

Procurement Policy

PURPOSE:

To formalise the process of procuring of goods and services by the City of Launceston so that optimal organisation and community outcomes are achieved.

OBJECTIVES:

To provide a framework to support efficient and effective processes that:

- encompass tendered and non-tendered procurement;
- comply with legislation and regulations, good practice and probity requirements,
- deliver sustainable value for money across the life of purchase to the City of Launceston, and
- recognise the role played by the City of Launceston in the local and state economy.

SCOPE:

This policy applies to the procurement (including tenders) of all goods, services by authorised employees, and appointed agents acting on behalf of the City of Launceston.

Consistent with the overall policy purpose, this policy allows for special exemptions. Namely:

- in an emergency situation,
- from an existing supplier contract or tender with a local government, and/or State/Commonwealth government agency,
- where the Council resolves by absolute majority that a satisfactory result would not be achieved, because of site remoteness or extenuating circumstances,
- from a specialist supplier where the General Manager has approved the selection,
- a contract entered into at a public auction, or
- a contract for insurance from a broker, or a contract resulting from an insurance claim.

POLICY:

- The Council will enter into business contracts, only with approved suppliers or tenderers who conform to City of Launceston Business, Quality and Safety Standards, and comply with all State and National Legislation.
- The Council will conduct all procurement activities in a legal, financially responsible, and honest manner, reflecting the principles of fair trading, probity and transparency.
- The Council recognises and procures in accord with environmental and community sustainable procurement objectives.
- Procurement of recycled goods is encouraged, where the required quality and safety standards are met, and represent a value for money alternative.
- Procurement from Local Suppliers is given appropriate consideration, where the item/s meet the quality, lead time and "fit for purpose" requirements, and represent responsible whole of life value for money to the community.

- All Purchase Orders will be issued in accordance with "City of Launceston Standard Terms And Conditions Of Purchase" and these will apply, unless overridden by specific contracted terms.
- All Directors will support and implement appropriate processes to ensure operation and compliance to this policy and associated procedures.

PRINCIPLES:

The Council's Organisational Values, Principles, and Procedures apply to all procurement activities. These include, but are not limited to:

- selection of "fit for purpose" goods and services that represent responsible value for money
- open and fair competition that enhances the development of commercial relationships with suppliers
- not engaging in any practices, with the intent of creating an improper or unfair advantage / disadvantage in the procurement process
- not conducting business with suppliers or tenderers who engage in collusive practices of any kind
- commitments to purchase goods and services are made through the issue of an appropriately authorised purchase order.
- be responsible and accountable for the expenditure incurred
- consider materials, services and operational risk management
- effective management of the complete procurement lifecycle
- conduct respectful and professional business relationships with suppliers
- confidentiality and integrity of any 'commercial in confidence' information provided will be preserved, consistent with any legislative requirements
- complying with the relevant sections of the Local Government Act 1993 relating to pecuniary interest and policies related to conflict of interest

All non-tendered purchases will be transacted in accordance with the "Purchasing (Non Tendered)" Procedure 11-HLPr-001.

All Tenders and Contracts will be transacted in accordance the "Code For Tenders and Contracts" Procedure. 11-HLPr-005.

RELATED POLICIES & PROCEDURES:

[11-HLPr-001 Purchasing \(Non-Tendered\) Procedure](#)

[11-HLPr-005 Code for Tenders and Contracts](#)

[11-Rf-011 - Standard Terms and Conditions of Purchase Orders](#)

[21-PI-003 Contractor Management Policy](#)

[24-PI-002 Disposal or Alienation of Council Assets Policy](#)

[22-PI-030 Code of Conduct Policy](#)

[12-PI-001 Budget Management Policy](#)

RELATED LEGISLATION:

Local Government Act 1993 (Tas)
Local Government (General) Regulations 2005
Financial Management and Audit Act 1990 (Tas)
Competition and Consumer Act 2010

REFERENCES:

None

DEFINITIONS:

Local Supplier

Is situated

- a) within the Launceston region
- b) within the state

Business activity

- a) local business employing locally
- b) national business employing locally

REVIEW:

This policy will be reviewed no more than two years after the date of approval or more frequently, if dictated by operational demands and with Council's approval.

