



**CITY OF  
BALLARAT**

# **Procurement Policy**

**BALLARAT CITY COUNCIL  
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## 1 DOCUMENT CONTROL INFORMATION

<b>Policy Name</b>	<b>Procurement Policy</b>
<b>Business Unit</b>	<b>Finance</b>
<b>File Location</b>	
<b>Document status</b>	<b>Final</b>
<b>Version</b>	<b>1.00</b>
<b>Version Date</b>	<b>May 2011</b>
<b>Next Review date</b>	<b>May 2012</b>

## DOCUMENT HISTORY

	<b>Version</b>	<b>Date</b>	<b>Author</b>
<b>Initial Draft</b>			
<b>Review Draft</b>			
<b>Review Draft</b>			
<b>Final Draft</b>			
<b>Approved</b>			

## **2 POLICY STATEMENT**

### **Intent**

Ballarat City Council recognises that a procurement strategy and appropriate best practice contract and procurement principles, policies, processes and procedures, will enhance achievement of Council objectives such as socially responsible procurement, value for money, achieving innovation and providing best value services to the community.

In November 2008, amendments to the Local Government Act 1989 were passed which included a new section s186a that requires a council to 'prepare and approve a Procurement Policy'. A Procurement Policy must include any prescribed matter and a council must have regard to Ministerial Guidelines made under the section when preparing its policy. A council must review its procurement policy annually and make it available for public inspection.

### **Objectives**

It is a primary objective for Council to, wherever possible, procure the best value for money goods and services locally.

The Procurement Policy provides guidance to Council to ensure best practice and probity in purchasing, consistency and control over procurement activities, increasing the probability of obtaining the right outcome when purchasing goods and services, ensuring accountability and best value to the community with a focus on sustainable and socially responsible procurement and guides Council on ethical behaviour in public sector purchasing.

### **Statement**

This policy encompasses all elements of the procurement of goods and services and requires compliance from Councillors, Special Committee members, Staff, Contractors, Consultants and other members as required by the Chief Executive Officer.

## **3. OWNER**

The owner of this policy is the Chief Executive Officer.

All enquiries regarding this policy to be made to Council's Financial Operations Manager.

#### **4. APPLICABILITY**

The Policy applies to all Councillors, Special Committee members, full-time and part-time employees, contractors, consultants, temporary and casual employees.

#### **5. DEFINITIONS**

<b>Term</b>	<b>Meaning</b>
<i>Treatment of GST</i>	All monetary values stated in this policy include GST except, where specifically stated otherwise.
<i>Act:</i>	Local Government Act 1989
<i>Commercial in Confidence:</i>	Information that if released may prejudice the business dealings of a party eg. prices, discounts, rebates, profits, methodologies and process information, etc.
<i>Ballarat Industry Participation Program (BIPP)</i>	A program adopted by the Ballarat City Council which seeks to maximise the local content achieved through Council's procurement processes. On tenders where the value is \$250,000+, a local content statement which has been prepared by tenderers becomes applicable where the financial differential between parties finish within 5% of each other in the financial criteria.
<i>Contract Management:</i>	The process that ensures both parties to a contract fully meet their respective obligations as efficiently and effectively as possible, in order to deliver the business and operational objectives required from the contract and in particular, to provide value for money.
<i>Council Staff:</i>	Includes full time and part-time Council officers, and temporary employees, contractors and consultants while engaged by the Council.
<i>CSR Practices:</i>	Corporate Social Responsibility. Relates to Council's supply chain being ethical, knowledgeable, reputable and where possible supporting green and sustainable products.
<i>Expression of Interest:</i>	A response to an open approach, usually by public advertisement, to the market requesting submissions from prospective suppliers interested in procurement. The list of potential suppliers who have provided expressions of interest may be used as the basis for

	conducting a select tender process.
<i>Probity:</i>	A procurement process that conforms to the expected standards of probity is one in which clear procedures that are consistent with the Council's policies and legislation are established, understood and followed from the outset. These procedures need to consider the legitimate interests of suppliers and ensure that all potential suppliers are treated equitably.
<i>Procurement:</i>	Procurement is the whole process of acquisition of goods, services and works. This process spans the whole life cycle from initial concept through to the end of the useful life of an asset (including disposal) or the end of a service contract.
<i>Standing Offer Agreement</i>	A contract that sets out rates for goods and services that are available for the term of the agreement. However, no commitment is made under the agreement to purchase a specified value or quantity of goods or services.
<i>Sustainability:</i>	Activities that meet the needs of the present without compromising the ability of future generations to meet their needs.
<i>Tender Process:</i>	The process of inviting parties to submit a quotation or tender by public advertisement, followed by evaluation of submissions and selection of a successful bidder or tenderer.
<i>Value for Money:</i>	Value for Money in Procurement is about selecting the supply of goods, services and works taking into account both cost and non-cost factors including: <ul style="list-style-type: none"> <li>• contribution to the advancement of the Council's priorities, including the Ballarat Industry Participation Program;</li> <li>• non-cost factors such as fitness for purpose, quality, service and support; and</li> <li>• cost-related factors including whole-of-life costs and transaction costs associated with acquiring, using, holding, maintaining and disposing of the goods, services or works.</li> </ul>

## 6 PROCEDURE AND GUIDANCE NOTES

### Effective Legislative and Policy Compliance and Control - Ethics and Probity

#### Requirement

Council's procurement activities must be performed with unquestionable integrity and in a manner able to withstand the closest possible scrutiny.

## **Conduct of Councillors and Council Staff**

Councillors and Council Staff shall at all times conduct themselves in ways that are, and are seen to be, ethical and of the highest integrity and will:

- Treat potential and existing suppliers with equality and fairness;
- Not seek or receive personal gain;
- Maintain confidentiality of Commercial in Confidence matters and information such as contract prices and other sensitive information;
- Present the highest standards of professionalism and probity;
- Deal with suppliers in an honest and impartial manner that does not allow conflicts of interest;
- Provide all suppliers and tenderers with the same information and equal opportunity;
- Be able to account for all decisions and provide feedback on them; and
- Council Staff responsible for managing or supervising contracts are prohibited from either being engaged by a Council contractor or performing any works under the contract they are supervising.

## **Tender Processes**

All tender processes shall be conducted in accordance with the requirements of this policy and any associated procedures, relevant legislation, relevant Australian Standards and the Act.

## **Conflict of Interest**

Councillors and Council Staff shall at all times avoid situations in which private interests conflict, or might reasonably be thought to conflict, or have the potential to conflict, with their Council duties.

Councillors and Council Staff must not participate in any action or matter associated with the arrangement of a contract (i.e. evaluation, negotiation, recommendation, or approval), where that person or any member of their immediate family has a significant interest, or holds a position of influence or power in a business undertaking tendering for the work.

The onus is on the Councillor and the member of Council Staff involved being alert to and promptly declaring an actual or potential conflict of interest to Council.

## **Fair and Honest Dealing**

During a public tender process, all prospective contractors and suppliers must be afforded an equal opportunity to tender or quote. Impartiality must be maintained throughout the procurement process so that it can withstand public scrutiny.

The commercial interests of existing and potential suppliers must be protected.

Confidentiality of information provided by existing and prospective suppliers must be maintained at all times, particularly commercially sensitive material such as, but not limited to prices, discounts, rebates, profit, manufacturing and product information.

### **Accountability and Transparency**

Accountability in procurement means being able to explain and evidence what has happened. The test of accountability is that an independent third party must be able to see clearly that a process has been followed and that the process is fair and reasonable.

Therefore the processes by which all procurement activities are conducted will be in accordance with the Council's procurement policies and procedures as set out in this policy and related Council policies and procedures.

Additionally:

- The responsible Council Staff must be able to account for all procurement decisions;
- Made over the lifecycle of all goods, services and works purchased by the Council;
- Where necessary, brief tenderers regarding the documented decision making process, and
- All procurement activities are to leave an audit trail for monitoring and reporting purposes.

### **Gifts and Hospitality**

No Councillor or member of Council staff shall, either directly or indirectly solicit or accept gifts or presents from any member of the public who is involved, either directly or indirectly, with any matter that is connected with the duties of the officer, or in which the Council is interested.

Councillors and Council staff must exercise the utmost discretion in accepting hospitality from contractors or their representatives, or from organisations, firms or individuals with whom they have official dealings.

Councillors and Council staff should also avoid the ambiguous situation created by visiting the premises of a contractor, organisation, firm or individual uninvited and/or not on official business.

Offers of bribes, commissions or other irregular approaches from organisations or individuals (no matter how insubstantial the evidence available), must be promptly brought to the attention of the CEO.

### **Disclosure of Information**

Information received by the Council that is Commercial in Confidence must not be disclosed and is to be stored in a secure location. Councillors and Council staff are to protect, by refusing to release or discuss, information to the extent that it is Commercial in Confidence.

This may include:

Information disclosed by organisations in tenders, quotation or during tender negotiations;

- Pre-contract information including but not limited to information provided in quotes and tenders or subsequently provided in pre-contract negotiations,
- Councillors and Council staff are to avoid references to current or proposed contracts in discussion with acquaintances or outside interests,
- Discussion with potential suppliers during tender evaluations should not go beyond the extent necessary to resolve doubt on what is being offered by that supplier,
- At no stage should any discussion be entered into with any tendering party or its representative or agent which could have potential contractual implications prior to the contract approval process being finalised, other than authorised pre-contract negotiations.

### **Governance Structure**

The Council shall:

- Establish a procurement management responsibility structure and delegations ensuring accountability, traceability and auditability of all procurement

decisions made over the lifecycle of all goods, services and works purchased by the Council.

Ensure that the Council's procurement structure:

- Is flexible enough to purchase in a timely manner the diverse range of material,
- goods, works and services required by Council.

Ensures that prospective contractors and suppliers are afforded an appropriate opportunity to tender/quote;

- Encourages competition; and
- Ensures that policies that impinge on the purchasing policies and practices are communicated and implemented.

## **Standards**

The Council's procurement activities shall be carried out to the professional standards required by best practise and in compliance with the:

- Act,
- Council's policies,
- Council's Code of Conduct, and
- Other relevant legislative requirements such as but not limited to the Trade Practises Act, Goods Act and the Environmental Protection Acti.

## **Methods**

Council's standard methods for purchasing goods, services and works shall be by:

- FlexiPurchase Card;
- Purchase order following a quotation process;
- Under contract following a tender process; or
- Where the Council is satisfied that value for money requirements have been satisfied, under purchasing schemes including collaborative purchasing arrangements with other Councils and commercial schemes such as provided by Procurement Australia, the Municipal Association of Victoria and the State Government Purchasing Panel;
- Unless other arrangements otherwise authorised by the Council or the CEO on a needs basis as required by abnormal circumstances such as emergencies.

The Council may, at its discretion and based on the complexity and cost of the project, conduct one stage or multi-stage tenders. Typically a multi-stage tender process will commence with a registration of interest stage followed by a tender process involving the organisations selected as a consequence of the registration of interest stage.

Registrations of interest may be appropriate where:

- The requirement is complex, difficult to define, unknown or unclear,
- The requirement is capable of several technical solutions,
- The Council wishes to consider ahead of formal tender processes such issues as whether those tendering possess the necessary technical, managerial and financial resources to successfully complete the project,
- Tendering costs are likely to be high and Council seeks to ensure that companies incapable of supplying the requirement don't incur unnecessary expense,
- It is necessary to pre-qualify suppliers and goods to meet defined standards, and
- The requirement is generally known but there is still considerable analysis, evaluation and clarification required (both of the objective and the solution).

### **Responsible Financial Management**

The principle of responsible financial management must be applied to all procurement activities. Accordingly, to give effect to this principle: the availability of existing funds within an approved budget, or source of funds, must be established prior to the commencement of any procurement action for the supply of goods, services or works.

Council staff must not authorise the expenditure of funds in excess of their financial delegation. Council staff who breach their delegated authority may face action under Council's Discipline and Termination Policy (the decision to initiate disciplinary action or other action will be taken by the Chief Executive Officer based on a recommendation by the Executive Manager Finance following consultation with the relevant General Manager or Director).

Council funds must be used efficiently and effectively to procure goods, services and works and every attempt must be made to contain the costs of the procurement process without compromising any of the procurement principles set out in this Policy.

### **Procurement Thresholds and Competition Requirement**

The Council will from time to time decide and publish in this policy clear guidelines for minimum spend competition thresholds. These will be dependent on the size and complexity of the proposed procurement activities.

### **Minimum Spend Competition Thresholds Tenders**

The acquisition of goods and services for which the estimated expenditure exceeds \$100,000, and construction and carrying out of works for which the estimated expenditure exceeds \$100,000 must be undertaken by public tender. Cumulative expenditure to a supplier for a period of up to two years is to be taken into account. (i.e. if an organisation, supplier or consultant is to be engaged to provide goods or services for 3 different projects over a period of 2 years and the combined cost is over \$100,000, then a formal tender process needs to occur).

Should the CEO consider that the nature of the requirement and the characteristics of the market are such that the public tender process would lead to a better result for the council, public tenders may be called for purchase of goods, services and works for which the estimated expenditure is below the thresholds set under this Policy.

In circumstances considered appropriate by the CEO, the thresholds under this policy for expenditure on goods and services or construction works relating to a specific project or contract, may be varied to align with values fixed under the Local Government Act 1989 (i.e. \$150,000 for goods and services and \$200,000 for carrying out of works).

### **Quotations**

Purchase of goods and services having a total of \$100,000 and works having a total valuation of \$100,000 or less in a single contract or supply arrangement may be undertaken using the procurement by quotation method as described below:

#### ***Items of value up to \$5,000***

Either a Purchase Order must be raised or a City of Ballarat Purchase Card used for all purchases up to \$5,000. To achieve best value for the City of Ballarat the seeking of verbal and/or written quotations is encouraged.

#### ***Items with a value – \$5,001 to \$15,000 – Request for quotation.***

A Purchase Order must be raised for all purchases over \$5,000 up to \$15,000. In this case it is preferable that more than one written quotation be obtained for the provision of the good or service. If this is not achievable it is mandatory that three verbal quotations are obtained and are recorded in a form suitable for audit purposes

(template provided). Reasons for any non-conformance to this requirement but must be documented and filed within Council's records system for audit purposes.

***Items with a value – \$15,001 up to \$100,000.***

Council will receive a minimum of three quotations by issuing a written Request for Quotation. Public advertising is not required but will be used when judged to be sufficiently advantageous to Council.

Quotations returned by the nominated closing date must be evaluated and a recommendation made in favour of the supplier offering the best value for money outcome.

The original supplier's quotations must be maintained in Council's record system.

***Public Advertising.***

Quotations may be advertised at the Council staff member's discretion. This may occur when a field of potential tenderers hasn't been established, or an innovative approach is required, or the project has broad appeal that may attract keen prices, etc.

The minimum placement requirement includes use of any newspaper approved by Council for such purpose.

- *Insufficient quotations.*

The situation may arise where insufficient quotations are received to satisfy the above requirements. This may occasionally occur where there are few suppliers for the goods, services or works being sought. In this case, the details of the contacted suppliers must be recorded on the spreadsheet or recommendation and an appropriate comment recorded. In addition the following approval is required where insufficient quotations are available:

*Items with a value \$5,001-\$15,000 – approval in line with appropriate delegations.*

*Items with a value \$15,001 to \$100,000 – approval in line with appropriate delegations.*

In addition there may be occasions when only one quotation may be received. Such occasions would require approval of a Director or above and would generally be considered under the following circumstances:

- In the event of emergency works for safety reasons
- When there is only one known and reputable supplier.

### **Delegation of Authority Requirement**

Delegations define the limitations within which Council staff are permitted to work. Delegation of procurement authority allows specified Council staff to approve certain purchases, quotation, tender and contractual processes without prior referral to the Council. This enables the Council to conduct procurement activities in an efficient and timely manner whilst maintaining transparency and integrity.

Procurement delegations ensure accountability and provide confidence to Council and the public that purchasing activities are dealt with at the appropriate level.

As such, the Council has delegated responsibilities as detailed below relating to the expenditure of funds for the purchase of goods, services and works, the acceptance of quotes and tenders and for contract management activities.

### **Delegations Reserved for the Council**

#### **Council Staff**

The Council shall maintain a documented scheme of procurement delegations, identifying the Council staff authorised to make such procurement commitments in respect of goods, services and works on behalf of the Council and their respective delegations contained in financial delegations policies:

- Acceptance of tenders;
- Acceptance of quotes;
- Contract term extensions (within authorised budget);
- Contract amendment (financial and non-financial);
- Appointment to register of pre-qualified suppliers;
- Credit Card purchases; and
- Procedural exceptions.

### **Delegations Reserved for the Council**

Commitments and processes which exceed the CEO's delegation and which must be approved by the Council are:

- Signing and sealing of contract documents; and
- Tender recommendations and Contract approval for all expenditure over \$250,000.00 for goods and services and capital works in value.

### **Internal Controls**

The Council will install and maintain a framework of internal controls over procurement processes that will ensure:

- Transparency in the procurement process;
- A clearly documented audit trail exists for procurement activities;
- Appropriate authorisations are obtained and documented; and
- Systems are in place for appropriate monitoring and performance measurement.

### **Commercial Information**

Procurement activities will be carried out in a way that supports Council staff in meeting their obligations - to ensure information of a commercially sensitive or confidential nature is obtained, stored, processed, published (where applicable) in an appropriate manner in accordance with the relevant Council guidelines.

### **Risk Management**

Risk Management is to be appropriately applied at all stages of procurement activities which will be properly planned and carried out in a manner that will protect and enhance the Council's capability to prevent, withstand and recover from interruption to the supply of goods, services and works.

### **Supply by Contract**

The provision of goods, services and works by contract potentially exposes the Council to risk. The Council will minimise its risk exposure by measures such as:

- Standardising contracts to include current, relevant clauses;
- Requiring security deposits where appropriate;
- Referring specifications to relevant experts;
- Requiring contractual agreement before allowing the commencement of work;
- Use of or reference to relevant Australian Standards (or equivalent); and
- Effectively managing the contract including monitoring and enforcing performance.

## **Contract Terms**

All contractual relationships must be documented in writing based on standard terms and conditions.

Where this is not possible, approval must be sought from the Executive Manager Finance. A request for such an approval should be supported with procurement and legal advice as relevant.

To protect the best interests of the Council, terms and conditions must be settled in advance of any commitment being made with a supplier. Any exceptions to doing this expose the Council to risk and thus must be authorised by the appropriate member of Council staff listed in the delegations section above.

## **Endorsement**

Council staff must not endorse any products or services. Individual requests received for endorsement must be referred to Director level or above.

## **Dispute Resolution**

All Council contracts shall incorporate dispute management and alternative dispute resolution provisions to minimise the chance of disputes escalating to legal action.

## **Contract Management**

The purpose of contract management is to ensure that the Council, and where applicable its clients, receive the goods, services or works provided to the required standards of quality and quantity as intended by the contract by:

- Establishing a system reinforcing the performance of both parties' responsibilities and obligations under the contract; and
- Providing a means for the early recognition of issues and performance problems and the identification of solutions.

All Council contracts are to include contract management requirements. Furthermore, contracts are to be proactively managed by the member of Council staff responsible for the delivery of the contracted goods, services or works to ensure the Council receives value for money.

## **Demonstrate Sustained Value, Integration with Council Strategy**

The Council's procurement strategy shall support its corporate strategy, aims and objectives, including but not limited to those related to sustainability, protection of the environment, corporate social responsibility and meeting the needs of the local community such as:

- Feeling safe,
- Living in a clean and pleasant environment, and
- Receiving good quality well managed Council services that are Value for Money

### **Achieving Best Value for Money**

The Council's procurement activities will be carried out on the basis of obtaining Best Value for Money.

This means minimising the total cost of ownership over the lifetime of the requirement consistent with acceptable quality, reliability and delivery considerations.

Lowest price is not the sole determinate of best value for money.

### **Approach**

This will be facilitated by:

- Developing, implementing and managing procurement strategies that support the coordination and streamlining of activities throughout;
- Effective use of competition;
- Using centralised contracts and Standing Offers Agreement where appropriate;
- Identifying and rectifying inefficiencies in procurement processes;
- Developing cost efficient tender process including appropriate use of e-solutions;
- Council staff responsible for providing procurement services or assistance within the Council providing competent advice in terms of available products and agreements; and
- Working with suppliers to create relationships that are professional and productive, and are appropriate to the value and importance of the goods, services and works being acquired.

### **Role of Specifications**

Specifications used in quotations, tenders and contracts are to support and contribute to the Council's Best Value for Money objectives through being written in a manner that:

- Ensures impartiality and objectivity;
- Encourages the use of standard products;
- Encourages sustainability;
- Eliminates unnecessarily stringent requirements; and
- Wherever possible specifies technical standards and requirements that are within the capabilities of local and other suppliers.

### **Performance Measure and Continuous Improvement**

Appropriate performance measures are to be established and reporting systems will be used to monitor performance and compliance with procurement policies, procedures and controls.

Procurement procedures, practices and costs will be benchmarked externally. Internal service standards will be agreed within the Council and performance against these targets will be measured and reviewed regularly to support continuous improvement. The performance measurements developed will be used to:

- Highlight trend and exceptions where necessary to enhance performance;
- Improve the internal efficiency of the procurement process and where relevant the performance of suppliers;
- Facilitate relevant programs to drive improvement in procurement to eliminate waste and inefficiencies across key expenditure categories.

### **Sustainability**

Council is committed to achieving sustainability and ensuring it monitors and reports on Council activities and programs that have an impact on or contribute to the environment including but not limited to:

- Waste management,
- Recycling,
- Energy management,
- Emission management,
- Water conservation,
- Green building design, and
- Procurement.

### **Sustainable Procurement**

The Council is committed to adopting a green procurement approach by supporting the principles of sustainable procurement within the context of purchasing on a best value for money basis. Best value for money purchasing decisions made by the Council are made on the basis of cost and non-price factors including contribution to the Council's sustainability objectives.

The Council prefers to purchase environmentally preferred products and services whenever they achieve the same function and best value for money outcomes.

Where practical and operationally efficient, Council will integrate the following sustainable purchasing practices into its operations and encourage its suppliers and contractors to adopt the same.

Avoid where possible negative environmental impacts from the purchase of goods and services.

*Reduce resource consumption and waste production:*

Require the selection of efficient products (use of materials, fuel, water, energy and waste production). Ideally energy and water star ratings of four star and above, and vehicles of a high Green Vehicle Guide star rating;

*Reuse where possible:*

Require the provision of re-use and recycling as part of the project planning process, including the consideration of whole-life cycle analysis where available.

*Recycle:*

The purchase of recycled/part recycled products to optimise consumption and stimulate demand for recycled products, promoting the collection and reprocessing of waste and minimising waste to landfill.

*Green the supply chain:*

Encourage Council suppliers to adopt good environmental practices, for example, provision of life cycle assessment information, documented waste minimisation strategies and/or become a green procurement supplier;

Ensuring compliance with relevant legislative requirements:

- Communicating green procurement requirements both internally to Council staff and externally to suppliers of goods and services.

## **Diversity**

Promoting equality through procurement can improve competition, Best Value for Money, the quality of public services, satisfaction among users, and community relations. It should be a consideration in every procurement project and reflect corporate commitment to diversity and equal opportunities wherever possible.

## **Apply a Consistent and Standard Approach**

The Council will provide effective and efficient commercial arrangements for the requisition of goods and services.

### **Standard Processes**

The Council will provide effective commercial arrangements covering standard products and provision of standard services across the Council to enable employees to source requirements in an efficient manner.

This will be achieved via establishing the following:

- Pricing where relevant;
- Processes, procedures and techniques;
- Tools and business systems (e.g. implementing the appropriate e-catalogue arrangements or e-sourcing arrangements);
- Reporting requirements;
- Application of standard contract terms and conditions.

### **Performance Indicators**

A list of performance indicators will be developed to measure procurement performance.

They will include criteria such as:

The proportion of expenditure against corporate contracts;

- User and supplier satisfaction levels;
- Knowledge and skill of Council employees in procurement process;
- Level of compliance and understanding of Council procurement policies.

### **Management Information**

The Council seeks to improve its performance by capturing and analyzing procurement management information in a variety of areas, including:

- Volume of spend;
- Number of transactions per supplier;
- Supplier performance;
- User satisfaction;
- Category management; and
- Green spend.

The Council will also use external sources of management information to assist with the procurement decision making process including:

- Benchmarking data;
- Information from professional bodies such as the Chartered Institute of Purchasing and Supply Australia;
- Supplier reports.

### **Build and Maintain Supply Relationships**

Council recognises that in order to achieve sustainable value a strategic assessment of the, appropriate 'channel to market' should be undertaken – whether to go to market on its own, participate in regional or sector aggregated projects or panels, access State Government panel agreements or other means. Council will consider supply arrangements that deliver the best value outcomes in terms of time, expertise, cost, value and outcome.

### **Developing and Managing Suppliers**

Council recognise the importance of effective and open working relationships with its suppliers, and is committed to the following:

- Managing existing suppliers, via the appropriate development programs and performance measurements to ensure the benefits are delivered,
- Maintaining approved supplier lists,
- Developing new suppliers and improving the capability of existing suppliers where appropriate.

### **Supply Market Development**

A wide range of suppliers should be encouraged to compete for Council work. The focus for new work need not always be with the larger more familiar businesses. Other types of organisations, offering business diversity include:

- Local businesses
- Green suppliers
- Small to medium sized enterprises
- Social enterprises
- Ethnic and minority business
- Voluntary and community organizations.
- Local Content.

### **Relationship Management**

Council is committed to developing constructive long-term relationships with suppliers. It is important that the Council identifies its key suppliers so that its efforts are focused to best effect. Such areas may include:

- Size of spend across the Council;
- Criticality of goods / services supplier, to the delivery of the Council's services;
- Availability of substitutes;
- Market share and strategic share of suppliers.

### **Communication**

External communication is very important in ensuring a healthy interest from potential suppliers and partners to the Council. The external website will provide:

- Information about the Council and how to become an approved supplier,
- A list of existing and forthcoming contract opportunities, projected over a number of years,
- Guidelines for doing business with the Council,
- Standard documentation used in the procurement process,
- Links to other relevant sites.

### **Continual Improvement**

Council is committed to continuous improvement and will review the procurement policy on an annual basis, to ensure that it continues to meet its wider strategic objectives.

## **7 COMPLIANCE RESPONSIBILITIES**

- Council Employees
- Councillors
- Special Committees
- Contractors

## **8 CHARTER OF HUMAN RIGHTS COMPLIANCE**

It is considered that this policy does not impact on any human rights identified in the Charter of Human Rights Act 2007.

## **9 REFERENCES AND RELATED POLICIES**

Acts	Local Government Act 1989
Regulations	
Codes of Practice	Victorian Government Procurement Board, July 2010 Victorian Audit-General, Report Tendering and Contracting in Local Government, tabled in Parliament, 24 February 2010.
Guidance notes	DPCD: Local Government Procurement Best Practice Guideline, August 2008; DPCD: Circular No. 06/2006, Local Government Procurement and Capacity to Appoint Agents.
Australian Standards	
Related Policies	Councillor Code of Conduct HR-07 Code of Ethics and Conduct Tendering Procedure Quotation Procedure Ballarat Industry Participation Program