

# Procurement Policy

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| <b>Related Documents</b>      | <p>WDRC Procurement- Financial Delegations Framework</p> <p>WDRC Corporate Card Guidelines and Conditions of Use</p> <p>WDRC Procurement Operations Manual and Standard Work Practices</p>   |

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# Procurement Policy

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## 1. OVERVIEW

Procurement represents a significant component of the Council's annual spend and covers a range of activities in acquiring goods and services in support of its key objectives and priorities. Through procurement, Council provides a major financial input into the economy of the region.

Council is operating under Chapter 6, Parts 3 and 4, Sections 224 to 238 "Default Contracting Procedures" of the Regulation.

Council recognises the importance of operating within its Annual Budget in the consumption of resources and the need to facilitate organisational outcomes.

## 2. OBJECTIVE

All procurement activities must aim to achieve the following objectives:

- Advancing Council's strategic priorities and outcomes in alignment with its Corporate Plan.
- Achieving value for money by:
  - applying value for money principles and methodologies to advance Council priorities;
  - identifying opportunities and maximising benefits to achieve the most advantageous outcome for Council; and
  - applying whole of life costing associated with acquiring, using, holding, maintaining and disposing assets.
- Encouraging local business and industry by preferring to purchase from local suppliers through applying the local spending preference when evaluating local & non-local quotations.
- Ensuring probity and accountability for procurement outcomes in accordance with Council's values, open competition and ethical behaviour. Procurement activities will be conducted honestly and with fairness to all participants.
- Procuring in a manner that is consistent with legislative requirements and the objectives of this policy.

For all officers of Council involved in the procurement process, this means being accountable and demonstrating high ethical standards in securing value for money and the most efficient use of public resources.

## 3. DEFINITIONS

### (The) Act

*Local Government Act 2009*, Queensland



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## **Authorised Officer**

An officer or agent of Council making, varying or discharging a contract, approving a purchase requisition or approving payment of a supplier's claim under the authority delegated by the Chief Executive Officer under *Section 259* of the Act or by virtue of the authority vested in the officer's appointment.

## **Corporate Cardholder and Fuel Cardholder**

An officer of Council to whom the issue of a Corporate Card or Fuel Card has been approved.

## **Corporate Plan**

Council's primary planning instrument which aims to achieve its key social, economic and environmental priorities.

## **Contractor or Seconded**

A person who has been contracted by Council or has been seconded from another organisation to perform a role within Council.

## **Consultant**

A person or entity engaged under contract on a temporary basis to provide professional advice to assist decision making by Management and Council.

A consultant is not a person or an organization that has been contracted to temporarily fill staff vacancies or to assist in the management of project/program delivery which is temporarily beyond the Council's capacity.

## **Goods and Services**

All types of goods and services including building and construction services.

## **GST**

Goods and Services Tax, as legislated in *A New Tax System (Goods and Services Tax) Act 1999* and related legislation and regulation.

## **Local Supplier:**

In this policy, a local supplier is defined as a business that:

- is beneficially owned by persons who are residents or rate payers of the region; or
- has its principal place of business within the region; or
- 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.

## **Local Government Association of Queensland Ltd (LGA) Arrangement:**

A purchasing arrangement entered into by:



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- the LGA, or a company registered under the *Corporations Act 2001*, if the LGA is its only shareholder and in accordance with Section 234 of the Regulation; and
- if LGA or its controlled company were a local government, it would be either a contract with an independent supplier from a register of pre-qualified suppliers or a preferred supplier arrangement.

## **Procurement**

Activities that relate to the making of contracts for the supply of goods and/or services.

## **Purchasing**

An act or process which gives effect to the buying, hiring, leasing, rental or exchange or any other commercial transaction involving the outlay of funds in return for the provision of goods and/or services to or on behalf of Council, Council staff or its agents.

## **Purchasing Officer**

An officer authorised to purchase goods and services on behalf of Council under *Section 238 of the Regulation*.

## **Purchase Order**

A uniquely numbered order form detailing Council's requirements, in relation to a supply of goods and/or services.

## **Purchase Requisition or Requisition**

An online or manually prepared statement of requirements for goods and/or services to be authorised by an officer with an appropriate level of delegated authority. Requisitions are the basis for the production and issue of official Purchase Orders.

## **Pre-Qualified 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.

## **(The) Regulation**

*Local Government Regulation 2012, Queensland.*

## **Requisitioning Officer:**

An officer or agent of Council preparing a Purchase Requisition for goods and/or services.

## **4. APPLICABILITY**

### ***To whom this policy applies:***

- all Council officers authorised to purchase, or approve the purchase of, goods and services on behalf of Council;



- all Contractors or Seconddees engaged by Council who are involved in any procurement process;
- Councillors; and
- Council as a whole.

### ***To what this policy applies:***

**all procurement methods, regardless of the type of procurement including petty cash, purchase and fuel cards, purchase orders and non-order purchases;**

- procurement of all classes of resources including consultants and contractors, goods and services, all minor and major capital works and disposal of assets; and
- all procurement activities including planning, design, specification writing, evaluation and selection of suppliers, financing and contract administration.

## **5. SOUND CONTRACTING PRINCIPLES**

All purchasing is represented in a contractual arrangement of one form or another and is governed by contract law. In establishing contracts for the purchase of goods or services or the carrying out of work, all delegated officers must have regard to sound contracting principles under Section 104 of the Act when seeking quotes or tenders for the supply of goods and/or services. To remove any doubt, Section 104 (8) of the Act declares that it does not require equal consideration to be given to each of the sound contracting principles.

### **Value for Money**

Promote value for money principles to achieve the most advantageous outcome for Council. Any value for money assessment must take into account:

- the quality of goods and services;
- fitness for purpose of the proposal;
- the potential supplier's relevant experience and performance history;
- flexibility of the proposal (including innovation and adaptability over the lifecycle of the procurement);
- environmental sustainability of the proposed goods and services (such as energy efficiency and environmental impact); and
- whole of life costs.

### **Open and Effective Competition**

To conduct transparent processes and promote effective competition between potential suppliers.

### **Encourage the development of competitive local business and industry**

By supporting the development of local business and industry within the boundaries of Council, Council not only assists in growing the economy of the region but makes the region more resilient. In essence, Council must give every opportunity for competitive local suppliers of goods and services to conduct business with Council.



## Environmental Protection

To ensure suppliers comply with legislative requirements, but also encourage proactive strategies that may better protect the environment, Council staff are to avoid purchasing known hazardous and environmentally damaging products where alternatives are available within reasonable bounds of price performance and suitability.

## Ethical Behaviour and Fair Dealing

To apply sound and ethical principles and promote equal and fair opportunity to all potential suppliers, Purchasing Officers will act with fairness, integrity and be professional in all dealings.

## 6. PROCUREMENT PREFERENCES (LOCAL SPENDING)

In accordance with *Section 104(3) (c) of the Act*, Council is committed to the development of local business and industry to support the growth and resilience of the region's economy. Council will apply a preference reduction in favour of local suppliers of goods and services provided that performance, quality, suitability and other evaluation criteria are comparable to that of other offers.

The preference reduction to apply to the local quoted/tendered price is **5% of the contract value up to \$500,000 or a maximum of \$25,000 for contracts over \$500,000**, although the latter may be varied with the approval of the Chief Executive Officer.

## Australian Made

All things being equal, Council prefers to buy Australian made products and services.

## Compliant Products

Council officers will ensure that the product proposed to be purchased complies with Australian standards.

## 7. ETHICAL BEHAVIOUR AND FAIR DEALING

The objective of the *Ethical Behaviour and Fair Dealing* principle is to ensure that Purchasing Officers act with integrity and in a way that shows a proper concern for the public interest.

Council officers involved in the purchasing process must avoid and/or declare, to their Supervisor, Manager, General Manager or the Chief Executive Officer, any actual, perceived or potential conflicts of interest or material personal interest (please refer to Council's Code of Conduct and *the Act*), and, if there is a conflict of interest, take no further part in the process.

However, under certain circumstances, a Council Officer at a minimum of Manager level may agree to an employee's participation in a procurement. This requires a conflict of interest management plan to be developed and approved by a Council Officer who is, at a minimum, Manager level.



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## 8. CONTRACTING AND FINANCIAL DELEGATION

Council delegates the power to make, amend or discharge a contract for it to the Chief Executive Officer, under *Section 257 of the Act*, to a maximum contractual value:

1. limited to adopted budget plus goods and services tax; and
2. \$200,000 plus goods and services tax, for goods and services not within the adopted budget..

In accordance with that authority, the Chief Executive Officer will further delegate such authority, under *Section 259 of the Act*, as per the Financial Delegations Framework.

Council captures these authorisations under a Register of Financial Delegations in accordance with *Section 260 of the Act*. To avoid doubt, financial delegations under this policy are inclusive of GST.

Financial delegations are with the position and not with the officer. Therefore, a staff member relieving in a position has the financial delegations of the position.

## 9. TENDERING AND QUOTING THRESHOLDS

The following financial thresholds apply to all purchases of goods and services:

| <b>Monetary value</b>  | <b>Requirements</b>  |
|--|--|
| Up to and including \$2,200 GST inclusive.   | At least one verbal or, where possible, a written quote (or estimate) is required and recorded.<br><i>While there is no requirement to invite more than one quote at this level, if you feel that the quotation/estimate is <u>not</u> good value for money, invite another.</i> |
| Greater than \$2,200 GST inclusive and less than or equal to \$5,500 GST inclusive.    | At least two verbal or preferably written quotes are to be invited and recorded.<br><i>A minimum of five (5) business days need to be allowed when requesting quotations.</i>  |
| Greater than \$5,500 GST inclusive and less than or equal to \$16,500 GST inclusive.   | At least two written quotes are to be invited, where possible, and recorded.<br><i>A minimum of five (5) business days needs to be allowed when requesting quotations.</i>   |
| Greater than \$16,500 GST inclusive and less than or equal to \$220,000 GST inclusive. | At least three written quotes are to be invited, where possible, and recorded.<br><i>A minimum of ten (10) business days need to be allowed when requesting quotations.</i>  |
| Greater than \$220,000 GST inclusive.  | Tenders must be called by following the Tender Process in <i>Section 228 of the Regulation</i> , unless an exception to call tenders applies under <i>Division 3 of the Regulation</i> . Refer to "Exceptions to the Requirements to Seek Tenders or Quotations" in this policy. |





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In accordance with *Section 238 of the Regulation*, the Chief Executive Officer may make, amend or discharge a contract if the contractual action has been provided for in Council's approved Annual Budget and the purchase does not exceed the adopted budget for that project.

Note: *Section 224 (3) of the Regulation* states "A large-sized contractual arrangement is a contractual arrangement with a supplier that is expected to be worth, exclusive of GST, \$200,000 or more in a financial year, or over the proposed term of the contractual arrangement.

**Example:** A contractual arrangement for the supply of a service over a 5-year period that is expected to be worth, exclusive of GST, \$80,000 each year has a total expected value of \$400,000.

*This process requires Council to advertise the tender and allow a minimum of twenty-one (21) days for submissions to be received from the date of the first advertisement.*

If a procurement process is unable to meet the requirements outlined in this section, as it pertains to the time to be given to suppliers to quote, the approval to proceed with a reduced timeframe must be by the requisitioner's General Manager or the Chief Executive Officer.

Goods required in the event of a genuine emergency will be exempt from the quoting period requirements, however these situations are to be fully documented, reviewed and approved after the fact by the requisitioner's General Manager or the Chief Executive Officer.

A register of quoting period exemptions for specific categories of expenditure will be kept by the Chief Executive Officer. This register will be reviewed at least annually.

Note: At least one (1) quote shall be sought from a local supplier where practical.

## 10. DISPOSAL OF LAND OR OTHER VALUABLE NON-CURRENT ASSETS

In accordance with *Section 224 (5) and (6) of the Regulation*, Council must enter into a **valuable, non-current asset contract** to dispose of land, plant or equipment or another type of non-current asset if the **valuable non-current asset** is:

- land, or
- another non-current asset that has an apparent value that is equal to or more than the limit set by the local government. Refer to the Asset Recognition - Council Policy for these limits.



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The method of disposal of valuable non-current assets (other than land) with an apparent value less than the limits set by Council shall be at the discretion of the Chief Executive Officer.

## 11. EXCEPTIONS TO THE REQUIREMENT TO SEEK TENDERS OR QUOTATIONS

*The Regulation* provides for the establishment of contracts as purchasing arrangements to optimise service delivery and minimise the administrative costs to Council in the purchasing cycle.

Details of the exception are to be recorded on the requisition prior to raising a purchase order.

The Council may establish the following purchasing arrangements:

- Approved Contractor List (*Section 231*)
- Register of Pre-Qualified Suppliers (*Section 232*)
- A Preferred Supplier Arrangement (*Section 233*)

### **Approved Contract List (*Section 231*)**

This section applies to a medium sized contractual arrangement and a large sized contractual arrangement for services.

Council may enter into the contract with a person or organisation on an approved contractor list. However, quotes need to be sourced in accordance with the tendering quoting thresholds set out in section 9 of this policy.

An approved contractor list is a list of persons or organisations considered to be appropriately qualified to provide goods and/or service.

Except for emergency situations, a General Manager or the Chief Executive Officer must approve an officer not inviting written or verbal quotations in accordance with section 9 of this policy. This approval must be given prior to seeking quotes.

### **Register of Pre-Qualified Suppliers (*Section 232*)**

Council may enter into a contract with a person or organisation on a Pre-Qualified Suppliers list. Council has a pre-qualified suppliers' arrangement in place for Infrastructure Services.

While *Section 232(2) of the Regulation* states that Council may enter into the contract without first inviting written or verbal quotes under pre-qualified supplier arrangements, this should only be used in exceptional circumstances. In most circumstances, Council will require written or verbal quotes in accordance with the tendering and quoting thresholds set out in section 9 of this policy.



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A pre-qualified supplier is 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.

Successful Tenderers who have previously been engaged in the past 12 months as a Council staff member in a similar role to that proposed to be filled by a Consultant/Contractor will be ineligible for engagement in such a role unless otherwise approved by the Chief Executive Officer.

Except for emergency situations, a General Manager or the Chief Executive Officer must approve an officer not inviting written or verbal quotations in accordance with section 9 of this policy. This approval must be given prior to seeking quotes.

## **Preferred Supplier Arrangement (Section 233)**

Council may enter into a contract with a person or organisation under a preferred supplier arrangement. A preferred supplier arrangement is appropriate to put in place where there is:

- a need for good and/or services in large volumes or frequently
- better value is achieved by accumulating demand for goods and/or services; and
- able to describe the goods and/or services in a manner that is easily understood by the relevant industry.

While *Section 233(2) of the Regulation* states that Council may enter into the contract without first inviting written or verbal quotes under preferred supplier arrangements, this should only be used in exceptional circumstances. In most circumstances, Council will require written or verbal quotes in accordance with the Tendering and Quoting Thresholds set out in 9 above.

Except for emergency situations, a General Manager or the Chief Executive Officer must approve an officer not inviting written or verbal quotes in accordance with section 9 of this policy. This approval must be given prior to seeking quotes.

## **LGA Arrangement (Section 234) Exceptions**

Council may enter into a contract for services without first inviting written quotes or tenders if the contract is entered into under an LGA arrangement. However, this should be the **exception rather than the rule**.

Except for emergency situations, a General Manager or the Chief Executive Officer must approve an officer not inviting written or verbal quotes in accordance with section 9 of this policy. This approval must be given prior to seeking quotes.

## **Tender Consideration Plan Exceptions (Section 230)**

Council may enter into a contractual arrangement without first inviting written quotes or tenders if it:

- decides by resolution to prepare a quote or tender consideration plan, and
- prepares and adopts the plan.



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This mechanism is used by Council to manage its Panel Arrangements.

This Plan also provides the Chief Executive Officer with the delegation to approve certain purchases over \$200,000 GST inclusive without having to call tenders. The "Tender Consideration Plan" will be in force until the Panel Arrangements expire or are terminated.

The certain purchases the Chief Executive Officer may approve include goods and services that do not involve significant technical specification or are of relatively low risk. Consequently, they do not require a major works contract. Transactions that would be signed off by the Chief Executive Officer include, but are not limited to:

- bundling of white plant procurement to achieve economies of scale including better pricing;
- yellow plant purchases;
- petroleum and diesel fuels; and
- reseals of roads.

For contracts that are not covered under these arrangements, the calling of quotations and tenders for medium and large sized contracts will be in accordance with section 9 of this policy.

## **Other Exceptions (Section 235)**

Council may enter into a medium-sized contract (*Section 225 of the Regulation*) or large-sized contract (*Section 226 of the Regulation*) without first inviting written quotes or tenders if:

- Council resolves it is satisfied that there is only one (1) supplier who is reasonably available;
- Council resolves that, because of the specialized or confidential nature of the services that are sought, it would be impractical or disadvantageous for it to invite quotes or tenders;
- a genuine emergency exists;
- the contract is for the purchase of goods and is made by auction;
- the contract is for the purchases of second-hand goods; or
- the contract is made with, or under an arrangement with a government agency.

These exceptions should be rarely used.

## **Functional or Practical Exceptions under \$16,500 GST inclusive**

The following are transactions for which exceptions are made:

- Council is committed to the terms and conditions of an original supply contract. For example:
  - requiring quotes for specialized equipment or equipment when the machinery is under warranty;
  - where there is only one supplier;
  - where the use of a substitute product may void the warranty, or
  - requiring more than one quote for the repair of vehicles when the insurer requires only one quote.
- Diagnostic mechanical reporting and subsequent repair. At times it can be far more expensive to seek quotes for the repair of the equipment after the diagnostics have been done by a service provider. Officers



need to use their judgment whether the diagnostics service provider is best placed to undertake the repair work.

- Without prejudice payments which may be made. For example, where a member of the public slips and strains their ankle in the Visitors car park. Such a payment is not an admission of guilt but will reduce the likelihood of future legal action.
- State, Federal and Local Government charges and taxes including roadworthy certificates, licenses and registration.

Council Officers are not required to call further quotations up to a value of \$16,500 GST inclusive under these circumstances and General Manager or Chief Executive Officer approval is not required for variations to the tendering and quoting thresholds set out in section 9 of this policy.

## Expressions of Interest

Expressions of Interest may be used by Council as a process for establishing a formal contract.

## 12. ENGAGEMENT OF CONSULTANTS/CONTRACTORS

It is acknowledged that at times, it is necessary to purchase the services of Consultants/Contractors to undertake works which are outside the capacity or expertise of current staff resources. Such engagements typically involve a Consultant/Contractor working alongside existing Council staff to manage or deliver specific projects or longer-term programs or to fill staff places which could not be filled through the Council's recruitment processes.

Officers engaging Consultants must have regard to the Sound Contracting Principles as detailed in this policy.

## 13. EVALUATION/ACCEPTANCE OF TENDER OR QUOTATION

Where Council decides to accept a tender or quotation, it must accept the tender or quotation most advantageous to it in accordance with *Section 228 (9) of the Regulation*. In deciding the tender or quotation most advantageous to it, Council must have regard to the *Sound Contracting Principals (s104) of the Act*. However, Council may decide not to accept any tender or quotation available to it.

If a formal contract is to be prepared an official purchase order must still be raised.

Tenders for goods and services over the value of \$220,000 GST Inclusive must be evaluated by no less than three (3) suitably qualified officers, to be:

- Council officers; and/or
- independent consultants engaged for that purpose. No more than two (2) of the three (3) suitably qualified officers will be independent consultants.

Each quote or tender submitted must be evaluated using the same methodology for each invitation.



## 14. CHANGES TO TENDERS

Section 228 (7) of the *Regulation*, provides that Council may invite all the persons who have submitted a tender to change their tender accordingly where there is a change in the tender specification. Changes requested must be related to changes in the tender specification and must be addressed to all Tenderers.

This provision only applies if Council has invited tenders for a contract and the invitation to tender states that Council might later invite all Tenderers to change their tenders.

## 15. PETTY CASH

Petty cash purchasing is intended to be used for low value, one off purchasing transactions. The total value of the transaction must not exceed \$100 (inclusive of GST). Splitting of transactions over several petty cash purchases is prohibited.

## 16. GOODS & SERVICES TAX

Council purchasing shall be conducted in compliance with the statutory requirements of the *A New Tax System (Goods and Services Tax) Act 1999* and related acts and regulations.

## 17. WORKPLACE HEALTH AND SAFETY

All purchasing officers should consider the *Workplace Health and Safety Act 2011*, Regulations and Council's Workplace Health and Safety Policy in all procurement activities.

## 18. QUALITY ASSURANCE

Council prefers to acquire its requirements for goods and services or work to be performed from suppliers with quality systems in place.

## 19. CONTINGENCIES

Contingencies are an allowance provided in the event of required variations to contracts to allow for the successful completion of contracts. An allowance for contingencies may vary due to the type of contract and the exclusions under the contract. For example, a fixed price design and construct contract should have a relatively low and possibly no contingency. However, even within a fixed price civil construction contract, there may be a higher contingency due to exclusions under the contract. Examples of exclusions that may lead to a higher contingency include uncertainty around soil conditions or the presence of asbestos.

Where a contingency allowance is provided for under the project, it must be approved by the Chief Executive Officer if it is greater than the minimum of 5% of contract value or \$50,000. A General Manager will approve all other contingency amounts.

Any proposed increase in a contingency must also be authorised by the Chief Executive Officer.



## 20. PURCHASE ORDERS

Official purchase orders are to be issued for all of Council's purchasing requirements except for the categories listed in non-purchase orders outlined in section 22 of this policy.

Council purchase orders will be raised and issued from properly completed requisitions (except for procurement with a value less than \$2,200 GST Inclusive), which have been authorised by officers with appropriate financial levels of delegated authority before goods or services are procured and not at the time an invoice is received. In emergency situations the officer should generate the requisition and purchase order as soon as practical after the purchase.

Relevant documentation, including details of quotes/tenders received, evaluations undertaken and proposed contracts, is to be attached to Council's official requisitions for goods and services where necessary.

The issue of an official purchase order evidences the establishment of a contract between Council and a supplier.

### Splitting of Orders

Council officers are prohibited from splitting orders for the purposes of acquiring goods or services above their delegated amounts or to avoid the necessity to obtain quotes or call for tenders.

## 21. PURCHASE ORDER VARIATIONS

### For purchases up to \$5,500 GST inclusive

Where a variation occurs within this range, the officer who has authorised the original Purchase Order will be responsible for approving the overpayment.

### For purchases over \$5,500 GST inclusive

Variations for purchases over \$5,500 Inc GST must be recorded on a justification/variation form.

All authorisations for variations are to be administered in accordance with the *Procurement Practice Guide: Managing variations*. This guide is owned and approved by no less than the Chief Executive Officer.

## 22. NON-PURCHASE ORDERS

Non-purchase order payments include:

- Petty cash;
- Corporate Card and Fuel Card purchases;
- Ongoing accounts (i.e. fixed and mobile telephone, internet, utilities, subscriptions, vehicle registrations);
- Grants, donations and subsidies provided by Council;
- Without prejudice payments;



- Statutory charges (i.e. WorkCover, insurances, Fire & Emergency Services Levy, taxes)
- Employee reimbursements; and
- Insurance Excess Fees.

## 23. SEPARATION OF DUTIES

Council requires clear separation of duties in all stages of the procurement process. This means when:

### Requisitioning and raising purchase orders

1. The officer requesting to purchase a good or service must not be the officer who approves the requisition. This officer must sign and print their name on the requisition as the "*Requisitioned by:*" officer, or documentary evidence that proves they have requested the goods or service must be provided with the requisition, for example an email;
2. The approving officer is to be, at a minimum, a peer to the officer requesting the good or service that is able to effectively review the request. This person must sign and print their name on the requisition in the "*Signature of Authorising Officer:*" area or documentary evidence that proves they have approved the requisition must be provided with the requisition, for example an email; and
3. Purchases for less than \$2,200 GST Inclusive do not require a requisition form and, as such, a separation of duties in the requisitioning phase of a procurement is not required if the officer requesting the goods and/or service has a financial delegation. Officers are encouraged to procure using corporate cards for amounts less than \$2,200 GST Inclusive, where possible.

### Approving a payment

1. Evidence of receipt of a good or service is mandatory. This can be in the form of:
  - a. A physical document that shows the receipt by a Council officer (their signature and printed name), for example a delivery docket, packing slip, timesheet. This is the preferred method and the documents are to be referenced in the place provided for on the Accounts Payable stamp; or
  - b. An email from the receiving officer that states they have received the goods or service. At a minimum, the email should note the company they received the goods or service from, a description of the goods or service received, the quantity that was received (usually regarding goods received) and the invoice, requisition and/or purchase order to which the receipt relates to. This is to be referenced in the place provided for on the Accounts Payable stamp; or
  - c. The signature and printed name of the receiving officer in the place provided for on the Accounts Payable stamp;
2. To ensure the separation of duties, the officer that received the goods or service must not be the officer that approves the payment;
3. The approving officer must check the quantities verified as received agree with what was ordered and the prices charged on the invoice agree with what was agreed to on the Purchase Order; and
4. The approving officer is to be, at a minimum, a peer to the officer that received the good or service that is able to effectively review the payment. They are to indicate their approval by completing the Accounts





Payable stamp or documentary evidence that proves they have approved the invoice must be provided with the invoice, for example an email.

Approval roles are solely the responsibility of Council officers that have a financial delegation, as outlined previously in this policy.

## **24. RECEIPT OF GOODS AND SERVICES**

Goods received must be inspected to ensure the correct quantity of goods have been delivered in working condition prior to being receipted. Services received are to be verified as performed to an acceptable standard prior to being receipted.

Officers receiving goods or services cannot authorise receipts other than those relevant to their work area. Officers authorised to purchase on behalf of Council may also be required to receipt goods and services and authorise payments.

## **25. PAYMENT TO SUPPLIERS**

Payments to suppliers for goods or services received shall be made no later than 30 days after presentation of invoices.

Where special payments are requested in advance of the receipt of goods or services, e.g. deposits for overseas supply, purchase of government publications, payment of conference attendance fees in advance and the like are required, the early payment shall be approved by the Accounts Payable Supervisor, Chief Procurement Officer or Chief Financial Officer.

## **26. TERMINATION OF CONTRACTS**

Where a supplier fails to satisfy requirements and performance under the arrangement, the contract should be terminated in accordance with the terms and conditions of the contract.

All contracts entered into by the Council must contain provisions entitling the Council to terminate the contract for breach or non-performance. To terminate a contract, Council must follow the procedures specified in that contract. Care must be exercised in terminating a contract as improper termination may give a supplier rights against Council for wrongful termination (including rights for compensation).

## **27. SPECIFICATION WRITING**

Specifications shall be prepared to comprehensively reflect Council's requirements and provide a basis on which respondents to tenders and quotations can competitively provide offers to Council.



## 28. RELEASE OF INFORMATION

Once tenders or quotations have been received, Council Officers undertaking evaluations should avoid contact with officers of the tendering/quoting entity, except when seeking clarification of tender issues. Clarification should be requested in writing to the suppliers.

No information shall be given to any tendering/quoting entity unless the same information is given equally to all during the procurement process.

Post offer feedback must be provided to unsuccessful entities upon request. This feedback shall not provide any confidential, or in confidence, information about the successful supplier.

The feedback may include:

- the name of the successful tendering/quoting entity;
- the total price offered; and

any general information that may assist with enhancing the competitiveness of any future bid.

