Procurement Policy

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Responsible Officer	Chief Executive Officer
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1. Purpose

1.1 In compliance with Section 49 of the *Local Government Act 1999* (Act) and best practice principles in procurement, this policy seeks to:

1.1.1 define the methods by which Council can acquire goods and services;

1.1.2 demonstrate probity, accountability and responsibility of Council to all stakeholders;

1.1.3 be fair and equitable to all parties involved;

1.1.4 enable consistency of approach in the application of procurement processes, and

1.1.5 ensure that the best possible outcome is achieved for Council.

2. Scope

2.1 This policy informs procurement activities associated with the acquisition of goods, works, services or consultants and covers all aspects of the procurement lifecycle including planning, risk management, tendering, purchasing, contracting and financial control.

2.2 This policy applies to anyone who undertakes or is involved in procurement activities on behalf of Council. Compliance with the provisions set out in this policy is mandatory unless expressly indicated otherwise.

2.3 The procurement restrictions documented in Council's *Caretaker Policy* will apply during all periods when Council operates in Caretaker Mode.

2.4 This Policy does NOT cover the following:

2.4.1 non-procurement expenditure such as sponsorships, grants, funding arrangements, donations and employment contracts;

2.4.2 real property acquisitions;

2.4.3 the disposal of land and other assets owned by Council; or the purchase of land by Council.

2.5 This Policy applies to all employees, including contractors and labour hire and volunteers.

3. Definitions

3.1 **CEO** means the Chief Executive Officer of the Council as defined under the *Local Government Act 1999*, or alternatively an officer delegated to act in that role.

3.2 **Contractor** is an individual or organisation that is formally engaged to provide goods, works or services to Council. This definition does not apply to casual, fixed term or temporary employees.

3.3 **Council** means Clare & Gilbert Valleys Council.

3.4 **Direct Purchase** means a procurement process undertaken by directly approaching and negotiating with one supplier or contractor without testing the market.

3.5 **Employees** includes all full-time, part-time, and casual employees employed by Council and any contracted staff engaged by Council.

3.6 **Exemption** means a waiver of a competitive process to proceed to an alternative method of procurement

3.7 **Expression of interest (EOI)** are used to identify suppliers and contractors interested in, and capable of, delivering the required goods, works or services. Potential suppliers and contractors are asked to provide information on their capability and capacity to do the work. It is usually the first stage of a multi-stage procurement process.

3.8 **Goods** are physical or tangible items that do not include a labour component.

3.9 **Lifecycle cost** means the total cost of an item or system over its full life. It includes the cost of development, production, ownership (operation, maintenance, support), and disposal, if applicable. Also referred to as whole of life cycle cost or total cost of ownership.

3.10 **Local Supplier** is a supplier or contractor which is beneficially owned by persons who are residents or ratepayers of Council, or who have its principal business within the Council area, or a business that substantially employs persons who are residents or ratepayers of Council.

3.11 **Market approach** is the process undertaken to inform the market of the requirements to obtain offers that meet Council requirements.

3.12 **Probity** means uprightness, honesty, proper and ethical conduct and propriety in dealings. It is often also used in government in a general sense to mean good process.

3.13 **Procurement** is a series of activities that are undertaken when purchasing goods,

works or services.

3.14 **Procurement process** is the step-by-step process for the planning of small and large acquisitions.

3.15 **Quotation/Quote** means an offer to supply goods, works or services, usually in response to an invitation to supply known as a request for quotation.

3.16 **Request for Quotation (RFQ)** is a written process of inviting offers to supply goods, works or services involving simple documentation and a limited number of potential suppliers or contractors.

3.17 **Request for Tender (RFT)** is a written invitation to supply against a set of clearly defined and specified requirements. Participants are advised of all requirements including the rules of participation and proposed contract conditions.

3.18 **Services** means the performance of a task, duties or work which involves the provision of labour and/or professional services.

3.19 **Supplier** is an individual or organisation that is formally engaged to provide goods, works or services to Council.

3.20 **Total Cumulative Expenditure** means the total expenditure with a supplier or contractor or a number of suppliers or contractors over a set time period providing similar goods or services of an ongoing nature.

3.21 **Value for money** is achieved in procurement by finding the optimum balance of financial and non-financial factors including lifecycle cost (whole of life cost).

4. Policy Objectives

Council is committed to ensuring that all procurement activities deliver the following objectives:

4.1 providing for fair, equitable, competitive and ethical behaviour in all procurement activities;

4.2 obtaining value for money;

4.3 ensuring probity, accountability and transparency;

4.4 effective management of the end to end procurement lifecycle;

4.5 identification and management of risk;

4.6 consideration of environmental protection principles;

4.7 providing reasonable opportunity for local economic development and social inclusion; and

4.8 ensuring compliance with all relevant legislation.

5. Procurement Principles

Council's procurement is underpinned by the following key principles:

Principle 1: Open & Fair Competition

5.1 Open and fair competition will be fostered and maintained by providing suppliers and contractors with appropriate access to Council's procurement opportunities.

5.2 Council will ensure, where reasonably practicable, that:

5.2.1 there is reasonable access for all suitable and competitive suppliers and contractors to the Council's business;

5.2.2 where market circumstances limit competition, procurement activities recognise this and associated methodology takes account of it; and

5.2.3 adequate, identical and timely information is provided to all suppliers to enable them to quote or tender.

5.3 Personnel authorised to engage in procurement activities on behalf of Council, will, at all times, undertake their duties in an ethical, open and impartial manner, act responsibly, behave professionally and exercise sound judgement.

Principle 2: Value for Money

5.4 Value for money is not restricted to price alone. To ensure the best value for money, Council may assess the following:

5.4.1 the contribution to Council's long term plan and strategic direction;

5.4.2 any relevant direct and indirect benefits to Council, both tangible and intangible;

5.4.3 efficiency and effectiveness of the proposed procurement activity;

5.4.4 the performance history, quality and scope of services, and support of each prospective supplier;

5.4.5 fit for purpose of the proposed goods, works or service;

5.4.6 lifecycle costs including acquiring, using, maintaining and disposal;

5.4.7 Council's internal administration costs;

5.4.8 technical compliance issues;

5.4.9 risk and WHS considerations;

5.4.10 prevailing market forces and trends;

5.4.11 the value of any associated environmental benefits;

5.4.12 local economic development and social inclusion; and

5.4.13 other relevant matters identified in specific procurement process documentation.

Principle 3: Probity, Accountability & Transparency

5.5 Council will demonstrate accountability in procurement by ensuring that decisions are able to be explained, and evidence provided, to ensure that an independent third party can clearly see that a fair and reasonable process has been followed. Personnel must be able to account for all decisions and provide feedback on them.

Additionally, an audit trail will be visible for all procurement activities for monitoring and reporting purposes.

5.6 Delegations define the limitations within which Council personnel are permitted to work. Council personnel will not incur expenditure unless they have a delegated authority and funds are allocated for that specific expenditure in a budget approved by Council.

5.7 All procurement must ensure probity is maintained and any conflicts of interest must be dealt with pursuant to Council's *Conflict of Interest Procedure.*

Principal 4: Environmental Protection

5.8 Council endeavours, where reasonably practicable, to promote environmental protection through its procurement processes. This may include:

5.8.1 adopting purchasing practices which conserve natural resources;

5.8.2 aligning Council's procurement activities with principles of ecological sustainability;

5.8.3 purchasing recycled and environmentally preferred products where possible;

5.8.4 integrating relevant principles of waste minimisation and energy efficiency;

5.8.5 fostering the development of products and services which have a low environmental impact; and

5.8.6 providing leadership to business, industry and the community in promoting the use of environmentally sensitive goods and services.

Principal 5: Encouragement of the Development of Competitive Local Business, Industry & Social Inclusion

5.9 With the aim of achieving a value for money outcome, Council will endeavour to, at its discretion and to the full extent permitted by law, support local businesses by:

5.9.1 Promoting to local businesses opportunities to supply to the Council;

5.9.2 Structuring the purchasing processes to be accessible to all businesses:

5.9.3 Giving preference to local business when all other commercial considerations are equal;

5.9.4 Ensuring, where possible, that specifications and purchasing descriptions are not structured so as to potentially exclude local suppliers and contractors;

5.9.5 Encouraging Aboriginal and Torres Strait suppliers and contractors to quote and tender.

5.9.6 Supporting the intentional generation of social value through procurement processes that can occur through engaging with minority or under-represented suppliers.

5.9.7 Considering economic and social inclusion elements such as employment creation and training opportunities specifically within the Council area.

Principal 6: Risk Management & Work Health & Safety

5.10 Risk Management is integral in ensuring value for money and that procurement activities do not expose Council to increased / unnecessary risk.

5.11 Council's *Risk Management Policy & Framework* specifically address these requirements.

5.12 Council is committed to ensuring so far as is reasonably practicable, that workers are provided with safe workplace environment, systems of work, plant and substances through a systematic approach to planning and implementation of Work Health and Safety.

5.13 Council is committed to a contractor management system that ensures both contractors and Council have a clear understanding and commitment to their Work Health and Safety roles.

5.14 Only contractors who can demonstrate appropriate Work Health and Safety Systems and a capability to put these systems in place prior to commencing work will be utilised. Compliance with Council's *Work Health and Safety Contractor Management Policy* is required.

Principal 7: Ensuring Compliance with all Relevant Legislation

5.15 Refer to Clause 13 Legislative Framework / Other References.

6. Approved Budget

6.1 A procurement process can only proceed when an approved budget allocation exists for the particular goods or service being procured.

6.2 Where provision of the budget is insufficient to meet the expenditure required, budgets may be amended in accordance with the *Budget Policy*, or referred to Council for decision in all other circumstances.

7. Procurement Methods

7.1 **Direct Purchase**

7.1.1 Council purchases from a single source, without first obtaining competing bids.

7.1.2 Suitable for low value, low risk goods and services and where the supplier already has a successful service history with Council.

7.2 **Quotation**

7.2.1 Council obtains quotations from prospective suppliers.

7.2.2 Where possible written quotes are obtained, however if a written quote cannot be obtained the Council completes detailed written records of the oral quotes obtained, including details of the commercial terms of the quote.

7.3 **Request for Quotations**

7.3.1 Council obtains written quotations from prospective suppliers.

7.3.2 This method is suitable for simple, larger price based purchases.

7.4 **Re-Issue Ordering (Roadworks & Drainage Only)**

7.4.1 This is where Council can proceed straight to a direct purchase order for a Roadworks & Drainage Projects where the order is for less than $75,000 and the hourly rates are from a previous competitive Request for Quotation or Request for Tender.

7.5 **Tenders**

7.5.1 Council issues a tender for proposed goods and/or service. Splitting the components of the purchase to prevent the need for going out for tender is prohibited.

7.5.2 Council issues a Select Request for Tender where it has reasonable grounds for only dealing with a select group (minimum two) of potential suppliers.

7.5.3 Otherwise Council issues an open request for tender.

7.6 Panel Arrangements

7.6.1 A panel arrangement is where contracts have been entered into with more than one supplier to provide a specified good or service at a fixed price for a set term.

7.6.2 A panel arrangement can include either:

(a) a standing offer from a pool of suppliers for the provision of goods and services on agreed terms; or

(b) the prequalification of certain suppliers who may or may not be engaged on terms to be agreed

7.6.3 Council establishes panel arrangements with a select group of suppliers – generally, this occurs once the Council has completed its appointment of such suppliers in accordance with this Policy.

7.6.4 This method is used to improve the efficiency of the procurement process and reduce the impact of repetitive bidding on potential suppliers.

7.6.5 All panels must operate under a contract structure and be managed for performance and on-going value for money opportunities.

7.6.6 Despite the existence of panel arrangements, individual procurement processes should still be considered where necessary to ensure probity and value for money.

7.6.7 Panel engagements for individual projects will not exceed $75,000. If it is anticipated that a project will exceed $75,000, the tender process will apply.

7.7 Strategic Alliances

7.7.1 A strategic alliance is a partnership with other organisations that have already undertaken a rigorous open tender process that satisfies probity requirements (with particular reference to the Local Government and ICAC Acts) and achieves best value for councils.

7.7.2 The most common Strategic Alliance will be with the Local Government Association Procurement (LGAP), however other Strategic Alliances may be sought.

7.7.3 If Council enters into a strategic alliances procurement process under its Procurement Policy (Strategic Alliances) then there will be no requirement for Council to approach the wider market or enter into a separate RFT/RFQ as an open tender process has already been undertaken.

7.7.4 Council can meet its procurement requirements through contractual arrangements established and administered by other organisations that demonstrate adherence to the requirements of this policy.

7.7.5 The use by Council of Strategic Alliances means that the methods of procurement set out in this Policy will be undertaken pursuant to and in accordance with the arrangements set out under the Strategic Alliances.

7.8 **Expressions of Interest (EOI)**

7.8.1 Expressions of interest are useful when the number of suppliers or contractors, market size or the approach to solving a problem is largely unknown.

7.8.2 Such a process can form the basis for a future Request for Tender for the goods, services or works.

Council should assess the market before conducting an EOI process and refine the requirements as much as possible to ensure responses are targeted appropriately.

8. Determination of Appropriate Procurement Method

8.1 In identifying the appropriate procurement method, the following will be considered:

8.1.1 Council's *Procurement Principles*;

8.1.2 The number of known suppliers of the good, services or works;

8.1.3 The total estimated value (excluding GST) of the purchase.

8.2 Procurements are to be conducted in accordance with Council's financial thresholds detailed in the table below:

Value of Procurement ($)	Method of Procurement	Agreement Type	Approval
$0 to $10,000	Direct Purchase	Petty Cash, Fuel Card, Store Account, Reimbursement through Creditors Credit Card, Purchase Order, Contract or Other Written Agreement	Per Council's *Delegation Register*
$10,001 to $20,000	Quotation informal minimum of two (2) sought Or Panel arrangement	Purchase Order, Contract or Other Written Agreement	Director or their delegate
$20,001 to $75,000	Request for Quotation minimum of three (3) sought Or Panel arrangement	Purchase Order, Contract or Other Written Agreement	Director or their delegate
$75,001 to $150,000	Request for Tender (Open or Select)	Purchase Order and or Contract/Other Written Agreement	CEO or their delegate
$150,001+	Request for Tender Open	Purchase Order and or Contract/Other Written Agreement	CEO

8.3 At the commencement of the financial year in consideration of Council's adopted budget, in consultation with Council's Finance function, Department managers should assess and plan for appropriate procurement methods for goods and services for that year using available information (such as existing arrangements, historic spend, work schedules and approved budgets).

8.4 With reference to Clause 8.3, when determining the requirements for multiple prices and procurements methods, total cumulative expenditure, measured over a twelve month period from 1 July to 30 June, must be considered where expenditure is anticipated to exceed $75,000.

8.5 Total cumulative expenditure will be monitored and reviewed by the Manager Finance to determine whether the appropriate procurement process has been undertaken to comply with this Policy.

8.6 In the case of multiyear procurements, the total estimated value of a procurement or transaction is calculated across all elements of the procurement process including any agreement options, extensions, renewals, and contingencies (Exclusive of GST) and should be considered in the planning phase of the project.

9. Prepayments

9.1 All prepayments must be identified and recorded in a timely manner to ensure expenses are recognised in the appropriate period.

9.2 Routine prepayments that are part of normal business operations (e.g. utilities, insurance, software subscriptions) may be authorised in accordance with Council's *Delegation Register*.

9.3 Discretionary or non-routine prepayments must be authorised by the relevant Department Director or the CEO and only made where financial risk is considered acceptable.

10. Delegations

10.1 Expenditure sub delegations detailing authorised purchasers and purchasing limits are prescribed in Council *Delegation Register* pursuant to the *Local Government Act 1999*.

11. Policy Responsibility

The CEO is responsible for ensuring the proper operation of this Policy.

12. Availability/Accessibility

12.1 This Policy is available to be downloaded free of charge from Council's website: www.claregilbertvalleys.sa.gov.au.

12.2 This Policy is available for inspection at Council's offices during ordinary business hours. Hard copies, for a fee in accordance with Council's schedule of Fees & Charges, can be provided upon request.

13. Legislative Framework / Other References

13.1 *Local Government Act 1999*

13.2 *Prudential Management Policy*

13.3 *Caretaker Policy*

13.4 *Disposal of Land and Assets Policy*

13.5 *Council Delegations and Sub Delegations – Local Government Act 1999*

13.6 *Reconciliation Plans 2024-2026*

13.7 *Risk Management Policy*

13.8 *Risk Management Framework*

13.9 *Budget Policy 2025-2026*

13.10 *Prudential Management Policy*

13.11 *State Record Act 1997*

13.12 *Procurement Plan Template*

13.13 *Procurement Policy Exemption Template*

13.14 *Variation Request Template*

13.15 *Variation Financial Implications Template*

13.16 *Contract Extension Template*

13.17 *Contract Extension Letter Template*

Official Council Purchase Orders must be issued in accordance with the following:

13.18 Appendix A – Purchase Order Procedure

13.19 Appendix B – Tendering Procedure

13.20 *Appendix C – Procurement Process Flow Chart*

14. Document History

This Policy shall be reviewed at least every four (4) years or more frequently if legislation or Council requires.

Version	Adopted	Minute	Description of Change
1	17/10/16	421-16	Reviewed by Council
2	20/03/17	120-17	Reviewed by Council
3	18/02/19	28-19	Reviewed by Council
4	15/02/23	47-23	Reviewed by Council
5	20/03/24	83-24	Reviewed by Council
6	17/09/2025	250-25	Transferred into new template, review of thresholds
7	17/06/2026	157-26	Review of thresholds
8	21/10/2026	289-26	Minor administrative edits, addition of Strategic Alliance as purchasing methods

1. Appendix A – Purchase Order Procedure

1.1 Official Council purchase orders generated by Council's online Requisitioning system must be used for all goods and services purchased and must be issued prior to any goods or services being procured unless otherwise approved by the CEO.

1.2 The purchase order procedure varies dependant on the financial value of the goods or services being procured.

1.3 For procurement less than or equal to $10,000, the direct purchase method is appropriate. The employee can proceed to create a purchase requisition and send for approval in accordance with Council's *Delegation Register*.

1.4 For procurements greater than $10,000 the employee must complete and attach a procurement plan to the purchase requisition prior to the approval process.

1.5 Procurements greater than $10,000 will not be approved without a procurement plan and all other supporting documentation attached to the purchase requisition.

1.6 There are some instances where an official Council Purchase Order is not required to be generated for goods and services of a certain nature, the list is as follows:

1.6.1 Accountable advances, loan advances and investments;

1.6.2 Audit Fees;

1.6.3 Banking Services;

1.6.4 Car mileage allowance;

1.6.5 Computer service charges, maintenance payments & Software Licence renewals

1.6.6 Contract Arrangements

(a) Contracts for Services

(b) Projects which have been contracted using the tender process

(c) Legal Services Contracts

1.6.7 Courier Services;

1.6.8 Dial before you Dig Services;

1.6.9 Electricity and gas charges;

1.6.10 Expenditure ancillary to salaries and wages including Group Tax and employer's superannuation contribution;

1.6.11 Food and Beverages;

1.6.12 Fuel;

1.6.13 Insurance renewal premiums;

1.6.14 Lease and Rent of properties;

1.6.15 Library Books;

1.6.16 Licence and Membership Fees;

1.6.17 Minor purchases from local suppliers where it is considered that it is not practical to issue an order. Amounts under $300 will be considered to be of minor purchases if they are of a usual nature;

1.6.18 Publishing Charges;

1.6.19 Rates and Council charges;

1.6.20 Refunds or Reimbursements of Expenditure;

1.6.21 Statutory Government Charges;

1.6.22 Subscriptions and contributions for magazines and journals;

1.6.23 Telephone, facsimile or bulk postage charges;

1.6.24 Travelling or transfer allowances or expenses of officers or employees;

1.6.25 Vehicle Registrations;

1.6.26 Water and cleansing charges;

1.6.27 Workers' compensation payments;

2. Appendix B – Tendering Procedure

2.1 **Pre-Tender**

2.1.1 The Procurement Plan Template will be completed to ensure that the project brief is clear and specific and that the time allowed for performance is reasonable.

2.2 **Tender Documents**

The tender documents will:

2.2.1 Clearly define the contractual obligations of the parties;

2.2.2 Provide full details of all work covered by the tender;

2.2.3 Provide information known to the Officer which may affect the risks of the project;

2.2.4 Draw attention to any special conditions or obligations under the contract which are not normally part of the standard conditions;

2.2.5 Include provisions that recognise and give consideration to local suppliers;

2.2.6 Include provisions that any proposed contract variations or additional payments must receive approval before being actioned;

2.2.7 Designate any supporting information required from tenderers;

2.2.8 Nominate a person for the provision of additional information;

2.2.9 Specify that the tenderer is required to submit a tender conforming in all respects with the tender documents including the conditions of tendering;

2.2.10 Allow a tenderer to submit a non-conforming tender clearly marked and accompanied by a detailed explanation of the differences, advantages and cost savings;

2.2.11 Specify the method and time of lodgement, opening of the tenders and public acknowledgement of tenders;

2.2.12 Where appropriate provide guidance to tenderers as to the process of evaluation of tenders;

2.3 **Call for Tenders**

2.3.1 Council will only call for tenders after they have made a firm commitment to proceed with the project and only after the necessary funding has been applied for and approved according to Council policy, procedure and Budget commitment.

2.4 **Tendering Methods**

2.4.1 Open tenders:

(a) All interested parties are invited through open public advertisement to tender on a common basis. Tenderers would normally be required to prove they have the necessary competence, resources, quality, work health and safety management and financial capacity to undertake the work.

2.4.2 Selected tenders:

(a) A limited number of organisations are directly invited to tender because of their proven experience or recognised ability to undertake particular work.

2.5 **Invitation to Tender - Open Tender**

2.5.1 When inviting tenders through public advertisements:

(a) Consistency in advertising should apply;

(b) There should be a set day for advertising and set day for closing of tenders;

(c) The tender closing time should not be earlier than 2.00 pm on a weekday and should not be a Monday or the day following a public holiday;

2.5.2 Advertisements should show:

(a) The adequate description of the project to assist with their decisions to submit tenders;

(b) When and where the tender documents are available;

(c) When and where tenders must be lodged;

(d) A tender validity period if applicable;

(e) Details of tender deposit required if applicable;

(f) Advertisements should be inserted in the most appropriate newspapers;

(g) For works in remote areas, arrangements should be made for advertisements in the local media.

2.6 **Invitation to Tender - Selected Tender**

2.6.1 Selected tenders are invited in accordance with the *Procurement Policy*, or when it is impractical to invite open tenders.

2.7 **Tendering Period**

2.7.1 The tender period must be adequate to allow time for tenderers to visit the site, to study the tender documents and prepare a written offer.

2.8 **Tender Enquiries**

2.8.1 Officers will not give information to a tenderer that is not given to all other tenderers.

2.8.2 Requests for clarification shall be referred to the Officer nominated on the tender documents. All explanations and/or clarifications given should be confirmed in writing and issued to all prospective tenders to ensure that all tenders are kept informed on a common basis. For this reason, a record should be kept of the names and addresses of those organisations to who tender information is given.

2.9 **Amendments to Tender Documents**

2.9.1 Where matters of significance make it necessary to amend the tender documents during the tender period, the amendments must be advised as an addendum to all tenderers in sufficient time for all tenderers to properly and fully consider the addendum before tenders close.

2.9.2 Consideration will be given to extending the tender period when an addendum is issued.

2.9.3 Tenderers must acknowledge receipt of the addenda in writing with their tender and confirm that allowance has been made in their tender for each addendum.

2.9.4 Where the issuing of amendments to the tender documents in the form of addendum are unavoidable and this results in the end to extend the tendering period, then it is essential that all tenderers who obtained documents are notified of any extension to the tendering period.

2.10 **Pre-Tender Meetings**

2.10.1 Pre tender meetings may be called where the objective is to clarify any uncertainties that tenders may have relating to the documents.

2.11 **Receipt of Tenders**

2.11.1 All arrangements must be made to safeguard the security and confidentially of all tenders.

2.11.2 Tenders should be lodged electronically via SA Tenders or via hardcopy in a tender box located at an office where tenders close. Tenders should be accepted up to the predetermined local time on the closing date. A tender is deemed to have been lodged by the Tenderer when the Tender has been received by SA Tenders server.

2.11.3 Electronic lodgement of tenders via SA Tenders website is kept in an electronic tender box in an encrypted repository on the server, where all responses for the specific tender are kept until downloaded.

2.11.4 The tender box is to be double locked with the keys held by responsible officers, one of whom shall be appointed as the ‘Receiving Officer’ to receive and record tenders.

2.11.5 Where it is not possible to place all tenders and supporting papers in the tender box, special and secured storage facilities under the control of the Receiving Officer will be provided in advance of the tender closing date. Tender papers not placed in the tender box shall be endorsed by the Receiving Officer with detail of receipt and placed in the secure storage.

2.11.6 The Council's emails should be monitored for tender enquiries from prospective tenders and addressed per clause 2.8. Tenders should not be accessed until after the tender period has closed. Emails should be stamped with the time of receipt. Tenders received through the post must be endorsed with the exact time of receipt. All document recipients and contact details for tender recipients can be viewed on SA Tenders by Councils registered Agency Administrator.

2.11.7 When envelopes containing tenders have been opened due to lack of identification, they should be immediately resealed and the envelope suitably endorsed and referred to the Receiving Officer.

2.11.8 At the predetermined closing time on the tender closing date, the tender box should be closed to prevent lodgement of late tenders in the box. No tender price offered orally will be received. Where electronic tendering is available the current industry standard to local government will be used in conjunction with the above.

2.12 **Opening Procedure**

2.12.1 A Tender Opening Committee must consist of at least three responsible persons appointed by the CEO. At least one member of the opening committee should be from a department that is not responsible for the tender.

2.12.2 Tenders must be opened in a secure area and numbered in order of opening. All tender forms, accompanying letters and schedule of prices must be numbered and initialled by each member of the Committee. Other papers submitted such as schedules, technical data and brochures, must be endorsed with the tender number.

2.12.3 Tenders will be scheduled in order of opening.

2.12.4 The schedule must be endorsed by the Committee noting in respect of each tender:

(a) Informalities;

(b) Compliance with the Conditions of Tendering; and

(c) The submission of data required by the tender documents.

(d) The Opening Committee will sign the schedule and rule it off immediately below the final tender listed.

2.13 **Late Tenders**

2.13.1 A tender received after the nominated closing time that is:

(a) Delivered by hand 'over the counter'.

(b) Received through the mail.

(c) Received by email

2.13.2 Must be deemed late and shall be endorsed with the exact time of receipt. A person presenting a tender 'over the counter' will be asked to initial the endorsement.

2.13.3 A late tender is not to be opened. A tenderer whose tender is rejected as being late must be advised promptly.

2.13.4 Adequate safeguards should be used to ensure the preservation of the confidentiality of tenders which are received late and are not admitted for consideration.

2.14 **Evaluation of Tenders**

2.14.1 Tenders will be approved by the CEO after evaluation by an Evaluation Panel . A report will be provided to the CEO with recommendations for awarding the tender.

2.14.2 Evaluation should consider tenderers:

(a) Technical management, physical and financial capacity;

(b) Current commitments;

(c) Standing within the industry;

(d) Reliability;

(e) Quality;

(f) Record of performance; and

(g) Work Health and Safety System.

2.14.3 When applicable, requests for clarification shall be issued by the Officer nominated on the tender documents. All explanations and/or clarifications given should be confirmed in writing and filed with the prospective tenders.

2.14.4 A tender which does not comply with the tender documents is liable to be rejected. The tenderer may be given reasonable opportunity to comply with the tender documents but only without alterations to the submitted tender price.

2.14.5 Where a tenderer claims an error has been made in calculating the tender or has omitted to include a provisional sum, the tenderer shall not be permitted to amend the tender price. In such situations, the tenderer has the options of adhering to or withdrawing the tender price or being passed over.

2.14.6 Should the Council decide not to accept any tender and to recall tenders, the original tenderers will be advised the reasons for recalling and as a general principle, where appropriate, be invited to submit a new tender or they are to

be advised that the purchase will be negotiated.

2.15 **Negotiation and Selection**

2.15.1 In post tender negotiations Officers will not seek to trade off different tenderers prices against others in an attempt to obtain lower prices.

2.15.2 Unless time restraints dictate to the contrary Officers should first exhaust negotiations with the initial preferred tenderer before negotiating with the other tenderers.

2.15.3 There are occasions where negotiation of a tendered price may have to be considered before a tender is accepted. For example, where significant errors and/or omissions in the documents have affected the prices tendered or where the tender prices received are above the prices tendered or where the tender prices received are above the prices anticipated.

2.15.4 In such instances, negotiations of a price for the amendments to the tender documents will be concluded prior to acceptance notwithstanding that the estimate or the price received for the amendment when added to the lowest acceptable tender may exceed other tenders.

2.15.5 If the value of the amendment in relation to the tender price is significant and a satisfactory price cannot be negotiated it may be necessary to recall tenders. Any tender may be rejected provided the Officer acts honestly and with probity in doing so.

2.15.6 The tender most advantageous to the Council should be the one considered for acceptance.

2.15.7 Any proposed contract with a Value of Purchase greater than budget, must be referred to a formal Council meeting for a decision and authorisation to accept or reject the tender and enter into the contract.

2.15.8 Subject to the financial limitation above, a proposed contract with a successful tenderer may only be authorised and signed by an Authorised Officer, in accordance with the Council's *Delegations Register*, *Local Government Act 1999*. Any proposed contract that falls outside of the financial delegation of the Authorised Officer must be referred to the Council.

2.16 **Re-Tendering**

2.16.1 Re-tendering should be avoided unless the tender documents have been amended or a substantial period of time has elapsed since tenders were initially involved.

2.16.2 Should it be decided following the calling of open tenders to recall tenders on a selected basis, opportunity should be given to each original tenderer to submit a price unless there are sound reasons for not doing so.

2.17 **Confidentiality**

2.17.1 Adequate safeguards must apply to secure the confidentiality of tenderers. All information provided between the tenderers and the Officer shall be treated as confidential and both the tenderer and the Officer shall maintain such information commercial – in – confidence.

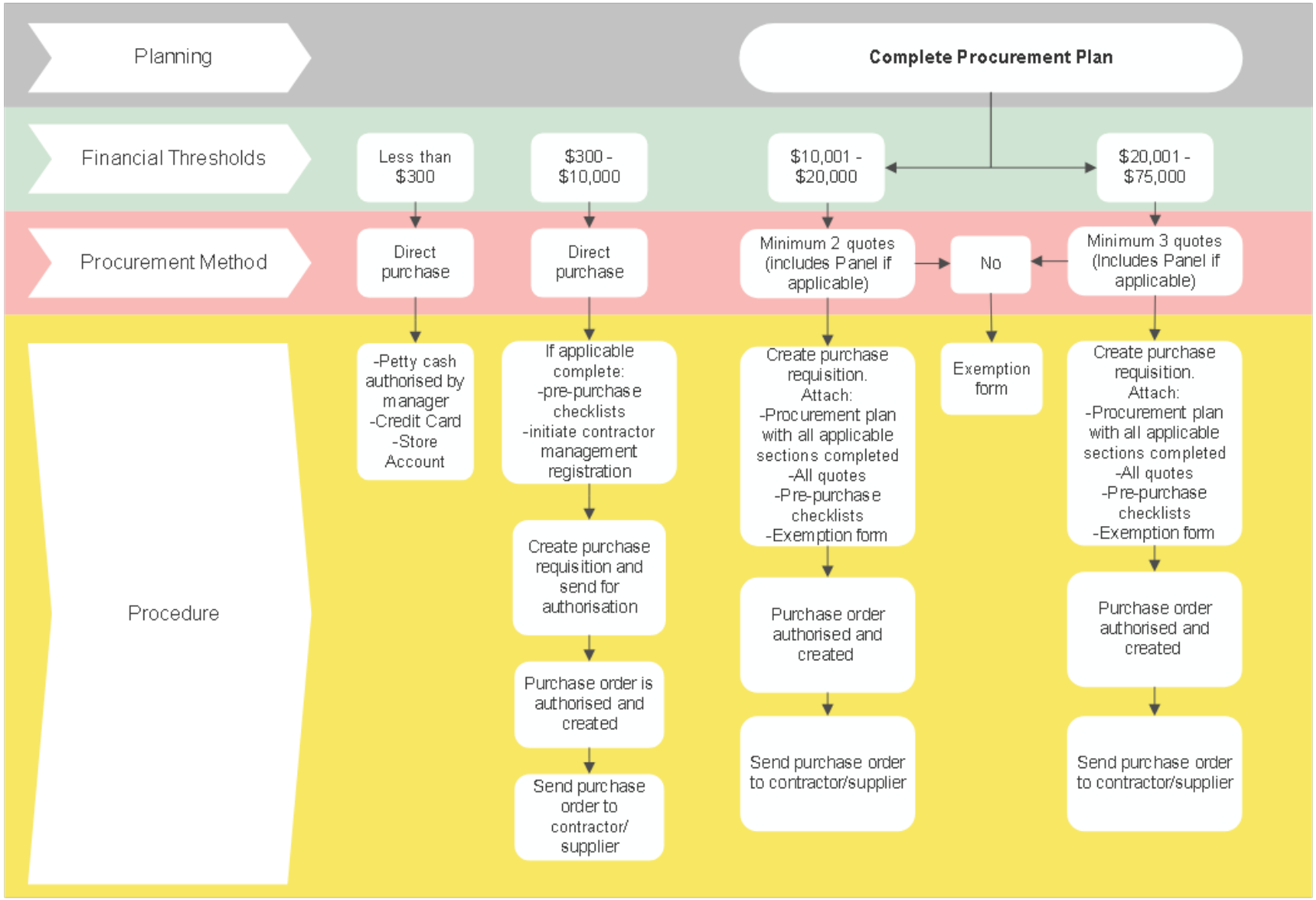
2.18 **Standard Conditions of Engagement**

2.18.1 The tender and contract documents will be prepared using the Work Health & Safety Contractor Management provisions.

2.19 **Insurance**

2.19.1 The contractor shall insure against any claims which may arise or result during the course of the works whether from Workers compensation, public liability, personal liability, damage to services or works or any other cause and shall indemnify and keep indemnified the Council against all claims. A certificate of currency from an approved insurance company to a minimum value of $20,000,000 and a copy of a current Return to Work SA Certificate shall be submitted to the principal prior to work commencing.

Appendix C – Procurement Process Flow Chart



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