

POLICY LOCATION	Corporate and Organisational Performance	POLICY TITLE	Procurement Policy
POLICY NUMBER	CA03	DATE ADOPTED	
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2025-2029

Procurement Policy

1. Definitions

Aggregate Purchasing	The strategic consolidation of procurement activities for identical or similar goods, services, or works across multiple departments, projects, or entities. This approach is intended to optimise Value for Money by leveraging combined purchasing power, improving contract outcomes and reducing duplication of effort.
Authorised Agent	A person or organisation formally empowered to act on behalf of the Council in relation to procurement activities.
Best Practice	Refers to the principles referenced in the Best Practice Procurement Guidelines for Victorian Local Government 2024 which are adopted by Council.
Collaborative Procurement	Refers to the establishment of a panel of suppliers or contractors, formed through a public tender process which may be established by: <ul style="list-style-type: none"> • Individual Councils; • A group of Councils or public bodies working collaboratively; or • Recognised external agents such as Procurement Australia, Municipal Association of Victoria or State Government Agencies.
Commercial in Confidence	Refers to information that, if released, may prejudice the business dealings or commercial interests of the Council or another party (e.g. prices, discounts, rebates, profits, methodologies, and process information.)
Conflict of Interest	Includes a general or material conflict of interest as defined in sections 127–128 of the Act and is more generally defined as a situation where personal, professional or financial interests may, or may appear to, influence impartial decision-making.
Contract Management	The process that ensures all parties to a contract fully meet their respective obligations as efficiently and effectively as possible, to deliver the contract objectives and provide Value for Money.
Contract Variation	Refers to any modification made to the original terms and conditions of an executed contract. Variations may be financial or non-financial in nature and must be managed transparently, appropriately documented and assessed to ensure they do not undermine the principles of value for money, probity, equity, or open and fair competition.

Council	Means Buloke Shire Council
Council Officer	Means a Council employee, contractor or consultant authorised to act on behalf of the Council.
Emergency	A sudden or unexpected event requiring immediate action including the occurrence of a natural disaster, flooding or fire event at a Council property etc; the unforeseen cessation of trading of a core service provider or any other situation which is liable to constitute a risk to life or property.
Labour Hire	Refers to the engagement of personnel through a third-party provider (Labour Hire Agency) which supplies temporary or contract workers to perform duties under the direction and supervision of Council. These workers are not direct employees of Council but are contracted for a short-term or on project-based assignments.
Local Business	Means a commercial business that is registered and operates within the Buloke Shire Council.
Breach	Includes a breach of this policy such as procurement thresholds, engaging in fraud or corruption, or breaching legislative duties such as occupational health and safety.
Panel Contract	<p>A procurement method where Council selects multiple suppliers through a tender process for works, goods and services. Council staff are able to purchase from these appointed panel suppliers without a public procurement process for each individual purchase being undertaken, however depending on the value of the procurement, quotations from panel suppliers may be required to be obtained.</p> <p>Panel contracts cannot be used to purchase works, goods or services that fall outside the scope of the original arrangement. Any other service outside of the original scope would need to be procured via a different procurement process.</p>
Probity	<p>Is the evidence of ethical behaviour, and can be defined as complete and confirmed integrity, uprightness, and honesty in a particular process.</p> <p>Probity is a defensible process which can withstand internal and external scrutiny, which achieves both accountability and transparency, providing respondents with fair and equitable treatment.</p>

Procurement	Refers to the end-to-end process of acquiring external goods, services, and works. It encompasses the entire lifecycle, from initial planning and concept development through to contract completion, asset disposal, or the conclusion of a service. Procurement also includes the organisational structures, governance, and compliance frameworks that support and guide procurement activities within the Council operations.
Procurement Guidelines	An internal document designed to support and assist Council Officers when undertaking procurement activities, it provides detailed procedures, guidance, tools, and templates to assist Council Officers in implementing the Policy. It outlines the "how to" for undertaking procurement activities in a compliant, efficient, and consistent manner across the organisation.
Purchase Order	A form of contract, which is an official document used to authorise and record the purchase of goods or services or works between Council and a supplier. Procurement which is undertaken pursuant to a public Request for Tender process, will not be subject to a purchase order as those parties will be required to enter into a Contract Agreement.
Regional Business	Defined as a business that is registered within the following municipalities which share a common boundary with the Buloke Shire Council: <ul style="list-style-type: none"> • Gannawarra Shire Council • Loddon Shire Council • Mildura Rural City Council • Northern Grampians Council • Swan Hill Rural City Council • Yarriambiack Shire Council
Value for Money	The optimal combination of financial and non-financial factors through the lifecycle of the goods and services procured. This includes fitness for purpose, supplier capability, broader government objectives, total cost of ownership, timeliness, and risk.

2. Purpose

The purpose of this Policy is to guide Council's procurement activities in a manner which promotes open and fair competition, ensures Value for Money, and upholds the principles of transparency, probity, and accountability.

This Policy supports ethical, efficient, and effective procurement practices that deliver value to the community and align with Council's strategic objectives.

Council is required under sections 108 and 109 of the *Local Government Act 2020 (the Act)* to prepare, adopt and comply with its Procurement Policy and has prepared Procurement Guidelines to support Council Officers in undertaking procurement activities.

Whilst based on a shared template that was originally developed collaboratively by the Municipal Association of Victoria in partnership with a working group of procurement professionals, this Policy has been tailored to reflect the specific needs and context of Buloke Shire Council.

3. Council Policy and Application

This Policy applies to all procurement activities undertaken by Council and is binding on all Council Officers, Councillors, Contractors, Consultants and third parties acting on behalf of Council who are required to comply with the principles and framework set out in this Policy.

In accordance with the Act, this Policy seeks to ensure open and fair competition and Value for Money whilst upholding the principles of transparency, probity and accountability.

This Policy applies to the acquisition of goods, services and works by Council other than those activities or circumstances which may be exempt as explained at Section 4.4 Procurement Exemptions of this Policy.

3.1 Treatment of GST

All monetary values stated in this Policy exclude GST unless specifically stated otherwise.

3.2 Procurement during the Caretaker Period

In accordance with section 69 of the Act, Council must not make major procurement decisions during the election period (often referred to as the 'caretaker period') that could influence the outcome of an election or unreasonably bind an incoming Council.

All procurement activities during the caretaker period must:

- Be assessed for political or commercial risk;
- Be clearly and appropriately documented; and
- Comply with all relevant probity principles and legislative requirements.

Further guidance regarding the conduct of procurement activities during the election period are outlined in Council's Election Period Policy.

Guiding Principles

Council's procurement processes shall be based on the following principles, irrespective of the value and complexity of that procurement.

3.3 Probity, Accountability and Transparency

Council is committed to upholding the highest standards of probity, accountability and transparency in all procurement activities, in line with the Act, and the Best Practice Procurement Guidelines for Victorian Local Government 2024.

All Councillors, Council Officers and authorised agents involved in procurement activities must act ethically, impartially and in the public interest, understanding that they are individually accountable for their decisions and the outcomes of procurement processes undertaken on behalf of Council.

All procurement activities must be conducted in a manner that:

- Complies with the Act, this Policy, Council's Procurement Guidelines, relevant legislation and applicable standards;
- Demonstrates integrity, fairness, and transparency;
- Is defensible under internal and external scrutiny;
- Manages conflicts of interest and maintains public trust; and
- Prevents and mitigates risks such as fraud, corruption or collusion.

Where procurement activities are carried out by authorised agents on Council's behalf (e.g. external parties, consultants, contractors), they must also comply with the same legal, ethical and procedural obligations as imposed on Council officers.

To support probity and accountability, Council will:

- Apply consistent and transparent processes that ensure fair and equitable treatment of all suppliers;
- Ensure procurement criteria and conditions are not changed after public release; Require all participants involved in procurement activities to act in good faith, declare and manage conflicts of interest, and adhere to relevant codes of conduct and ethical standards; and Prohibit the acceptance of any gifts, benefits or hospitality from current or prospective suppliers in accordance with Council's Gifts, Benefit's and Hospitality Policy.

Council maintains a procurement function that is responsible for:

- Maintaining this Policy and Council's Procurement Guidelines;
- Maintaining appropriate purchasing, procurement, and contract management systems and tools;
- Providing procurement-related advice and support to the organisation as required;
- Building organisational procurement and contract management capability (including delivery of training and provision of guidance materials)
- Promoting awareness and monitoring of compliance with this Policy;
- Ensuring legislation is followed, reporting breaches and corrective actions in a timely manner; and
- Collaborating with other Councils and organisations to identify best practice in and achieving better value from procurement.

Council will maintain internal procurement control documents detailing the processes, procedures and systems related to procurement including maintaining details of tendered contracts.

3.3.1 Disclosure of Information

Commercial in Confidence information received by Council must not be disclosed and is to be stored in a secure location. Councillors and Council Officers must take all reasonable measures to maintain confidentiality of:

- Information submitted to Council by prospective suppliers in tenders, quotations or during tender negotiations;
- Information that is marked confidential, or reasonably understood to be confidential due to its nature; and
- Any details related to current or proposed contracts, particularly where disclosure could compromise Council's position or breach probity.

Discussions with potential suppliers during tender evaluations should not go beyond responding to questions raised. Suppliers involved in a public RFT process should be directed to post any questions to the tender portal to ensure that all tenderers have access to Council's responses.

At no stage should any discussion be entered into which could improperly influence the procurement process or negotiation of a contract prior to the contract approval process being finalised, other than authorised pre-contract negotiations.

Council Officers must not disclose allocated tender budgets or project budgets to prospective suppliers or tenderers, without the prior written authorisation of the Chief Executive Officer (CEO).

3.4 Strategic Procurement

Council adopts a strategic approach to procurement to maximise value and efficiency.

Each procurement activity will be planned with consideration of:

- Opportunities for aggregated purchasing across Council or with other entities through approved purchasing schemes;
- Collaborative or joint procurement arrangements;
- Utilisation of existing internal and external supplier panels or contracts; and
- Alternative contracting models that best support the delivery of outcomes.

Guidance materials and procurement planning templates are available in Council's Procurement Guidelines to support Council Officers in applying these principles effectively throughout the procurement process.

3.5 Value for Money

Council is committed to achieving Value for Money in all procurement decisions. This means selecting the option that offers the best overall outcome - not just the lowest price. This requires Council Officers to undertake a balanced assessment of cost, quality, risk, sustainability and social impact over the entire lifecycle of the goods, services or works.

Council's approach to Value for Money includes the integration of economic, environmental, social, and ethical considerations which are embedded into procurement planning and decision-making wherever practical to do so.

In applying the Value for Money principles, Council will:

Consider Whole-of-Life Costs, including planning, acquisition, operation, maintenance, and disposal.

Optimise Quality and Performance, ensuring goods, services, and works are fit for purpose, durable, and supported by service warranties where appropriate.

Deliver Broader Community Benefits, encouraging procurement outcomes that generate positive social, economic, and environmental impacts, including through support of local, social, Indigenous, and inclusive suppliers.

Champion Sustainable and Ethical Procurement, engaging suppliers who demonstrate compliance with fair, ethical, and socially responsible labour practices, and who meet legislative and regulatory obligations, including workplace safety and modern slavery to employees.

Minimise Environmental Impact, selecting products and services that reduce resource consumption, emissions, waste, and environmental degradation.

Support Innovation, encouraging new solutions, technologies, or delivery models that improve outcomes or efficiencies.

Promote Fair Competition and Efficiency, ensuring open, transparent procurement processes that support innovation and reduce duplication.

Enable Collaboration and Aggregation: leveraging shared services, panel arrangements, and approved purchasing schemes where appropriate.

3.5.1 Whole of Life Principles

Council will, wherever appropriate, incorporate the following principles into its procurement planning and decision making:

1. Economic

Support Local Businesses (as defined in this Policy), small to medium enterprises, and regional businesses;

- Create local jobs and stimulate economic development within the Council area and nominated surrounding regions; and
- Consider long-term value and cost-effectiveness, not just upfront price.

2. Environmental

- Reduce waste, greenhouse gas emissions, and resource use;
- Prioritise recycled, energy-efficient, or sustainably made goods and services; and
- Support the circular economy and climate resilience through environmentally responsible purchasing.

3. Social

- Promote diversity, equity, and inclusion across supply chains;
- Support Indigenous-owned businesses, disability enterprises, and certified social benefit suppliers; and
- Provide employment and training opportunities for disadvantaged or marginalised groups.

4. Ethical Governance

- Work with suppliers who follow ethical practices including fair labour, safe workplaces and compliance with modern anti-slavery laws; and
- Maintain transparency, integrity, and compliance in all procurement activities.

Council will apply these principles in a manner that is practical, proportionate, and aligned to the size, risk and complexity of each procurement activity. These considerations may be factored into planning, specification development, evaluation criteria, and contract management stages.

3.6 Risk Management

Procurement activities must be properly planned and executed to protect Council from risks including; personal injury, property damage, financial loss, reputational harm, legal exposure, and disruption to the delivery of goods, services, or works.

To minimise procurement-related risks and uphold best practice, Council implements the following risk mitigation strategies to its procurement activities:

Procurement Planning: allowing sufficient time for procurement preparation, market engagement, and internal approvals to reduce the risk of rushed or non-compliant processes.

Standardised Contract Documentation: using Council approved templates that include legally reviewed terms and conditions to ensure consistency and reduce contractual ambiguity.

Securities: requiring appropriate security deposits such as bank guarantees to protect against supplier non-performance or contract default.¹

Due diligence Checks: undertaking financial and reference checks on new and existing suppliers, with periodic reviews as needed to ensure ongoing capability and compliance.

Subject Matter Expert input: referring complex or technical specifications to qualified internal or external subject matter experts to ensure clarity, feasibility, and risk mitigation.

Contract Execution before Commencement: ensuring that all contracts are fully executed and

¹ Requires guidance from Council's Records Department which will be updated and available via Council's Procurement Staff Intranet site.

documented before any goods are delivered, services commenced, or payments issued.

Standards and Compliance: incorporating relevant Australian Standards, legislative requirements, and industry best practices into specifications and contract terms.

Ongoing Contract Management: requiring contract managers to actively monitor contractor performance, deliverables, and compliance throughout the contract term, with issues documented and addressed promptly.

These practices are consistent with the Best Practice Procurement Guidelines for Victorian Local Government 2024, which emphasises proactive risk planning, transparency, and strong governance as essential to achieving Value for Money and ensuring public confidence in procurement outcomes.

Insurance

Council Officers must ensure that consultants, suppliers and contractors hold and maintain appropriate insurances based on the following:

- Low risk contractors and consultants have a minimum of \$10 million public liability insurance;
- High risk contractors and consultants have a minimum of \$20 million public liability insurance;
- All consultants must have a minimum of \$5 million professional indemnity insurance and
- All contractors and consultants must have valid Work Cover Insurance.

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4.1 Procurement Methods

Depending on the value of the procurement, Council utilises the following procurement methods;

- Purchase Order
- Purchase Card (e.g. Corporate Credit Card, Fuel Card)
- Request for Quotation (**RFQ**) process,
- Request for Tender (**RFT**) process
- Approved purchasing schemes or Panel Contracts.

All procurement activities must:

- Be supported by identified and available funding;
- Be authorised in accordance with Council's approved financial delegations and thresholds which apply to Council Officers; and
- Involve more than one person with appropriate documentation and approvals to ensure transparency and accountability.

Delegations

Delegations define the limitations within which Council Officers are permitted to commit Council expenditure for the procurement of goods, services or works.

The Instrument of Delegation allows specified Council Officers to undertake certain purchases, quotation, tender and contractual processes under delegation. This enables the Council to conduct procurement activities in an efficient and timely manner whilst maintaining transparency and integrity

The Instrument of Delegation provides certain positions with the ability to:

- Enter into contracts for the purchase of goods, services and works; and
- Approve contract variations, amendments or extensions (both financial and non-financial).

Council Officers must ensure that they hold the requisite delegated authority before undertaking procurement activities and must not authorise the expenditure of funds in excess of their financial delegations.

The assessment and management of Contract Variations will be undertaken in accordance with the requirements set out within the Procurement Guidelines.

Procurement Thresholds

In accordance with section 108 of the Act, Council may set the contract value threshold for when a public tender or expression of interest must be conducted.

Council will invite quotations, tenders, and expressions of interest for the supply of goods, services and works in accordance with the thresholds listed within the Procurement Thresholds Table which is attached to this policy as an appendix.

Public Notice

Public notice is required to be given where the value of the goods, services or works will or is likely to exceed the public tender threshold. This will then result in the conduct of an RFT process being undertaken.

Public notice for procurement under the threshold is not required but may be undertaken if deemed necessary by the CEO or Director responsible for the procurement of the goods, services or works.

Public advertising may be appropriate in circumstances where:

- A field of potential suppliers has not been identified;
- An innovative response is required; or
- The goods, services or works to be procured may have broad interest which may attract competitive prices.

In accordance with the Act, Council must publish details of awarded tenders that meet or exceed its procurement thresholds on Council's website to ensure legislative compliance, transparency, and community awareness.

4.1.1 Expressions of Interest (EOI)

Expressions of Interest may be used where:

- Multiple suppliers are likely;
- Full tendering is burdensome, or procurement is complex;
- Vendor interest or capability is uncertain; or
- Council seeks preliminary advice from the market.

4.1.2 Alternative Approaches Following an Unsuccessful Tender

If a public RFT process concludes with no submissions received, Council may consider alternative procurement approaches, including:

- Reissuing the tender in its original form;
- Revising the scope or requirements and reissuing the tender;
- Inviting a limited number of suitable suppliers to submit proposals (Select Sourcing); or
- Entering direct negotiations with a supplier (Sole Sourcing).

Any alternative procurement approach must be:

- Supported by documented market analysis and a clear rationale for the selected approach; and
- Demonstrated to achieve Value for Money, fairness, and probity, in line with The Act, this

Policy, and best practice procurement principles.

4.2 Collaborative Procurement

In accordance with section 108(c) of the Act, Council will actively seek opportunities to collaborate with other Councils and public bodies in the procurement of goods, services or works, where such collaboration can deliver economies of scale, improved value for money, or other strategic benefits.

Council officers must give due consideration to collaborative procurement opportunities as part of the planning phase for all procurement activities.

Where a procurement recommendation is brought before the Council, the accompanying report could include:

- An outline of any potential collaborative procurement opportunities identified, including the public bodies or councils involved; and
- A statement explaining why Council did, or did not, pursue the identified opportunities for collaboration in relation to that procurement process.

4.3 Tender Evaluation

Council is committed to ensuring a fair, consistent, and transparent approach to the evaluation of tenders. To uphold these principles:

- Late tenders will not be accepted under any circumstances to ensure procedural fairness and maintain integrity.
- Tender evaluation criteria and weightings will be documented and approved prior to issuing any tender to ensure transparency and consistency in assessment.
- An Evaluation Panel comprising appropriately qualified and briefed members will be established for each tender process. The panel will assess submissions objectively against the pre-determined criteria.
- Where beneficial, external representatives with relevant expertise may be included on the Evaluation Panel or engaged as advisors to enhance capability and ensure appropriate oversight.
- All panel members must complete a Conflict-of-Interest declaration before commencing any evaluation activities. Identified conflicts must be managed in accordance with Council's policies and procedures.
- The evaluation process will be conducted in a manner that is robust, unbiased, and able to withstand internal and external scrutiny.
- A Probity Advisor will be engaged, and a Probity Plan developed for complex, high-value or high-risk procurements, particularly those exceeding **\$10** million or where Council reasonably considers that the nature of the procurement would be assisted by having probity oversight.

Selection Criteria

The evaluation method used to measure and select a supplier for goods, services or works with a value of \$50,000 or above must be undertaken in a systematic manner against clearly pre-determined and disclosed evaluation criteria, considering all matters Council proposes to consider during evaluation.

The objective of scoring against evaluation criteria is to ensure Value for Money is achieved, considering both cost and non-cost factors.

Any mandatory compliance criteria must be identified. This may include:

- Insurance
- Occupational Health and Safety
- Licenses or qualifications
- ABN registration
- ACN registration

Conformance requirements should generally include:

- Compliance to the specification

The scored evaluation criteria should generally include:

- Price
- Capacity
- Capability
- Local Content

Other evaluation criteria may be deemed to be appropriate in the circumstances. Council Officers must ensure that the evaluation criteria are relevant to the procurement and capable of being meaningfully evaluated. Reference checks should be undertaken for new suppliers and for high risk or high value procurements.

Where weighting is applied to evaluation criteria, this must be determined and documented for all quotations above \$50,000 and for all tenders prior to release to market. All weightings for set evaluation criteria must be approved by the relevant Manager or Director.

The formula for calculating price (where weighted criteria are used) is set out in Council's Tendering and Contracts Manual. The same formula may be used for quotations above \$50,000.

Buy Local Content

Council is committed to purchasing from local and regional businesses where such purchases may be justified by applying Value for Money principles. All other factors being equal, Council should, where it is reasonably practicable to do so, give preference to regional economic benefit when sourcing goods, services or works.

These benefits may take the form of:

- increased local employment;
- increased activity and spend in local economies with identifiable benefits; or
- the level of local content in the goods, services and works, including the life cycle impacts of products purchased on the local community.

Council may, where it is reasonably practicable to do so, include a local content weighting of up to 10% within a request for quotation or tender evaluation criteria for projects above \$50,000 in support of the Buy Local Content principle in this policy.

For Spends between the thresholds of \$0 - \$50,000 Council Officers are encouraged to give priority to Local Businesses.

4.4 Procurement Exemptions

Council recognises that in defined and limited circumstances, it may be necessary for procurement activities to be exempt from the standard requirements to seek quotations or to go to market with a public RFT process.

General exemptions which are to be approved by the appropriate financial delegate may be considered in the following circumstances as listed within the table below.

For specific details of financial delegations please refer to the instrument of financial delegation by the CEO.

Exemption	Explanation
Genuine Emergency or Hardship	Allows a contract to be entered into where the CEO, MEMO or an internally delegated officer, considers it necessary because of an emergency (e.g.: to provide immediate response to a natural disaster or declared emergency)
Engagement of Traditional Owners	Engagement of Traditional Owners for cultural advice, land management under the Aboriginal Heritage Act 2006, or commissioning artwork or other services, where an exemption is necessary to ensure authenticity and cultural integrity.

Extension of contracts while Council is at market to ensure continuation of supply of goods, services and works	Allows the extension of an existing contract where the procurement activity to replace the contract has commenced (or is imminent) and where the establishment of an interim short-term arrangement with an alternative supplier would lead to Council achieving lesser value for money or an adverse effect on public interest
Professional Services unsuitable for tendering	Allows the procuring of the following engagements: Legal services, Utilities, Purchase of Land
Novated Contract	Where the initial contract was entered into in compliance with the Act and due diligence has been undertaken in respect to the new party
Operating Leases	Where a lessor leases an asset (generally a vehicle or plant and equipment) to the Council and assumes the residual value risk of the vehicle
Information technology resellers and software developers	The expenditure related to purchases from information technology resellers and software developers (e.g. for renewal of software licences/upgrades, subscriptions etc.) where there is a sole supplier who holds the intellectual property rights to the software. This does not extend to hardware and equipment.
Labour Hire	See definition on page 2 of this Policy.
Electoral or Valuation Services	
Payroll Expenses	
Warranties and servicing for Plant and Equipment	Where it is required to maintain a valid warranty. Works need to be carried out by recognized suppliers using genuine parts. To achieve this Council may utilize servicing by the manufacturers from whom the plant and equipment were originally purchased. Spare parts from specific manufacturers can be purchased to complete works on a plant and equipment in Council's workshop.

The CEO may also approve a procurement exemption where:

- The procurement activity does not provide value for money
- The procurement process has been undertaken and insufficient interest was shown or quotations were received
- There is only one known and reputable supplier of provider for the procurement
- The procurement requires specialist knowledge and/or skills
- Exceptional circumstances have been identified
- It is reasonably considered to be in the public interest to depart from the procurement processes that would otherwise apply.

Sole Sourcing

Sole sourcing is the engagement of a single supplier without seeking competitive offers and is considered a form of procurement exemption under this Policy. It is permitted only in exceptional circumstances where:

- The market is restricted (e.g. licensing software, intellectual property rights, regulatory exclusivity)
- Council has jointly developed or co-owns the relevant intellectual property
- There is an urgent public interest or emergency requiring immediate procurement thorough market analysis has demonstrated no viable alternatives exist or that a prior public tender process was unsuccessful and Council proceeds to an alternative sourcing approach in accordance with this Policy.

4.5 Panel Arrangements

A panel contract is a standing offer arrangement with multiple suppliers for the provision of goods, services or works over a specified period. It allows Council to procure from pre-approved suppliers under agreed terms, streamlining procurement for frequently acquired goods and services.

Key Features of Panel Contracts:

- Multiple Suppliers: Enables choice and competitive tension.
- Pre-agreed Terms: Includes pricing, service scope, and duration.
- Secondary Procurement: Each purchase forms a separate contract (e.g., Work Order).
- Efficiency: Reduces time and cost in procurement processes.

Establishing a Panel:

When setting up a panel, Council must:

- Define scope, duration, and supplier eligibility.
- Consider market dynamics and demand.
- Ensure fair access for local and regional suppliers.
- Draft clear panel rules and secondary procurement processes

Panels may be:

- Closed: Fixed supplier list for the contract term.
- Open: Allows new suppliers to join during the term.

Limitations:

- Panels cannot be used for services outside their defined scope.
- Not suitable for one-off or highly specialised procurements.
- Must avoid disadvantaging small or regional suppliers.

Strategic Considerations:

To maximise the effectiveness of panel contracts, council should:

- Ensure competitive tension by inviting multiple suppliers.
- Monitor supplier performance and rotate opportunities.
- Use open panels where appropriate to allow new entrants.
- Maintain clear panel rules and secondary procurement processes

4.5.1 EXTERNAL PANEL ARRANGEMENTS:

Council may access external pre-qualified supplier panels, approved purchasing schemes or collaborative contracts (e.g. MAV, Procurement Australia, State Purchase Contracts) where;

- An existing agreement provides clear rationale for continued engagement within defined parameters;
- The procurement risk, value, and complexity are proportionate to a streamlined sourcing approach, supported by documentation;
- All procurement activities align with the panel's scope, terms of use, and approved templates and processes are adhered to in accordance with Council's Procurement Guidelines and/or;
- A previous public tender process was unsuccessful, and Council proceeds to a limited sourcing approach in accordance with this Policy.

4.5.2 INTERNAL PANEL ARRANGEMENTS:

Where Council has established an internal panel or is accessing a collaborative panel contract or approved purchasing scheme, the following provisions apply:

- Council may approve alternate procurement thresholds and sourcing methodologies specific to the panel;
- These must be documented at the time of panel formation (e.g. Panel Award Report or relevant process per Procurement Guidelines), approval is sought by the appropriate Financial Delegate, and sourcing methodologies for the panel are documented;
- Once endorsed, these thresholds override the standard thresholds set out in the Procurement Policy for all procurement conducted under the panel;
- All procurement activities must align with the panel's scope, terms of use, use approved templates and processes in accordance with Council's Procurement Guidelines.

5 Relevant Legislation and Policy

Council's procurement activities shall be undertaken to a high professional standard and in full compliance with the Act, associated regulations, and all applicable internal and external policies, procedures, and codes of conduct.

All Council procurement must also be consistent with Council's broader policy framework and strategic plans.

Conflict of Interest

Councillors and Council staff shall at all times avoid situations in which their private interest conflicts, or might be reasonably seen to conflict, or have the potential to conflict, with their Council duties.

Councillors and Council staff must not participate in any action, or matter associated with the arrangement of a contract or purchase (i.e. procurement evaluation, negotiation, recommendation or approval), where they, or any member of their immediate family, has an interest, or holds a position of influence or power in a business undertaking tendering for the work.

Where a staff member holds a delegation in relation to procurement and has a conflict of interest, the staff member must not exercise their delegation and must disclose their interest.

The onus is on the Councillor or Council staff member involved being alert to, and promptly declaring, a conflict of interest.

Council staff are advised to refer to the Buloke Shire Council Conflict of Interest – Staff Guidelines and Reporting Procedure for further information.

Gifts and Hospitality

No Councillor or Council Officer shall, either directly or indirectly, solicit or accept gifts from any member of the public who is involved, either directly or indirectly, with any matter connected with the duties of the Officer or in which the Council is interested.

Councillors and Council staff must exercise the utmost discretion in accepting hospitality from contractors or their representatives, or from organisations, firms or individuals with whom they have official dealings.

Councillors and Council staff should avoid the ambiguous situation created by visiting the premises of a contractor, organisation, firm or individual uninvited and/or not on official business. Offers of bribes, commissions or other irregular approaches from organisations or individuals must be immediately brought to the attention of the CEO.

Any staff member who is offered, or who receives, a gift from a supplier or contractor must comply with the declaration requirements outlined in the Staff Code of Conduct.

This policy has clear linkages to a range of legislation, standards, and strategic documents including:

Legislation and Guidelines

Local Government Act 2020

Local Government Best Practice Procurement Guidelines 2024

Relevant provisions of the Competition and Consumer Act 2010 (Cth)

Charter of Human Rights and Responsibilities Act 2006

Gender Equality Act 2020;

Modern Slavery Act 2018 (Cth);

Occupational Health and Safety Act 2004;

Working with Children Act 2005 and Working with Children Regulation 2016

Freedom of Information Act 1982;

Privacy and Data Protection Act 2014;

Public Records Act 1973;

Building & Construction Industry Security of Payment Act 2002;

Local Government (Governance and Integrity) Regulations 2020;

Local Government (Planning and Reporting) Regulations 2020; and

Other relevant Australian Standards or legislation.

Internal Policies and Frameworks

Council Plan, Annual Budget and Long-Term Financial Plan

Conflict of Interest Policy

Councillor Code of Conduct

Election Period Policy

Staff Code of Conduct

Fraud and Corruption Policy and Reporting Policy

Complaints Handling Policy

Corporate Card Policy

Gifts, Benefits and Hospitality Policy

Risk Management Policy

Tendering & Contracts Manual

Procurement Guidelines (New)

Financial Delegations

Financial Authority

Records Management Policy

Risk Management Framework

Request for Quotation (RFQ) Manual

Public Transparency Policy

6 Procurement Monitoring, Reporting and Non-Compliance

Council is committed to transparency, accountability, and continuous improvement in all procurement activities.

The Procurement Team is responsible for monitoring procurement performance and compliance with this Policy. This includes oversight of:

- Procurement activities and trends
- Use of Procurement exemptions
- Alignment with procurement thresholds and financial delegations
- Documentation and record keeping practices

Non-compliance Management:

- Minor or administrative non-compliance will be addressed by relevant Council Officers in leadership positions, with a focus on education and corrective action.
- Serious or repeated breaches, or matters compromising probity, integrity, or public interest concerns, will be escalated to Council's Audit and Risk Committee, the Executive Management Team and reported to Council where required.

A breach of this Policy may result in disciplinary action being taken. Breaches will be assessed in accordance with relevant internal policies and frameworks, including those governing:

- Staff and Councillor conduct;
- Fraud and corruption prevention; and
- Ethical and accountable behaviour.

Ongoing Review and Reporting

This Policy will be reviewed at least once every 4 years in accordance with the Act, or earlier if required.

Responsible Officer	Contracts & Procurement Officer
Department	Corporate Services - Finance
Approval Date	29/10/2025
Approved by	Council Resolution
Review Date	October 2029
Version Number	13

Appendix 1: Procurement Thresholds Table

Estimated Contract Value (Excl GST)	Minimum Procurement Requirement	Additional Guidance (Methodologies)
\$0 - \$5000	One verbal or written quote to be obtained.	Use standard purchase order or purchase card. Council Officers are encouraged to give priority to Local Businesses'
\$5,000 - \$25,000	One written quote to be obtained	Use standard purchase order or purchase card. Council Officers are encouraged to give priority to Local Businesses'
\$25,000 - \$50,000	Minimum two (2) written quotes to be obtained	Scope/Specification must be prepared that provides a clear description of the goods, services or works being purchased. Council Officers are encouraged to give priority to Local Businesses'. Attach Scope/specification and successful quote to the purchase order within the finance system. Engage successful supplier via purchase order prior to ordering and receiving goods, services or works.
\$50,000 - \$300,000	Formal Request for Quotation (RFQ) – Minimum of three (3) Suppliers to be contacted.	Formal RFQ process to be undertaken. Refer to RFQ Manual. Procurement Team to be notified with a Request to Initiate RFQ Form. Scope/Specification must be prepared that provides a clear description of the goods, services or works. Must include evaluation criteria relevant to the purchase. A Local business to be included where possible. Award letter to be attached to the Purchase Order. Engage successful supplier via purchase order prior to ordering and receiving goods, services or works.
Over \$300,000	Public Tender required	A publicly advertised open tender process must be undertaken, unless procurement is conducted through an existing panel, collaborative arrangement, or exemption has been approved. Refer to Tendering and Contracts Manual. Procurement Team to be included in early Procurement planning and notified with a Request to Initiate RFT form. Council report required and Council to pass a resolution. A purchase order may be raised after Award letter and

		Contract Agreement have been signed, it is not encouraged for a purchase order to be sent out to a supplier under contract, if a PO is required to be sent please remove the Terms and Conditions from the back of the PO before sending to awarded supplier (The Conditions of Contract override the PO Terms and Conditions).
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General principles

- Thresholds refer to the total contract sum, including extension options and recurrent spend with the same supplier.
- Thresholds represent the minimum standards – Council officers may choose a more rigorous approach if it is in the best interests of Council
- Procurement transactions must not be split to circumvent the above thresholds.
- Where Council has established panels, alternate thresholds and methodologies may apply as approved at the time of panel formation.
- Where it is difficult to obtain sufficient quotations (e.g. due to limited suppliers or specialised work), an approved Procurement exemption may be applied for.