

# Procurement and Contracting Policy

<b>Effective Date</b>	15 May 2025
<b>Policy Type</b>	Statutory
<b>Policy Owner</b>	Chief Financial Officer
<b>Link to Corporate Plan</b>	Strong Diverse Economy Sustainable Organisation
<b>Review Date</b>	31 March (annually)
<b>Related Legislation</b>	<p>Corporations Act 2001  Local Government Act 2009  Local Government Regulation 2012  Work Health and Safety Act 2011 (Qld)  Work Health and Safety Regulation 2011 (Qld)  A New Tax System (Goods and Services) Act 1999 (Cth)  Financial Accountability Act 2009 (Qld)  Financial Performance Management Standard 2019 (Qld)  Statutory Bodies Financial Arrangements Act 1982 (Qld)  Right To Information Act 2009 (Qld)  Public Sector Ethics Act 1994 (Qld)  Competition and Consumer Act 2010 (Cth)  Fair Trading Act 1989 (Qld)  Trade Practices Act 1974 (Cth)  Crime and Corruption Act 2001 (Qld)  Environmental Protection Act 1994 (Qld)  Information Privacy Act 2009 (Qld)  Human Rights Act 2019 (Qld)  Queensland Building Construction Commission Act 1991 (Qld)  Queensland Building and Construction Commission regulation 1991 (Qld)  Building and Construction Industry Payment Act 2004 (Qld)  Building Industry Fairness (Security of Payment) Act 2017 (Qld)  WDRC Employee Code of Conduct</p>
<b>Related Documents</b>	<p>WDRC Statutory - Budget Policy  WDRC Corporate Card Guidelines and Conditions of Use  WDRC Procurement and Contracting Procedure  WDRC Delegations Register Council to CEO  WDRC Delegations Register CEO to Employees</p>

Policy Version	Approval Date	Adopted/Approved
1	8 July 2011	Special Meeting of Council
2	31 August 2012	Special Meeting of Council
3	21 December 2012	Ordinary Meeting of Council
4	6 February 2013	Ordinary Meeting of Council
5	26 July 2013	Special Meeting of Council
6	13 June 2014	Special Meeting of Council
7	2 July 2014	Ordinary Meeting of Council
8	1 July 2015	Ordinary Meeting of Council
9	20 April 2016	Ordinary Meeting of Council
10	17 August 2016	Ordinary Meeting of Council
11	26 October 2016	Ordinary Meeting of Council
12	23 October 2019	Ordinary Meeting of Council
13	7 December 2022	Ordinary Meeting of Council
14	15 May 2025	Ordinary Meeting of Council

This policy may not be current as Council regularly reviews and updates its policies. The latest controlled version can be found in the policies section of Council's intranet or Website. **A hard copy of this electronic document is uncontrolled.**

# Procurement and Contracting Policy

## 1. PURPOSE

The purpose of this policy is to outline the principles Council applies in its procurement activities.

## 2. SCOPE

This policy applies to any individual or entity undertaking procurement activities on behalf of Council.

## 3. POLICY STATEMENT

Council's procurement activities will be undertaken in accordance with the sound contracting principles, as prescribed by the *Local Government Act 2009*:

- (1) value for money;
- (2) open and effective competition;
- (3) the development of competitive local business and industry;
- (4) environmental protection; and
- (5) ethical behaviour and fair dealing.

Procurement activities must only be undertaken where there is a budget for the expenditure, it is otherwise authorised under this policy, or by resolution of Council.

## 4. CONTRACT AND FINANCIAL DELEGATION

Pursuant to section 257 of the *Local Government Act 2009*, Council delegates to the Chief Executive Officer the power to make, amend, or discharge a contractual commitment or approve a financial transaction to a maximum value:

- (1) limited to adopted budget; or
- (2) for goods and services not within the adopted budget, as outlined in Council's *Budget Policy* adopted each financial year.

The Chief Executive Officer will delegate such authority in accordance with the *Procurement and Contracting Procedure*. All delegations apply to positions and not to individuals. An officer relieving (acting) in a position has the delegation of the position.

Delegations and thresholds under this Policy are exclusive of goods and services tax.

## 5. PROCUREMENT ACTIVITY THRESHOLD REQUIREMENTS

Values	Up to and including \$15,000	Greater than \$15,000 and less or equal to \$200,000 (medium-sized contract)	Greater than \$200,000 (large-sized contract)
Form of approach to market (minimum requirement)	Verbal or written invitation	Written invitation	Public tender
Number of invitations	Invite 1 (one) minimum	Invite 3 (three) minimum	Open market invitation
Local benefit evaluation weighting	Use local markets in the first instance where possible		Minimum five (5) per cent
Approach to market period	Determined by Business Unit	Determined by Business Unit	Twenty-One (21) calendar days

Officers should consider the Policy objectives and the overall risk of a procurement activity when considering the number of invitations to be issued.

A procurement activity is excluded from these requirements if an exception is applied as set out in Section 7 of this policy.

# Procurement and Contracting Policy

## 6. ADVERTISEMENT

Council will manage tenders or expressions of interest for large-sized contractual arrangement(s) or a valuable non-current asset contract(s) via a web-based e-lodgement system, unless excepted (in advance of receipt) by mutual agreement between the Tender Manager and the Chief Procurement Officer.

All correspondence during the out-to-market period must be through an authorised web-based e-lodgement system, to ensure Council has a transparent and equitable tendering process, unless excepted (in advance of the out-to-market period) by mutual agreement between the Tender Manager and the Chief Procurement Officer.

## 7. EXCEPTIONS TO THRESHOLD REQUIREMENTS

Procurement activities can apply exceptions to the threshold requirements of Section 5 of this policy under *Chapter 6, Part 3, Division 3 Exceptions for medium-sized and large-sized contractual arrangements* of the *Local Government Regulation 2012*

To apply an exception, delegated officer (per Section 4 of this policy) approval must be obtained *before* making a contractual commitment or financial transaction as part of a procurement activity. The only departure from this is the exception for when a genuine emergency exists, where approval must be obtained as soon as reasonably possible *after* making the contractual commitment or financial transaction.

## 8. PROCUREMENT PREFERENCES

Council will implement the following practices to achieve specific goals and support local economies, promote diversity and inclusion, sustainability, and broader social objectives.

### Australian Made

Council prefers to buy Australian made products and services.

### Innovative Procurement

Council seeks to engage in innovative procurement activities and foster partnerships for long-term financial sustainability. Council invests in innovative solutions by partnerships with industry experts and market leaders, which provide Council with a unique and/or innovative solution to a problem, address an opportunity, or enhance the services Council provides to its residents.

### Local Benefits

Council is committed to the development of local business and industry to support the growth and resilience of the region's economy. A preference reduction in favour of local suppliers will be applied if performance, quality, suitability, and other evaluation criteria are comparable to that of other offers. The reduction applied will be five (5) per cent of the procurement activity value up to \$1,000,000 or a maximum of \$50,000 for procurement activities over \$1,000,000, although the latter may be varied with the approval of the Chief Executive Officer.

Council requires the identification of local benefits for contracts over \$200,000, with capability weighting assigned to associated procurement assessment activities.

### Quality Assurance Systems

Council has a high appetite for procurement initiatives where there is a good understanding of the risk and will align specified requirements with quality assurance systems, increasing confidence that procured goods and/or services meet both internal and external quality requirements. Council will procure from suppliers that hold industry certifications or can demonstrate their capability in implementing and monitoring a robust quality assurance system, where applicable to a procurement activity.

### Social Procurement

Council is committed to social procurement activities, facilitating employment opportunities for communities within the Western Downs region to attract families to live, work, prosper, and play. Council endorses procurement practices that support social wellbeing and maintain economic viability, by utilising local businesses, certified social enterprises, Indigenous businesses and by supporting disadvantaged, non-competitive groups.

### Sustainable Organisation

Council is committed to a total cost of ownership perspective, which considers the price of a non-current asset, costs of operation and disposal expense, presenting the complete cost and other impacts through its entire life



# Procurement and Contracting Policy

cycle. Council fosters the circular economy model, measuring economic, environmental, social, and cultural benefits through its procurement activities.

## 9. CONTRACT MANAGEMENT FRAMEWORK

Council aligns its contracting procedures to the [Contract Management Framework](#), Queensland State Government, Office of the Chief Advisor – Procurement. It provides a clear and standardised approach to managing and administering contracts for the purchase of goods and services and for the delivery of works.

## 10. GOVERNANCE

All procurement activities must align with the Code of Conduct for Staff and exhibit impartiality, fairness, integrity, and professionalism. The governance applied to a procurement activity will be based on the assessment of value and risk to ensure appropriate engagement with all relevant work areas within Council and that planning documents are completed prior to approaching the market.

## 11. ROLES and RESPONSIBILITIES

**Executive Leadership Team** is responsible for promoting consistency in procurement practice across the organisation.

**Managers and Supervisors** are responsible for ensuring that all workers understand this policy and foster an environment which supports compliant procurement activities.

**Anyone Approving a Transaction** is responsible for ensuring appropriate process has been followed prior to approving the request or transaction.

**All Staff** are responsible for using this policy to assist with determining the best approach to take with procurement activities and engage Procurement and Contract team services when subject matter expertise is required.

## 12. DEFINITIONS

Local Supplier	A business that: (a) is beneficially owned by persons who are residents or rate payers of the region; or (b) has its principal place of business within the region; or (c) otherwise has a place of business within the local government area of Council which solely or primarily employs persons who are residents or rate payers to service the needs of the region.
Procurement Activity	Activities for the whole process of acquisition of external goods, services and works. This process spans the whole of life cycle from initial concept through to the end of the useful life of a non-current asset (including disposal, excluding land), or the end of a service or construction contract.
Tender Manager	The officer responsible for overseeing and managing the end-to-end tendering process for the procurement of goods, services, and works. This role ensures that all tendering activities comply with relevant legislation, policies, and sound contracting principles

