PROCUREMENT POLICY

POLICY CERTIFICATION

Policy title:	Procurement Policy
Policy number:	GOV09
Category:	Statutory (Statutory, Financial, Administrative, Human Resources)
Status:	Open for Review
Endorsement Date:	
Council Resolution:	
Version	2.0

1. PURPOSE

This Policy is Council's procurement policy for the purposes of *the Local Government Act 2019 (Act)* and *Local Government (General) Regulations 2021*

The purpose of this policy is to outline Council's approach to developing and maintaining procurement practices for the acquisition of goods and services which optimize value for money and promote effective supplier relationships. Value for money does not necessarily mean selecting the lowest price.

2. ORGANISATIONAL SCOPE

This procurement Policy applies to all the systems and processes used by Council under its Procurement Framework;

It applies to the procurement of all goods, equipment and related services, construction contracts and service contracts. The policy applies to the local government, including the Chief Executive Officer and all Council employees. It is the responsibility of Council employees involved in the procurement process to understand the meaning and intent of the policy.

All Members and employees engaged in procurement, or who have responsibility for procurement decisions, must comply with this policy. It is the responsibility of Council officers involved in procurement to understand the meaning of this policy.

Council's Members and employees are required to:

- Abide by the *Local Government Act 2019* (Act) and *Local Government (General) Regulations 2021* (Regulations), Code of Conduct, Financial Delegations and applicable policies and instructions;
- Preserve Council's integrity to ensure that Council may be seen to have acted beyond reproach in all procurement dealings; and
- To ensure that the four fundamental components of public administration are met: accountability, transparency, effectiveness and efficiency.

3. POLICY STATEMENT

To ensure key principles under the *Local Government Act 2019 (Act)* are adhered to promoting growth of local economy for Belyuen Community in a collaborative, fair and transparent approach.

The key principles governing the procurement process of Belyuen Community Government Council are:

a) Ethical Behavior and Fair Dealing;
b) Value for money;
c) **Open and Effective Competition**
d) **Environmental Sustainability**
e) Leaders in procurement practice; and
f) Working together to achieve outcomes.

4. DEFINITIONS

Accountability	The extent to which a matter and its decision-making process can be reviewed by external parties.
Corporate Documents	Council's Strategic Plan, Strategic Assessments, Cost Benefit or Economic Impact Analysis, Business Plans, Grant Funding Agreements.
Goods	Goods include tangible supplies that are directly purchased, rented, leased or hired by Council.
Goods and Services Tax	All values quoted in this policy are exclusive of GST.
Large-sized contractual arrangement	A contractual arrangement with a supplier that is expected to be worth (exclusive of GST) $200,000 or more in a financial year.
Local Supplier	Within the boundaries of the Council or Cox Peninsula area.
Medium-sized contractual arrangement	A contractual arrangement with a supplier that is expected to be worth (exclusive of GST) $10,000 or more, but less than $150,000.
Northern Territory	The whole of the Northern Territory.
Preferred Supplier	A supplier who has been assessed by Council as having the technical, financial, and managerial capability necessary to perform contracts on time and in accordance with agreed requirements.

Procurement	The entire procurement lifecycle of purchasing goods or services that includes the purchasing decision, the selection of the goods, and the payment made by Council to the supplier to purchase the goods.
Procurement Framework	The Procurement Framework includes the Procurement Principles, related policies and publications, and the systems and processes used to support Council's procurement activity throughout the procurement lifecycle.
Public Interest	A concern common to the public at large, or a significant portion of the public, rather than a specific concern or a particular party, whether public or private. The test which determines whether a matter is in public interest or not has two components: - Objectives and Outcomes – that the objectives and outcomes of the decision-making process are in the public interest; and - Process and Procedure – that the process adopted and procedures followed by the decision-makers in exercising their discretionary powers are in the public interest.
Purchase Order	The official document, normally generated by Council's finance system, used to authorize and record the purchase of goods or services by Council. It is, in most cases, the prime reference confirming the contractual situation between Council and the supplier.
Registered Business	A company or entity as defined by the Australian Securities and Investment Commission (ASIC) and that also appears as "Active" in the ASIC Business Name Register and as amended from time to time.
Services	Services include any intangible activity that is directly procured by Council, including consulting or project management.
Sound Contracting Principles	As defined in the Local Government Act 2009, the sound contracting principles are: a) Value for money; b) Open and effective competition; c) The development of competitive local business and industry; d) Environmental protection; and Ethical behavior and fair dealing.
Supplier	A contractor or seller of goods and services. The supplier can be a bidder, selected source, or supplier or vendor depending on the phase in the procurement lifecycle.
Transparency	The concept of the decision-making process and associated documentation being comprehensively and readily available for external scrutiny.

Value for Money	Best value for money is determined by considering the following; Council's strategic direction with relevance to its corporate documents; Council's financial position, and funding and procurement options; The scale and scope of the business requirement; The market's capacity to competitively respond to a procurement; Council's obligations and opportunities under other existing arrangements; and Consulting with stakeholders.

5. TENDER AND QUOTATION PROCESSES

It is a breach of this policy to split purchases to manipulate the quotation and tender thresholds. All tender and quotation processes shall be conducted in accordance with the requirements of this Procurement Policy and any associated procedures and the Act and Regulations.

Procurement Thresholds

The following minimum procurement requirements apply (GST exclusive):

- Up to $10,000
  - Direct purchase permitted
  - Evidence of value for money must be retained
- $10,001 to $50,000
  - Minimum two written quotations
- $50,001 to $100,000
  - Minimum three written quotations
- Over $100,000, but less than $150,000
  - Public tender process required
- Over $150,000
  - Public Tender process required

Tender Process

Where a public tender is required:

- Tender documentation must clearly define requirements
- Evaluation criteria must be established before release
- Tenders must be evaluated by an evaluation panel
- Evaluation outcomes must be documented
- Contract awards must be approved in accordance with delegations

Procurement Records

Council will maintain records including:

- Purchase requests
- Quotations received
- Tender submissions
- Evaluation reports
- Approval documentation
- Contracts and variations

Purchasing Delegations

Authorised Officers	Financial Delegation Amount (exc. GST)
Council Resolution	Unlimited
Chief Executive Officer	$100,000

Corporate Services Manager	$20,000
Store Manager	$10,000
Aged Care and Disability Manager	$10,000
Workshop Supervisor	$5,000

Contract Term

Council will not enter into procurement contracts exceeding five years, including extension options, unless permitted by legislation or approved under relevant NT Government requirements.

6. RISK MANAGEMENT

The procurement of goods works and services by contract potentially exposes Council to risk. Council will minimize its risk exposure by measures such as:

- Procurement planning and in demonstrating, specifying and cost estimating its procurement needs;
- Sourcing and selecting, and negotiation and awarding of contracts;
- Standardizing contracts to include current, relevant clauses;
- Requiring security deposits where appropriate;
- Referring specifications to relevant experts;
- Managing contract establishment, execution and closure;
- Requiring contractual agreement before commencement;
- Use of or reference to relevant Australian Standards (or equivalent);
- Effectively managing the contract including monitoring and enforcing performance; and
- The continuous improvement of its procurement systems and processes.

Council employees are responsible for identifying, analyzing and treating risk in the procurement lifecycle. Council employees are accountable for all decisions and must be able to provide feedback on them so that all decisions are understood and can be subsequently justified.

7. IMPLEMENTATION AND REVIEW

Implementation

Once adopted, this policy will be:

- incorporated in the budget setting process;
- published on Council's website;
- made available to all Councillors and employees through various communication channels; and
- made available with all associated forms and procedures.

Review

Once adopted, the Policy Owner is responsible for:
- monitoring this policy to ensure it is fit for purpose and meeting operational needs; and
- reviewing the policy following the process contained within the Policy Development Framework.

8. REFERENCES

Acknowledgements (original author/source documents)	Chief Executive Officer
Related Policies	• Elected Members Code of Conduct • Employee and Contractors' Code of Conduct • Risk Management Policy
Legislation	• Local Government Act 2019 • Local Government (General) Regulations 2021

9. DOCUMENT CONTROL

Policy Owner	BCGC
Endorsed by	BCGC/ARMC
Date approved	October 2023
Revisions	October 2025, June 2026
Amendments	June 2026
Next revision due	June 2028

10. WORKPLACE PARTICIPANT ACKNOWLEDGEMENT

I acknowledge:

a) Receiving this BCGC Policy:
b) That I should comply with this policy; and
c) That there may be disciplinary consequences if I fail to comply, including termination of employment.

Employee Name:

Signed: Date: