

Policy 6.08 Procurement of Assets and Services

Directorate	Business and Governance
Responsible Officer	Director Business and Governance

Table of Contents

1.1	Introduction	2
1.1.1	Scope	2
1.1.2	Purpose	2
1.2	Definitions	2
1.3	Legislation	3
1.4	Implementation	3
1.4.1	Policy Statement	3
1.4.2	Responsibilities	3
1.5	Supporting documents	4
1.5.1	BVSC Procedures that relate to this Policy	4
1.5.2	BVSC Policies that Relate to this Policy	4

1.1 Introduction

1.1.1 Scope

This policy and associated procedures encompass the processes implemented to manage the procurement of Council assets and services transparently, efficiently and effectively.

Council is committed to obtaining the best possible value for ratepayers. It intends to support local suppliers and community and social enterprises where possible.

1.1.2 Purpose

Council recognises its role as a purchaser of significant quantities of goods, assets and services for the community. Given that role, and complying with relevant legislative requirements, Council will strive to:

- achieve value for money and continuous improvements in the provision of assets and services for our Shire;
- maintain high standards of fairness, transparency, probity, consistency, risk management and accountability;
- implement procurement best practice to ensure cost effective expenditure throughout Council;
- encourage stimulation of the local economy through the engagement of local suppliers where practical.
- maintain compliance with all relevant legislation.

1.2 Definitions

Word or Terminology	Description
Ethics and probity	Ethical behaviour incorporating complete transparency, integrity and honesty of processes and business dealings.
Local outcomes	Where the nature of a particular procurement activity deems that approaching a broader market is warranted, local outcomes are those commitments (by both local and external suppliers bidding) which recognise the benefits of their appointment including demonstration of support for local business and community enterprise throughout the duration of their appointment.
Local purchase	A local purchase is determined to have taken place if purchased from a supplier that meets the above criteria.
Local supplier	A registered business that operates permanently from premises within the Bega Valley Local Government Area, and has operated from that premises for a minimum period of six (6) months.
Modern slavery	Modern slavery is a serious violation of an individual's dignity and human rights. Exploitative practices including human trafficking, slavery, servitude, forced labour, debt bondage and forced marriage are all considered modern slavery and are serious crimes under Australian law.
Sustainable procurement	Takes into consideration and responsibility for the economic, environmental, social and governance impacts of any purchase – products or services. These four factors are referred to as the quadruple bottom line include: <ul style="list-style-type: none"> • cost and economic impact of the purchase • environmental impact of the growth, manufacture and transport of the product or service • social and ethical implications, and • application of good governance.

Word or Terminology	Description
Value for money	<p>The optimum combination of quality, quantity, risk, timeliness and cost on a whole-of-life (assets) and whole-of-contract (services) basis.</p> <p>Value for money in procurement is selecting assets and services taking into account both cost and non-cost factors including:</p> <ul style="list-style-type: none"> • contribution to the advancement of Council's priorities; • sustainable procurement practices, • non-cost factors such as quality, fitness for purpose, risk exposure level, service and support, • cost related factors including whole-of-life costs and transaction, • costs associated with acquiring, using, holding, maintenance and disposal.

1.3 Legislation

- *Local Government Act 1993 (NSW)*
- *Local Government (General) Regulation 2021 (NSW)*
- *NSW Work Health and Safety Act 2011 (Cth)*
- *Chain of Responsibility (HVNL legislation)*
- *Government Information (Public Access) Act 2009 (NSW)*
- *Competition and Consumer Act 2010 (Cth)*
- *Building and Construction Industry Security of Payment Act 1999 (NSW)*
- *Modern Slavery Act 2018 (NSW)*
- Office of Local Government (OLG) Tendering Guidelines for NSW Local Government

1.4 Implementation

1.4.1 Policy Statement

Council procures goods, services and works to effectively deliver services and infrastructure to the community. The community must have confidence that council will do this in a cost effective and appropriate manner.

Suppliers should understand the processes by which goods and services are procured and have confidence that these are applied fairly and consistently.

Bega Valley Shire Council will:

- Encourage competitive procurement of assets and services to maximise value for money.
- Strive for cooperation and understanding with suppliers by encouraging open engagement and demonstrating consistent and regulated procurement practices.
- Promote and ensure a sustainable approach to decisions around community, environment and financial aspects of procurement.
- Take reasonable steps to ensure that goods and services procured by and for the council are not the product of modern slavery within the meaning of the Modern Slavery Act.
- Seek to maximise overall community benefit through encouragement, support and opportunity for local suppliers, and
- Refine, implement and monitor efficient and effective procurement procedures which all staff adhere to.

1.4.2 Responsibilities

1.4.2.1 Elected Council

Approve and adopt this policy for official use by Council.

1.4.2.2 Chief Executive Officer (CEO), Leadership Executive Group (LEG)

Take disciplinary action on behalf of this policy and advise procurement service when monitoring and reporting action is required.

1.4.2.3 Procurement and contracts team

Monitoring and reporting of compliance with procurement of assets and services policy and associated procedures.

1.4.2.4 Council staff, contractors and volunteers

Ensuring the engagement of procurement and contracts team to allow repeatable and consistent procurement of assets and services that met legislative and policy requirements.

1.5 Supporting documents

1.5.1 BVSC Procedures that relate to this Policy

Procedure No.:	Procedure Name	External or Internal Procedure
6.08.01	Purchasing procedure	Internal
6.08.04	Contract administration and management	Internal
6.08.05	Legal Services	External
6.08.06	Purchase card Guidelines	Internal
6.08.07	BOC Cylinder Rental and Exchange	Internal
6.08.11	Fuel Card guidelines	Internal
6.02.1	Code of Conduct	External
6.08.03	Draft Tendering Procedure	Under development

1.5.2 BVSC Policies that Relate to this Policy

Policy No.:	Policy Name
6.02	Behaviour of Councillors and Staff
6.03	Risk Management
6.06	Financial Management
6.24	Disposal of Council Assets Other than Land or Buildings
6.19	Fraud and Corruptions Prevention

Note: Policy details may change from time to time. To ensure you are viewing the most recent version please view Council's adopted Policies and Procedures on Council website: