

Intent

1. This Procurement Policy sets out Council’s guiding principles and intent for the procurement of goods, services, and works.
2. Council is committed to supporting local business and fostering the development of competitive local industry to strengthen the regional economy.
3. Council procurement activities aim to deliver advantageous outcomes by:
 - a) promoting value for money, underpinned by integrity, transparency, and accountability;
 - b) advancing Council’s economic, social, and environmental priorities;
 - c) promoting a Buy Local preference wherever practical and appropriate;
 - d) ensuring compliance with relevant legislation, regulations, and internal governance frameworks..

Scope

This policy applies to the procurement of all goods, equipment, related services, construction works, maintenance, and consultancy engagements undertaken by Tablelands Regional Council.

All procurement activities must be conducted in accordance with:

- the *Local Government Act 2009*;
- the *Local Government Regulation 2012*; and
- the *Work Health and Safety Act 2011*, where applicable.

It is the responsibility of all employees involved in procurement to understand and apply the intent and requirements of this policy. In line with Council’s Code of Conduct, compliance with this policy is mandatory.

1. Policy statement

In accordance with Section 198 of the Local Government Regulation 2012, this policy sets out Council’s approach to the procurement of goods and services, including how the sound contracting principles under Section 104 of the Local Government Act 2009 are to be applied.

The implementation of this policy, including the detailed application of its principles, will be supported through Council’s procurement procedures and associated guidelines.

2. Probity

- 2.1 Probity or procedural integrity is an essential and mandatory requirement for all Council officers (including agents or contractors acting on behalf of Council) when undertaking any procurement related activity. This includes processes when inviting quotations, tenders and any evaluations and recommendations associated with subsequent contracts or purchases.

- 2.2 Council officers are accountable for ensuring that procurement decisions are supported by ethical, impartial and objective processes with relevant supporting documentation. This includes for example formal declarations regarding conflicts of interest as part of the standard tender evaluation documents.
- 2.3 Council must uphold and demonstrate the highest standards of probity in all procurement related activities that it undertakes.

3. Development of competitive local business and industry

Council requires all procurement activities to, as far as is reasonably possible, directly contribute to the local economy and the development of competitive local businesses and industry within the Tablelands Regional Council LGA.

4. Local business preference

- 4.1 In accordance with s104 – Sound Contracting Principles of the Act, Council considers the principles and objectives of enhancing the capabilities of local business and industry as part of the process of making purchasing decisions. To that end, local suppliers will be allowed certain concessions in respect of procurement arrangements.
- 4.2 Council will use the local business preference to develop local business and to encourage and enhance their competitive standards over time.
- 4.3 Subject to the local business preference principles above, the following criteria may be considered in evaluating offers and tenders:
- a) creation of local employment opportunities
 - b) more readily available servicing and technical support
 - c) more convenient communications for contract management
 - d) economic support and growth within the local area
 - e) benefit to Council of associated local commercial transactions.
- 4.4 Encouraging principal contractors to give local suppliers every opportunity, to participate in major projects as partners or subcontractors;
- 4.5 Giving preference to locally sourced goods and services, where price, performance, quality, suitability and other evaluation criteria are comparable;
- 4.6 Tender evaluations will include specific local business preference criteria, Local businesses will automatically receive a base score of ten (10) and descending in value depending on the extent to which their submissions demonstrate local involvement. For example, scores will reflect the proportion of local contractors hired for work or the percentage of materials sourced locally. Submissions that do not demonstrate any local content will receive a score of zero (0).
- 4.7 To afford opportunity to local business and advance the intent of this policy, officers must consider prices from local suppliers as competitive against non-local suppliers where a variance exists of:
- a) up to 10% for purchases up to and including \$50,000 (ex GST)
 - b) up to 5% for purchases and contracts above \$50,000 (ex GST).

5. Sound contracting principles

Council officers must ensure regard is given to the Sound Contracting Principles when entering into a contract or arrangement for the supply of goods, services or disposal of assets.

6. Value for money

- 6.1 Council must use its purchasing power to achieve the best value for money. The concept of value for money is not restricted to price alone. When assessing value for money Council will also consider whole of life costs, and any quantifiable associated internal and external impacts.
- 6.2 Officers will pursue value for money through arrangements with local suppliers for frequently procured items and classes of items.

7. Open and effective competition

Council will conduct procurement activities in a manner which fosters open competition through inclusive and simplified processes, consistent application of standards and fair and equitable consideration to all prospective suppliers.

8. The development of competitive local business and industry

Council encourages and supports the development of competitive local businesses within its local government area. Council will consider the broader local economic benefit of all procurement decisions.

9. Environmental protection

Council will give consideration to the environmental factors associated with procurement activities, including whole of life environmental impacts of products and services, reduced resource use and use of recycled materials.

This objective may be supported by:

- a) contracting activities that minimise environmental impact
- b) encouraging, through focused supplier relationships, the development of sustainable and recycling industries to support greater use of locally recycled and produced sustainable materials
- c) where possible, seek long-term, environmentally sustainable alternatives when issuing invitations to suppliers
- d) requesting sufficient information from suppliers to enable evaluation of issues relative to environmental protection
- e) ensuring that suppliers of goods and services involving any environmentally relevant activity (ERA) are compliant with legislation. (*Environmental Protection Act 1994*)

10. Ethical behaviour and fair dealing

Council officers will conduct procurement activities with ethics principles, including impartiality, fairness, independence, openness, integrity, and professionalism, maintaining transparency and accountability.

11. Minimum quotation thresholds

The following thresholds apply to Council's procurement activities.

12. Small purchases – under \$15,000 (ex GST)

- 12.1 For purchases under \$5,000, one verbal quote is required. Officers are required to ensure value for money is achieved so more quotes can be sourced. Officers are encouraged to use a variety of local suppliers where applicable.
- 12.2 For purchases between \$5,001 and \$15,000, officers must invite a minimum of two written quotes.

13. Medium purchases – worth \$15,000 (ex GST) or more, but less than \$200,000 (ex GST)

- 13.1 A local government can not enter into a medium-sized contractual arrangement unless the local government first invites written quotes for the contract.
- 13.2 The invitation must be given to at least 3 persons who the local government considers can meet the local government's requirements at competitive prices.
- 13.3 The local government may decide not to accept any of the quotes it receives.
- 13.4 However, if the local government does decide to accept a quote, the local government must accept the quote most advantageous to it having regard to the sound contracting principles.

14. Large purchases – worth \$200,000 (ex GST) or more

- 14.1 In accordance with Section 228 of the Local Government Regulation 2012, a large-sized contractual arrangement is defined as a contract with an estimated value exceeding \$200,000 (excluding GST) for the supply of goods or services, or for the carrying out of works.

Council must adhere to the following requirements when entering into a large-sized contractual arrangement:

- a. **Public Tender Requirement**

Council must invite **written tenders** through **public advertisement**, providing all interested suppliers a reasonable opportunity to submit an offer. The invitation must clearly state the tender process, criteria for evaluation, closing date, and any mandatory requirements.

- b. **Tender Evaluation and Selection**

All tenders received must be assessed against the published evaluation criteria. Council must ensure the process is fair, transparent, and complies with the Sound Contracting Principles.

- c. **Negotiation Provisions**

Under Section 228(7), Council may negotiate with the tenderer who submits the most advantageous offer with the intent of achieving better value or clarifying aspects of the offer. However, as per Section 228(8), Council must not accept an offer that is substantially different from the original tender unless:

- i. The changes arose directly from the negotiation process;
- ii. Council is satisfied that accepting the altered offer would not disadvantage other tenderers; and
- iii. The outcome remains consistent with achieving the most advantageous result for Council.

- d. **Probity and Record-Keeping**

All evaluation decisions, negotiation outcomes, and supplier communications must be properly recorded. Council must also ensure commercially sensitive information is safeguarded and that the evaluation process is conducted free from any real or perceived conflicts of interest.

15. Evaluating offers

- 15.1 The Sound Contracting Principles, as outlined in the Local Government Regulation 2012, are utilised in the evaluation of all quotes and tenders, in conjunction with other selective criteria relevant to the procurement activity. These include, but are not limited to, the procedures and evaluation criteria specified in the quote or tender documentation.

To ensure a consistent, transparent and compliant evaluation process, it is recommended that:

- a. Evaluation and probity plans are developed where relevant, including the declaration of confidentiality and the management of any potential, perceived or actual conflicts of interest;
- b. All interactions with suppliers, including the content of meetings, are appropriately documented. This includes the recording of any negotiations conducted under Section 228(7) and (8) of the Local Government Regulation 2012, which allows Council to negotiate with a supplier if their offer is the most advantageous to Council;
- c. Suppliers' commercially sensitive information and intellectual property are safeguarded, with strict adherence to confidentiality requirements throughout the process.

Ultimately, selection must be based on achieving the most advantageous outcome for Tablelands Regional Council in accordance with legislative obligations, established evaluation criteria, and the principles of probity and fairness.

15.2 Procurement Guidelines

Procurement Thresholds

Value Threshold*	Minimum Requirements	Procurement Exemptions Available
Less than \$5,000	Request at least one verbal or written quote	N/A
\$5,000 to less than \$15,000	Request two written quotes	Yes
\$15,000 to less than \$200,000	Request three or more written quotes	Yes
\$200,000 or more	Public tender required	Yes

* All amounts are GST exclusive

All thresholds are cumulative thresholds. When seeking quotations, officers should consider the likelihood of exceeding the value thresholds listed above over the proposed term of any contractual arrangement, with a supplier for the same or similar goods and/or services. If there is a risk that these limits will be exceeded, then the appropriate number of quotes, public tender or exemption should be sought. If the anticipated value of goods or services of a similar nature procured from the same supplier exceeds \$200,000 in a financial year, or over the proposed term of the contractual arrangement, then a public tender may be required, unless a procurement exemption applies.

16. Exemptions

16.1 Statutory Buying Arrangements

Under the *Local Government Regulation 2012*, Council is required to invite written quotes or tenders for contracts based on procurement thresholds (i.e. over \$15,000 for medium-sized, and \$200,000 or more for large-sized contractual arrangements), as outlined in **Sections 224–228**. However, **Sections 229 to 235** provide specific exemptions to this process.

Council may rely on the following exemptions where appropriate:

- a. **Quote or Tender Consideration Plan – (Section 230)**
Council may adopt a quote or tender consideration plan by resolution, outlining the rationale for not inviting quotes or tenders for a particular contract or group of contracts. This must demonstrate how value for money and open and effective competition are still being achieved.
- b. **Pre-established Buying Arrangements – (Sections 231–233)**
Council may establish or utilise:
 - **Preferred Supplier Arrangements** (s.232);
 - **Register of Pre-Qualified Suppliers** (s.232);
 - **LGA Arrangements** such as Local Buy, FNQROC, or Queensland Government Standing Offer Arrangements (s.233);

Council officers must ensure that value for money is achieved when using these arrangements and that all applicable terms and conditions are complied with.

- c. **Other Legislative Exemptions – (Section 235)**
Council may enter into a medium or large-sized contractual arrangement without inviting written quotes or tenders if one or more of the following conditions apply and a Council resolution is passed stating the reason:
 - i. Only one supplier is reasonably available (s.235(a));
 - ii. The services are of a specialised or confidential nature, making a competitive process impractical or disadvantageous (s.235(b));
 - iii. A genuine emergency exists (s.235(c));
 - iv. The contract is for the purchase of goods at an auction (s.235(d));
 - v. The contract is for second-hand goods (s.235(e));
 - vi. The contract is made with or under an arrangement with a government agency (s.235(f)).

16.2 Council Reporting and Authorisation

- a. Council officers will provide a consolidated annual report listing all proposed sole and specialist supplier arrangements for the following twelve months for Council endorsement.
- b. If new sole or specialist supplier needs arise throughout the year, they must be approved via Council resolution prior to engagement, unless a genuine emergency (as per s.235(c)) requires immediate action.
- c. Any emergency procurement not already budgeted must be reported to Council and resolved in accordance with **Section 173** of the Regulation—either before or as soon as practicable after the expenditure occurs.

17. Corporate Credit Cards

The use of Council corporate credit cards is for general purchases and low value expenses where possible. Credit cards should only be utilised after assessing the procurement activity and ensuring that there is no other option that is better suited to address this matter. All Council cardholders are authorized to incur expenses up to their card limit for approved Council business. They must complete a successful criminal background check before receiving a card. Corporate credit cards should be used where appropriate, based on risk and compliance with Council's procurement requirements. The guidelines based on the procurement thresholds above must be followed.

18. Other considerations and obligations

18.1 Australian Business Registration Number (ABN)

18.2 Council will only procure from suppliers who can provide an ABN. The only exception to this will be where a supplier is eligible to complete the Australian Taxation Office Statement by a Supplier form and provides the completed form to Council prior to making the supply or providing the service to Council.

18.3 This exemption may apply in the following circumstances:

- a) a supplier is under 18 years of age and the payment does not exceed \$120 a week
- b) a payment of less than \$75 (excluding GST)
- c) a supply that is wholly input taxed
- d) a supplier who has provided a statement that the supply is done as a hobby or a domestic or private nature
- e) a supplier who does not expect to make a profit or gain
- f) a supplier who is not entitled to an ABN as they are not carrying on an enterprise in Australia
- g) a payment that is exempt income for the supplier.

19. Publication of details of contracts worth \$200,000 (exclusive of GST) or more

19.1 Section 237 of the Regulation requires that as soon as practicable after entering the contract, a local government must publish relevant details on Council's website and display relevant details conspicuously in the Council's public office.

19.2 The relevant details required to be published in the contracts register are:

- a) the person or entity with whom Council contracted
- b) the value of the contract
- c) the purpose of the contract.

20. Splitting orders and contracts

Splitting orders or splitting contracts to stay below certain thresholds is not permitted.

21. Variations

If a variation is required on areas such as price, non-financial scope changes and extensions of time the delegated officer is to process an amendment to the original procurement application.

Each variation requires approval through the applicable procurement process and is to be accompanied with supporting documentation of the variation detail.

22. Work Health and Safety (WHS)

Council is required to ensure, as far as reasonably practicable, the health and safety of all workers throughout Council's business or undertaking, and that its activities do not place people at risk.

In order to ensure that Council meets its obligations during procurement and contracting activities, the following will be considered:

- identify all foreseeable hazards, and health and safety risks associated with a potential contract
- develop specifications that comply with relevant legislation
- ensure evaluation criteria requests sufficient and appropriate WHS systems to ensure that risks are minimised and/or eliminated
- ensure Council's operational obligations with regards to WHS contract performance monitoring and management are actioned under the contract.

Council's WHS representatives can assist in undertaking on site WHS performance monitoring/auditing. Officers involved in the procurement and contracting activities must comply with the requirements of Council's Workplace Health and Safety Policy and Workplace Health and Safety Management System (WHSMS).

23. Financial and Contractual Delegations

The Chief Executive Officer (CEO) is responsible for implementing Council's policies and decisions, including ensuring that all expenditure aligns with the adopted budget.

Expenditure on behalf of Council may only be incurred where the following conditions are met:

- The individual has been granted a financial and/or contractual delegation by the CEO under *Section 257 of the Local Government Act 2009*, and the delegation is formally recorded in the **Register of Delegations** as required under *Section 260 of the Local Government Regulation 2012*;
- The expenditure is within the scope of the current adopted budget or otherwise approved by Council in accordance with legislative requirements.

The CEO is responsible for approving all financial and contractual delegations and ensuring they are appropriately maintained in the Register of Delegations. These delegations support procurement and contracting activities and must align with the processes and thresholds.

Context

Definitions

To assist in interpretation, the following definitions shall apply:

Buying Arrangements	Exceptions under the legislation that enable Council to reduce Minimum Quotation Thresholds.
Council	Tablelands Regional Council.
Council Officer	An officer employed by Council, including an authorised agent or contractor working with actual authority on behalf of Council.
Emergency	A genuine sudden state or condition considered a risk to public safety, workplace health and safety or legislative requirements which requires a significant and immediate response.
Local Supplier	A business entity that has its principal place of business/registered office within the Tablelands Regional Council Local Government Area (LGA), or otherwise has a place of business within the Tablelands Regional Council LGA which solely or primarily employs persons who are residents or ratepayers within the Tablelands Regional Council LGA.
Procurement	The process by which goods and services are obtained and involves tasks such as (but not limited to) market research, requirements identification, planning, specification writing, budget considerations, contract administration, purchasing and supplier performance.
Sole Supplier	Where goods or services are only available from the one original source or available from only one stockist, agent or supplier with the constraints of logistics making it not viable for other suppliers to compete for the supply.
Suppliers	Any supplier/contractor/consultant supplying goods and/or services to Council.
the Act	<i>Local Government Act 2009.</i>
the Regulation	Local Government Regulation 2012.

Alignment to Risk Register

This policy mitigates the following corporate risks:

- COR2 – Fraud
- COR4 – Poor operational management
- COR5 - Governance
- COR8 – Legislative non-compliance
- COR9 – Lack of capacity, skills or capabilities to meet emerging needs and impacts service delivery
- COR10 – Poor relationships with other Councils, State and/or Federal Governments
- COR15 – Infrastructure planning and delivery fail to meet community and service standards
- COR19 – Breach of council systems or information
- COR20 – Poor decision making

Relevant Legislation

- *Local Government Act 2009*
- Local Government Regulation 2012
- *Work Health and Safety Act 2011*
- Work Health and Safety Regulation 2011

Related Documents

- Purchasing Procedure
- Contract Procedure
- Tendering Procedure
- Work Health and Safety Policy Statement

Corporate Plan Links

This policy aligns with the following Corporate Plan 2021– 26 themes:

- Our community is active, inclusive, connected and empowered.
- Our infrastructure is well planned, integrated and fit-for-purpose.
- Our organisation is progressive, efficient, transparent and collaborative.
- Our economy is growing, diverse, resilient and agile.

Human Rights Commitment

Tablelands Regional Council has considered the human rights protected under the *Human Rights Act 2019* (Qld) when adopting and/or amending this policy. When applying this policy, TRC will act and make decisions in a way that is compatible with human rights.

Responsibility

Council is responsible for the adoption, amendment and repeal of this policy and the Chief Executive Officer is responsible for the development and amendment of any associated procedures and guidelines relevant to the policy.

This policy is to be reviewed when any of the following occur:

- as required by legislation – annually
- the related information is amended or replaced
- other circumstances as determined from time to time by Council.
- this policy is to remain in force until otherwise amended or repealed by resolution of Council.

Adopted By	Council	Responsible Officer	Manager Finance
Adopted Date	24 July 2025	Review Date	30 June 2026
Version	16	This policy repeals any previous versions.	