



2.4 PURCHASING POLICY

Distribution	Elected members, All Employees, Volunteers
Responsible Officer	Chief Executive Officer
Date adopted	19 July 2023
File Reference	04.07

Purpose

To articulate purchasing parameters for procurement on behalf of the Shire of Goomalling for operating expenditure.

Objective

To provide compliance with the *Local Government Act 1995* and the Local Government (Functions and General) Regulations 1996 as amended. This is an interim policy position to be in place until the Council adopts its revised Policy Manual in coming months.

To deliver a best practice approach and procedures for purchasing for the Shire of Goomalling. Having said this, there is a desire to reduce the administrative burden, in particular for small purchases for consumables such as small hardware items, batteries, tyres, stationery and photocopy charges, callout fees, alarm monitoring and the like. The administrative burden should not outweigh the benefit of complying with this policy.

To ensure consistency for all purchasing activities within the Shire of Goomalling operational areas.

Scope

Elected Members, All staff, Volunteers

Standard

Ethics and Integrity

All employees of the Shire of Goomalling are expected to practice a high standard of ethics and integrity in undertaking purchasing transactions, and act in an honest and proficient manner that preserves the standing of the Shire of Goomalling.

The following principles and behaviour must be prescribed throughout all stages of purchasing to ensure fair and equitable treatment of all parties:

- Full accountability for all purchasing decisions and effective management of expenditure of public monies on the basis of achieving value for money;
- All purchasing practice comply with relevant legislation, regulations and standards consistent with the Shire of Goomalling’s policies and code of conduct;
- Procurement is undertaken on a competitive basis and potential providers receive impartial, candid and consistent management;
- Process, evaluation and decision making is transparent, impartial and documented in accordance with relevant policy and audit requirements;
- Actual and perceived conflicts of interest are identified, disclosed and manage appropriately; and
- Information provided to the Shire of Goomalling by a supplier/contractor is treated as commercial-in-confidence and will not be released unless authorised by the supplier or relevant legislation.

Policy:

Limits	Policy	Officer who can Sign
Up to \$5,000	Direct small purchase from suppliers requiring verbal quotation(s) only, if practical . Again, if practical , written quotations should be obtained for amounts over \$1,000. Quotes will not be required for items such as software licences and support for corporate software already in use, utility payments, ongoing alarm monitoring, photocopy charges, small consumable charges such as stationery, hardware, small parts. Emergency purchases and callouts do not require quotation.	CEO Manager of Finance Manager of Works
\$5,001 - \$19,999	Where practical , obtain two verbal or written quotations. Quotes will not be required for items such as software licences and support for corporate software already in use, utility payments, ongoing alarm monitoring, photocopy charges, small consumable charges such as stationery, hardware, small parts. Emergency purchases and callouts do not require quotation.	CEO Manager of Finance Manager of Works
\$20,000 - \$249,999	Where practical , obtain at least two written quotations containing price and specification of goods and services (with procurement decision based on all value for money considerations).	CEO Manager of Finance (in CEO's absence for budgeted items) Manager of Works (For budgeted Works expense only)
\$250,000 and above	Conduct a public tender process.	CEO

Conditions:

- (1) The above purchasing policy is to be used in conjunction with the “*Regional Price Preference (Buy Local) Policy*”.
- (2) Where suppliers require a fee for a quote, staff are to note this. The CEO to adjudicate as to whether that supplier should provide a quote in such instance.

Where/if Practical – This term is used to reduce the need to quote a situation where;

- The supply is an emergency supply or urgent callout situation;
- The supply is for small items such as stationery, hardware, small spares or parts and consumables;
- The supply is a utility charge such as power, water, telephony or ongoing photocopy charges and the like;
- The supply is for a good or service that is unlikely to be able to be quoted such as software or general IT support, licenses, alarm monitoring, or contractors providing an ongoing service such as contract cleaning, management services or agreed fee for service arrangements. (Such as swimming pool manager, contract planner, contract building surveyor, contract cleaning, contract health officer, finance consultant)
- The supply is for a service supplied locally where mobilisation costs would be incurred through an alternative supplier that would add significantly to the cost of the service or supply. (This could include a local contractor/plumber/electrician)

Roles & Responsibilities

Elected Members

- To create and review policy to minimise risk and ensure best practice.

Chief Executive Officer

- Comply with policy for purchasing
- Ensure staff understand and comply with policy

Executive Management

- Comply with policy for purchasing
- Ensure staff understand and comply with policy

Employees

- Comply with policy for purchasing

Legislation

[Local Government Act 1995 \(s 6.10\)](#)

[Local Government \(Functions and General\) Regulations 1996 \(r 11a\)](#)

[Local Government \(Financial Management\) Regulations 1996 \(r13\)](#)

[State Records Act 2000](#)

[Occupational Safety and Health Act 1984 \(s. 23-1 9a, b & c\)](#)

Document Links

Strategic Community Plan

C1.5 Develop a policy framework to guide Council's decision making

C2.7 Provide reporting processes in a transparent, accountable and timely manner

Forms

Verbal Quotation Record Form (up to \$19,999)

Quotation Record Form (\$20,000 to \$149,999)

Procedures Manual

Nil

Local Law

Nil

Delegation

DE1 Payments from Trust and Municipal Funds

DE11 Expressions of Interest prior to calling for Tenders

DE12 Inviting Tenders

DE13 Minor Variations to Tenders

Review History

Version	Review date	Minute no.	Notes
1	September 2015	1 092015.SM	
1.1	May 2016	8.1.3 052016.OM	1.3.1 Purchasing Policy
1.1	June 2016	8.1.2 062016.OM	1.3.2 Regional Price Preference (Buy local) policy
2	20 May 2020	197 OM_200520	Formerly 1.3.1 Purchasing Policy and 1.3.2
2.1	15 December 2021	Resolution No.	Updated with new tendering threshold
2.2	19 July 2023	Item 9.6 Resolution No. 660	Updated signing authority for DCEO

