

POLICY– COUNCIL

Procurement Policy

CONTENTS

1. Document control	2
2. Preamble.....	2
3. Policy purpose.....	2
4. Scope.....	3
5. Definitions	3
6. Strategic context.....	3
7. Policy	3
7.1 Value for money	4
7.2 Ethical and Fair Treatment of Participants	4
7.3 probity, Accountability and Transparency	4
7.4 competitive tendering	5
7.5 Local business support.....	5
7.6 Environmental sustainability	5
7.7 social procurement.....	6
7.8 risk management.....	6
7.9 Work, health and safety legislative requirements.....	7
7.10 information maangement.....	7
8. Relevant legislation and references	7
9. Further information.....	7

1. Document control

Author – name and position (to whom changes are recommended)	Cameron King, Team Leader Procurement
Stakeholders (audience and engagement groups)	Procurement Services Team Procurement Representative Committee
Reviewed by – name and position	Directors Group – 6/10/2021
Approved by (document owner)	Council
Approval date	14/12/2021
Approval ECM number	5589529
Current version number	V3.0
Review cycle (number of years)	Every 2 years 14/12/2023
History (previous review dates)	V2.0: 24/06/2019 – Change to new policy template and administrative updates approved by Director’s Group V1.0 29/04/2014 – Policy updated by Council
Related policies/procedures	Procurement Procedure Prudential Management Administrative Policy Unsolicited Bids Administrative Policy
Document location	Original: 4894720 Published: Website

Electronic version on the intranet or website is the controlled version.

2. 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.

3. Policy purpose

The purpose of this policy is to provide direction regarding the procurement of goods and services on behalf of Council. This policy defines Council’s strategic and regulatory approach to procurement and aims to deliver better outcomes for Council and the community.

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

4. Scope

To define what is included and excluded from the scope of this procedure.

This policy applies to all methods of procurement including purchasing or leasing goods and services on behalf of Council.

This policy excludes:

- Government fees and charges
- Non-procurement expenditures such as sponsorships, grants, funding arrangements, donations, and employee wages
- The disposal of land and other Council assets

5. Definitions

Conflict of Interest	any interest which may conflict a person's ability to fairly and transparently evaluate, award or reject a Submission
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
Procurement Thresholds	purchasing limits, methods and requirements as defined within procurement administrative procedures
Performance Criteria	criteria to which a Submission will be weighted and scored for performance during an evaluation
Recycled Content	goods that are produced using a quantifiable portion of recycled materials
Submission	a quote or tender received from suppliers

6. Strategic context

City of Onkaparinga Community Plan 2030:

Performance

- we efficiently and effectively deliver services, balancing cost, quality, and responsiveness to community needs
- we make financially sustainable choices for the long term
- we are transparent and accountable, sharing information in clear, accessible, and timely ways

Prosperity

we support local job growth, investment, and industry development

7. Policy

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

This policy supports the following principles in alignment with legislative requirements defined in the Local Government Act 1999.

1. Obtain value in the expenditure of public money
2. Provide ethical and fair treatment of participants
3. Ensure probity, accountability, and transparency in procurement operations
4. Promote competitive tendering and other measures to ensure services are delivered cost-effectively
5. Promote the use of local goods and services
6. Consider social, environmental, and economic outcomes

7.1 VALUE FOR MONEY

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

Value for money will be determined by achieving the desired procurement outcome at the best price after applying a balanced judgement of financial and non-financial factors relevant to the procurement.

Value for money shall consider whole of life costs and other factors including risk, economic, social, and environmental outcomes associated with the procurement. Value for money may not necessarily favour the lowest price.

7.2 ETHICAL AND FAIR TREATMENT OF PARTICIPANTS

Fairness and impartiality will be considered at all stages throughout a procurement process.

In all instances, suppliers will be treated equally with regard to the following requirements:

- no supplier will be given preferences, opportunities or allowances that may result in an advantage or disadvantage to one supplier over another
- information will be made available at the same time for all suppliers (excluding commercial in confidence)
- any Conflicts of Interest will be identified immediately and actively managed
- a fair and consistent evaluation methodology will be applied

A person with a Conflict of Interest may be removed from the procurement process or have their role in the evaluation of the procurement restricted.

7.3 PROBITY, ACCOUNTABILITY AND TRANSPARENCY

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

All persons involved in a procurement activity on Council's behalf will demonstrate accountability and transparency in procurement operations and processes.

All persons involved in a procurement activity will follow the established framework of internal controls to ensure:

- multiple persons are involved in, and responsible for each procurement
- procurement processes are transparent
- a clearly documented audit trail exists for procurement transactions
- the required authorisations and delegations are applied
- Confidentiality will be maintained unless disclosure is required by law.

7.4 COMPETITIVE TENDERING

The Council will provide open and fair competition by providing suppliers with reasonable opportunities to do business with Council.

Submissions from multiple suppliers are encouraged wherever a competitive situation can be created that is likely to achieve a better outcome for Council.

Competitive tendering will be undertaken in alignment with Procurement Thresholds and procedures and may include the following objectives:

- maximise value for money
- provide opportunity for new suppliers
- allow for comparison to identify strengths and weaknesses
- maintain a robust marketplace

7.5 LOCAL BUSINESS SUPPORT

Wherever possible, procurement will be undertaken in a manner that supports Local Suppliers. This support will include:

- ensuring that Local Suppliers are afforded fair and reasonable opportunity to compete in the supply of goods and services for the Council
- helping maximise the potential of Local Suppliers, to enhance the local economy and support jobs growth
- ensuring that Local Suppliers are provided favourable payment terms to support cash flow and financial sustainability
- maximising the use of local resources including labour and materials
- supporting Local Suppliers to become tender ready through the provision of information, feedback, and guidance
- where the procurement may involve Local Suppliers, a mandatory Performance Criteria will be applied

7.6 ENVIRONMENTAL SUSTAINABILITY

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

Environmental sustainability considerations will be applied to procurements where there may be an opportunity to:

- reduce or offset greenhouse gas emissions
- reduce waste to landfill and support recycling/reuse of materials
- reduce single-use plastic and consumable products
- improve energy conservation and water efficiency
- minimise the use of fossil fuels
- minimise carbon footprint and the use of resources applied throughout the supply chain by prioritising local purchasing
- explore non-toxic alternatives to chemicals and pesticides where possible
- stimulate and incentivise sustainable business practices from suppliers
- where the procurement may involve Recycled Content, a mandatory Performance Criteria will be applied

When engaging suppliers, the Council requires a minimum standard of environmental management, which includes compliance with all applicable environmental laws, regulations, and licences.

7.7 SOCIAL PROCUREMENT

The Council will consider social outcomes when undertaking procurement and will aim to increase opportunities for those experiencing social disadvantage.

Council will support social procurement objectives including:

- creating employment and opportunities that increase social equity for Aboriginal people, young people, people who are homeless etc.)
- supporting procurement capacity and acumen for marginalised suppliers
- exploring opportunities to increase procurement through social enterprises and trading groups
- applying social benefit as a Performance Criterion for procurements wherever tangible social outcomes can reasonably be achieved
- elevating social value as a key procurement objective

7.8 RISK MANAGEMENT

Council will follow the established organisational risk management framework when undertaking procurement activities. Key strategic procurement risk categories to be considered include:

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

Risk assessments when undertaking procurement may influence the type of approach to market, with higher risk activities requiring more formal procurement planning methodology and higher levels of oversight.

7.9 WORK, HEALTH AND SAFETY LEGISLATIVE REQUIREMENTS

Work health and safety requirements for all procurements will align to internal policies and procedures and be compliant with relevant legislation such as the Work Health and Safety Act 2012.

7.10 INFORMATION MANAGEMENT

All procurement documents will be saved, distributed and approved using corporate systems and in alignment with legislative and organisational requirements.

8. Relevant legislation and references

Local Government Act 1999 (SA)

State Records Act 1997 (SA)

Independent Commission Against Corruption Act 2012 (SA) Modern Slavery Act 2018 (Commonwealth)

9. Further information

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