- Quality
- Legal
- Reputational

Procurement risk assessments will influence the type of approach to market, with higher risk acquisitions requiring more formal procurement planning methodology and higher levels of oversight. The Procurement Services team must be engaged when considering high risk and / or high value procurements to ensure that risks are appropriately managed.

6.7 Work, health and safety legislative requirements

The City of Onkaparinga will engage Suppliers who demonstrate appropriate Work Health and Safety (WHS) management system capability, which at a minimum meets legislative requirements and the City of Onkaparinga's WHS standards.

6.8 Record keeping

The City of Onkaparinga will maintain records regarding the procurement process in accordance with legislative and corporate requirements.

6.9 Exemptions to this policy

An exemption to this Policy can only be considered in limited circumstances. The exemption process is described in the '*Exemption to Procurement Policy Procedure*'.

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7 Relevant legislation and references

Local Government Act 1999 (SA) - Section 49

8 Further information

This policy is available for inspection, during business hours at:
City of Onkaparinga, Ramsay Place, NOARLUNGA CENTRE SA 5168.

It is also available for inspection, downloading or printing from our website
www.onkaparingacity.com

9 Document control

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Approved by (document owner):			
Position / Group	Name	Approval date	Approval ECM number
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Current version number	Release date	Review cycle	
V 2.0	2/08/2019	Review every 2 years from the Approval date Risk calculation: Consequence rating- Moderate	

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		Likelihood rating- Likely Overall risk rating- High	
History:			
Date	Author	Version	Nature of change
24/06/2019	Kathryn Kuchel	V 2.0	Change to new policy template and administrative updates approved by Directors Group
29/04/2014	Les Tulloch	V1.0 ECM 3252897	Policy adopted by Council
Related documents: (internal documents that need to be reviewed when this document is amended)			
Title of document			Document number
Exemption to Procurement Policy Procedure			ECM 3123576
Procurement Procedure – Purchases Less Than \$200,000			ECM 4894721
Procurement Procedure – Purchases Over \$200,000			ECM 4894722
Document location:			
Published location			Original in ECM
Onkanet [and public website]			ECM 4894720

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