



2.4 PURCHASING POLICY

Distribution:	Elected Members, All Employees, Volunteers
Responsible Officer:	Chief Executive Officer
Date Adopted:	September 2015 – Version 1 – Resolution 1092015.SM
Last Review:	20 March 2024 – Version 2.3 – Resolution 767

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 managed 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 \$5000	Direct small purchase for suppliers requiring verbal quotations(s), if practical. Again, if practical, written quotations should be obtained for amounts over \$1000. Quotes will not be required for items such as software licenses 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 DCEO/Finance Manager Works Manager
\$5001 - \$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 DCEO/Finance Manager 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 DCEO/Finance Manager (in CEO 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 – 8.1*”.
- (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 and associated Regulations

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

Resource Documents

Policy - 8.1 Regional Price Preference (Buy Local)

Local Law

Nil

Delegation

Nil