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# Procurement Policy

*Council Policy*

March 2026





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# Procurement Policy



## Council Policy

<b>Responsible director:</b>	Director Corporate Services
<b>Responsible officer:</b>	Manager Financial Services
<b>Functional area:</b>	Financial Services
<b>Date adopted by Council:</b>	3 March 2026
<b>Review date:</b>	March 2030

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## Purpose

The purpose of this document is to set out the key policies and principles forming the framework for procurement at the Northern Grampians Shire Council, to ensure that all purchases:

- demonstrate and achieve value for money
- are undertaken in a consistent and robust manner
- are consistent with Council objectives
- comply with all relevant legislation; and
- meet expected standards of probity and transparency.

This policy document is supported by a more detailed set of Procurement Guidelines which are designed to assist with the implementation of this policy. These documents, along with the relevant sections of the *Local Government Act 2020* (the Act), provide direction for how all Council procurement should be performed.

## Background

Section 108 of the Act requires Council to prepare and approve a procurement policy which must:

- specify the principles, processes and procedures that will apply to all purchases of goods, services and works by the Council
- seek to promote open and fair competition and provide value for money.
- establish the thresholds and processes for public procurements
- provide for collaboration in procurement
- included the conditions where goods or services may be purchased without inviting a public tender or expression of interest
- describe the process of how a public tenders or expression of interest will be undertaken
- be reviewed at least once during each 4-year term of the Council

The Northern Grampians Shire Council spends a significant amount of its annual budget on purchasing goods and services and assets. These purchases have an enormous impact on the delivery of programs, services and projects therefore it is crucial that the process is well conducted.

## Policy

### Expectation to comply

Compliance with this policy, including associated guidelines, is mandatory.

Officers must bring any instances of non-compliance to the attention of their direct Manager or Director. The Manager or Director must then notify the Manager Financial Services of the non-compliance and any remedial action taken.

Non-compliance with this policy is taken seriously and will be dealt with in accordance with Council's [Disciplinary Procedure](#).

All Council staff, including their agents are expected to implement this policy:

- Officers engaged in the selection of external suppliers should seek timely input from the Finance and Procurement Officer
- Officers engaged in any procurement activity must be able to demonstrate that they have complied with this policy
- The source of funds must be identified, and the procurement authorised in accordance with Council delegations of authority, before any commitment to purchase is made
- More than one person will be involved in, and responsible for, each transaction with appropriate authorisations obtained and documented.

### **Conduct of Councillors and Council staff/conflict of interest**

Councillors and Council officers must exercise the highest standards of integrity in a manner able to withstand the closest possible scrutiny. In accordance with sections 126-131 of the Act, Councillors and Council officers have an overriding responsibility to act impartially and with integrity, avoiding conflicts of interest.

Councillors and Council officers, must:

- Maintain confidentiality of Commercial in Confidence matters and information such as contract prices and other sensitive information
- Treat potential and existing suppliers with equality and fairness
- Council officers with delegated Council powers or duties are prohibited from exercising those powers, duties or functions if they have conflicts of interest
- Councillors (and members of the Audit and Risk Committee) must disclose a conflict of interest
- A Councillor must comply with the Primary Principle of Councillor Conduct and avoid conflicts between their public duties as a Councillor and their personal interests and obligations
- 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
- Disclose a direct or indirect interest (and the type of interest) before providing advice or reports (or any other matter)
- Not participate in any action or matter associated with the arrangement of a procurement where that person has a direct or indirect conflict as defined by the Act; and
- When becoming aware of a conflict, promptly declare the direct or indirect Conflict of Interest to the Governance Unit.

### **Basic principles**

There are some basic principles that should be applied to all purchases, irrespective of the value or complexity of the purchase:

- value for money
- open and fair competition
- accountability
- risk management
- probity and transparency
- ethical behaviour
- responsible financial management
- collaborative procurement
- other considerations

### **Value for money**

Value for money does not necessarily mean accepting the lowest price but obtaining the best quality and value for the price, for quality goods/services that meet Northern Grampians Shire Council's criteria and cost constraints.

Factors considered in the evaluation of value for money may include:

- contribution to the advancement of Council's priorities and objectives
- fitness for purpose, quality, social and environmental impacts, service and support
  
- 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

Value for money will be facilitated by:

- developing, implementing and managing procurement strategies that support the co-ordination and streamlining of activities throughout the procurement lifecycle
- aggregating purchasing whenever possible; and
- undertaking competitive procurement processes.

### **Open and fair competition**

All prospective suppliers/vendors must be treated fairly in an open and transparent manner without bias (or perception of bias), with the same access to information regarding the proposed purchase, in order to enable submission of quotes/tenders to be made on the same basis.

### **Accountability**

Clear and robust processes consistent across the entire organisation must be followed, in order that the lines of responsibility and accountability are clear, and to ensure that appropriate audit controls are in place.

### **Risk management**

All purchases carry some level of risk. It is important that this risk is identified, assessed and dealt with appropriately.

### **Probity and transparency**

Probity in purchasing relates to fairness, impartiality and integrity, and is often used in a general sense to mean good process. All Council dealings must be conducted in a fair and open manner, observing the highest standards of honesty, and demonstrating the highest levels of integrity consistent with the public interest.

Council's purchasing processes must be undertaken in a manner which meets all expected standards of probity and transparency, including consistent application of procedures, appropriate record keeping, compliance with policies and legislation, consideration for suppliers, and clear and transparent decision making.

### **Ethical behaviour**

Ethical behaviour encompasses the concepts of honesty, integrity, probity, diligence, fairness, trust, respect and consistency. Council's purchasing processes must be undertaken in a manner which meets all expected standards of ethical behaviour and includes avoiding conflicts of interest and avoiding improper use of an individual's position. At all times, Councillors and Council staff must act in accordance with relevant policies, codes of conduct and guidelines regarding gifts and hospitality and conflicts of interest.

Specific processes regarding application of these basic principles are included within the Procurement Guidelines. If any officer is unclear of their responsibilities regarding procurement, they should seek advice from the Manager Financial Services.

### **Responsible financial management**

The principle of responsible financial management will be applied to all procurement activities.

The availability of existing funds within an approved budget or source of funds will be established prior to the commencement of any procurement action for the supply of goods, services or works.

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.

### **Collaborative procurement**

When procurement is being planned, due diligence should be undertaken to evaluate if best value for money can be achieved by using an Agent or a collaborative tender.

Where practical, Council will collaborate with other Councils in order to take advantage of economies of scale, reduce risk and deliver community benefits for all participating councils.

In accordance with section 109 (2) of the Act, the Chief Executive Officer must ensure that any report to Council recommending entering into a procurement agreement includes information in relation to any opportunities for collaboration with other Councils or public bodies which may be available.

As such, any report to Council on the outcomes of a tender process must set out information relating to opportunities explored for collaborative procurement and why or why not those identified opportunities are recommended.

Collaborative procurement will be achieved through:

- aligning procurement categories and timing (joint procurement)
- using Panels, including Panels in the region (that include the capacity to provide services outside of the contracting council area under the same terms and conditions)
- using State Government contracts and aggregators

### **Other considerations**

There are also a number of organisational and legislative directives that help set the framework for purchasing decisions made by Council including the Council Plan and the *Local Government Act 2020* (see – Legislation/Standards).

In addition to the requirements of the Act, purchasing decisions must also consider other principles, Council policies, guidelines and philosophies. These include:

- sustainable procurement
- social procurement
- environmental purchasing
- local purchasing philosophy
- innovation
- IT hardware and software procurement
- category management
- purchase orders
- officer's financial delegations
- panel of contactors
- contractor register (approved suppliers)
- procurement vehicle
- thresholds
- threshold exemptions
- variations to Council resolution; and
- public tender requirements

### **Sustainable procurement**

Council will consider benefits and value for money based on whole of life costs, as well as social and environmental impacts of its procurement processes, in order to achieve the best outcomes for the community having regard to the long-term and cumulative effects of its decisions.

### **Social procurement**

Council supports procurement that not only delivers appropriate value for money goods and services and works but also generates positive social outcomes.

Where strategic opportunities arise, Council's Economic Development Team will work with locals to encourage economic development.

The Economic Development Team and Finance and Procurement Officer will work with local suppliers to explain Council's requirements with regards to providing goods and services and works to Council and the tendering processes in line with this policy and encourage them to tender for business.

### **Environmental purchasing**

Council prefers to purchase recycled and environmentally sound products whenever they perform satisfactorily and represent value for money.

### **Local purchasing philosophy**

Council is committed to supporting the local business community and encouraging its involvement in purchasing processes. Buying locally is preferred where local suppliers are competitive and achieve value for money.

Wherever practicable, Council will fully examine the benefits available through purchasing goods, services or works from suppliers/contractors within the Northern Grampians Region. Council will also seek from prospective suppliers/contractors where applicable what economic contribution they will make to the Northern Grampians region.

All tenders/quotes should allow at least ten percent (10%) evaluation allowance for local suppliers.

Council will obtain quotes from local suppliers wherever possible, if two or more quotes are required then a minimum of one should be from a local supplier. If no local suppliers can be identified, this must be noted on the standard quote form.

### **Innovation**

Council will use innovative procurement solutions to promote sustainability and achieve best value.

### **IT hardware and software procurement**

To ensure consistency in our IT system architecture in-line with Council's Business Transformation Strategy, all IT hardware and software procurement is subject to additional requirements and must have the preapproval of the Manager Business Transformation before proceeding to the procurement stage.

### **Category management**

Council will use a category management approach to identify the most appropriate and effective sourcing and supply arrangements in order to achieve the best outcomes for the community.

### **Purchase orders**

Notwithstanding the processes used to select suppliers, purchase orders are to be raised and forwarded to suppliers to commit Council expenditure in advance of the goods or services being received, or works being commenced, in accordance with the Council's Purchasing Guidelines.

### **Officer's financial delegations**

Section 11 of the Act enables Council to delegate its powers, duties and functions. Northern Grampians Shire Council has by an Instrument of Delegation delegated powers and responsibilities to the Chief Executive Officer. In turn, the Chief Executive Officer has delegated powers, responsibilities and financial purchasing limits to officers as appropriate to perform their duties.

Officers must be aware of their role and financial responsibilities and must ensure that all purchases they make are within their delegated authority. In the case of a purchase exceeding their authority the intended purchase should be referred to an appropriate officer with suitable delegated levels. Under no circumstances is a single purchase to be dissected into smaller dollar values in order to circumvent the prescribed financial delegations.

It should be noted that no employee can raise a purchase order or authorise reimbursement for their own training/conferences and associated costs (such as accommodation and meals) and this should at all times be referred to their line manager for approval and authorisation.

### **Panel of contractors**

A panel of contractors is a contractor/company that has been appointed following an open tender process (this includes third party agents (e.g. MAV Procurement, Procurement Australia, State Government, etc.).

A panel of contractors cannot be appointed in any other manner. Unless specified during a tender process, no minimum quantity of work or turnover is guaranteed to any contractor on the panel.

Benefits of appointing a panel of contractors include:

- Savings in time and money
- Provide higher level of quality
- Faster turnaround times; and
- Increased confidentiality.

A panel of contractors should be appointed for one (1) year with a further option to extend for two (2) x one (1) years to a maximum of three (3) years, subject to contract requirements.

Council's panel of contractors should always be utilised whenever possible. A full list is available from the OnBudget section within InSites. When utilising any contractor within the panel "best value for money" should always be the first consideration.

Where a panel or standing offer agreement has been established through a competitive and open process, the following purchasing thresholds may be used to support purchases through these existing agreements.

Value (exclusive of GST)	Procurement threshold (minimum requirement)
<b>\$20,000 - &lt;\$50,000</b>	Issue a request in writing to at least two panel suppliers via Council's e-tender platform. Responses to be managed through the e-tender platform. Rationale for selecting successful respondent must be documented.
<b>\$50,000 - &lt;\$250,000</b>	Issue a request in writing to at least three panel suppliers. Responses to be managed through the procurement e-tender platform. Rationale for selecting successful respondent must be documented.

Any project, single purchase or a combination of approved contractors are not to be utilised to bypass the requirements to tender where the total project cost may exceed the threshold limits for tendering. If a schedule of rates was not provided, then a preferred supplier is to be selected by standard competitive quotation or tender process, subject to the value of the service or works (refer Thresholds section below).

Approval to complete the works or services, by panel contractors, is subject to normal limits for Council's financial delegates.

Provided the preferred contractor is pre-approved by Council, the CEO may approve the supplier appointment notwithstanding that the services / works may exceed normal delegation limits. CEO approval of amounts above delegation limits only applies where:

- The preferred contractor is pre-approved by Council as a member of the contractor panel; and
- The services/works to be performed were identified in the tender specifications that gave rise to the panel of contractors; and
- The services/works are to be performed within the contract term pre-approved by Council.

Where the preferred contractor is pre-approved by Council to carry out services/works within the contract term, then it is deemed that the CEO is not exercising a financial delegation, by approving the preferred supplier, but rather exercising the resolution of Council.

Where the above conditions are not met, and the value of the works or service exceeds the CEO delegation, then the project is to either be the subject of a public tender and/or required to be approved by Council.

### **Contractor register (approved suppliers)**

Council has established a pre-qualified contractors register for those contractors who have submitted their insurances, qualifications, and OH&S documentation. These contractors/suppliers have not been through a public tender so have not submitted a schedule of rates. As a schedule of rates was not provided, then a preferred contractor/supplier is to be selected by standard competitive quotation or tender process, subject to the value of the service or works (refer Thresholds section below).

New contractors/suppliers can be added to the Contractors Register at any stage throughout the year via the process on Promapp: *Register a new contractor*.

### **Procurement vehicle**

The acquisition of goods and services or works for which the estimated expenditure exceeds \$250,000 must be undertaken by public tender.

### **Thresholds**

There are a number of methods by which goods and services can be purchased, however not all methods are appropriate to all circumstances. The critical factors in determining the most appropriate method to purchase goods or services are the value of the purchase, the extent of risk associated with the purchase and any other complexities involved in the purchase decision.

Other factors such as market size/potential suppliers and time constraints may affect the decisions made in regards to the procurement process.

It should be noted that the thresholds as detailed below for a formal public tender will come into effect when one of the following occurs: 1) the cumulative supplier spend per financial year exceeds or is expected to exceed the threshold or 2) the expected spend per project exceeds the threshold.

The following table sets out Council's policy regarding procurement processes to be followed based on the value of the purchase.

<b>Value of purchase (ex. GST)</b>	<b>Method of purchasing / selection of supplier</b>
<b>Under \$5,000</b>	<ul style="list-style-type: none"> <li>Officers are able to determine the most appropriate process as identified in Council's Procurement Guidelines.</li> <li>Minimum 1 verbal quote from a potential supplier.</li> <li>Use of agency contracts (e.g. Procurement Australia) may be considered.</li> </ul>
<b>\$5,000 - &lt;\$20,000</b>	<ul style="list-style-type: none"> <li>Minimum 1 written quotation *</li> <li>Use of agency contracts (e.g. Procurement Australia) may be considered.</li> </ul>
<b>\$20,000 – &lt;\$50,000</b>	<ul style="list-style-type: none"> <li>Minimum 2 written quotations *</li> <li>Use of agency contracts (e.g. Procurement Australia) may be considered.</li> </ul>
<b>\$50,000 - &lt;\$150,000</b>	<ul style="list-style-type: none"> <li>Minimum 3 written quotations *</li> <li>Where a purchase is expected to be above \$100,000 the Quotations can be privately (not publicly) requested but the requests and subsequent submissions and queries must be managed through Council's e-tendering platform.</li> <li>May be publicly advertised.</li> <li>Formal contract agreement should be implemented if the purchase involves high risk for Council – confirm with Finance and Procurement Officer.</li> <li>Use of agency contracts (e.g. Procurement Australia) may be considered.</li> </ul>
<b>\$150,000 - &lt;\$250,000</b>	<ul style="list-style-type: none"> <li>Public Request for Quote (RFQ) is required including (but not limited to) OHS questionnaire – confirm with Finance and Procurement Officer</li> <li>Formal contract agreement should be implemented if the purchase involves high risk for Council – confirm with Finance and Procurement Officer.</li> <li>May be publicly advertised.</li> <li>Use of agency contracts (e.g. Procurement Australia) may be considered.</li> <li>Public Tender may be used depending on risk, complexity or where project estimates are close to \$250,000.</li> </ul>
<b>\$250,00 and over</b>	<ul style="list-style-type: none"> <li>Public Request for Tender (RFT) is required.</li> <li>Option to tender, or conduct Expression of Interest (EOI) followed by a Tender</li> <li>Use of agency tenders, (e.g. MAV Procurement) subject to Ministerial approval, may be considered.</li> </ul>

\* A minimum of one of the quotes must be obtained from a local supplier/provider. If one isn't available it must be noted on the procurement documentation.

Specific details regarding application of these procurement processes are included within Council's Procurement Guidelines. If any officer is unclear regarding their responsibilities in regard to procurement they should seek advice from the Manager Financial Services.

### Threshold exemptions

<b>Exemption Description</b>	<b>Explanation, including any limitations and responsibilities</b>
1. A contract made because of genuine emergency or hardship	<ul style="list-style-type: none"> <li>Where the Council has resolved that the contract must be entered into because of an emergency (e.g. to provide immediate response to a natural disaster, declared emergency. Refer to definition).</li> <li>The CEO may enter into a contract under the aforementioned conditions. If the contract value is over the tender threshold and/or CEO's financial delegation, a report is to be provided to Council at the earliest opportunity.</li> </ul>

2. A contract made with, or a purchase from a contract made by another government entity, government-owned entity, or other approved third party	<ul style="list-style-type: none"> <li>● This general exemption allows engagements: <ul style="list-style-type: none"> <li>○ With another government entity or government owned entity. For example, Federal, State or Local Government or an entity owned by the Federal, State or Local Government; and/or</li> <li>○ In reliance on contracts and arrangements established by another government entity, local authority or local government group purchasing scheme, Municipal Association of Victoria (MAV) or National Procurement network members (e.g. Local Buy), Procurement Australia (PA).</li> </ul> </li> </ul>
4. Extension of contracts while Council is at market	<ul style="list-style-type: none"> <li>● Allows Council to extend an existing contract where the procurement process to replace the contract has commenced, and where the tender process or negotiations will take or are taking longer than expected.</li> <li>● This exemption may be used when the establishment of an interim short-term arrangement with an alternative supplier is considered not to be in the public interest, as it may be cost prohibitive and/or present a risk in the delivery of critical public services to the municipality.</li> </ul>
5. Professional services unsuitable for tendering	<ul style="list-style-type: none"> <li>● Legal services</li> <li>● Insurance</li> </ul>
5. Novated contracts	<ul style="list-style-type: none"> <li>● Where the initial contract was entered into in compliance with this policy and due diligence has been undertaken in respect to the new party.</li> </ul>
6. Information technology resellers and software developers	<ul style="list-style-type: none"> <li>● Allows Council to renew software licenses, maintenance and support, or upgrade existing systems. This includes situations where the barrier to change software providers is prohibitive.</li> </ul>
7. Regional Waste and Resource Recovery Groups	<ul style="list-style-type: none"> <li>● Situations where a Regional Waste and Resource Recovery Group constituted under the <i>Environment Protection Act 1970</i> had already conducted a public tender for and on behalf of its member councils.</li> </ul>
8. Proven monopoly or specialised market	<ul style="list-style-type: none"> <li>● Statutory compulsory monopoly insurance schemes, i.e. Workcover, motor vehicle compulsory third party.</li> <li>● Other statutory bodies such as water supply, electricity connections.</li> <li>● Landfill providers.</li> <li>● Library services</li> <li>● Legislatively required services, such as Aboriginal Land Council.</li> <li>● When supply of goods, services or works can only be sought from a monopoly supplier, for example the marketplace is restricted by a statement of licence, technology or third-party ownership of an asset.</li> <li>● If there are few suppliers for the goods, services or works being sought or where the work is highly specialised.</li> </ul>
9. Operating leases	<ul style="list-style-type: none"> <li>● Where a lessor leases an asset (generally a vehicle or plant and equipment) to the Council and assumes the residual value risk of the vehicle.</li> </ul>
10. Borrowings (loans)	<ul style="list-style-type: none"> <li>● Borrowings are not within the scope of this policy as these are considered contracts of borrowings and not contracts of goods, services or the carrying out of works.</li> </ul>

In addition to the listed exemptions, the CEO or Director may grant an exemption from seeking responses via a competitive procurement process, such as tenders or multiple quotations, when it can be demonstrated that:

- it is in the public interest;
- Council is still obtaining value for money in the process adopted; and
- the process is defensible and able to withstand internal and external scrutiny – one which achieves both accountability and transparency.

### **Variations to Council resolution**

Where Council has resolved to award a contract, a variation up to 10% of the resolution amount may be approved without requiring a Council resolution provided the variation:

- does not exceed \$350,000
- is within the allocated budget
- does not change the intended outcome(s) of the contracted works or services
- is approved by the CEO.

### **Public tender requirements**

All public tenders will be published via Council's eTendering Portal and will be publicly advertised. Advertising will be appropriate to the offering, at a minimum this will include local papers. Information regarding current tenders will be placed on Council's website.

### **No tender submissions received**

If a compliant public tender process is undertaken and no submissions are received, Council may seek an alternative means of delivering the goods, services or works required under the tender without changing the requirements (including undertaking the service or works itself).

If Council amends the specification or intent of its requirements for goods, services or works so that it is materially different, this will constitute a new contract. Council will then undertake a new public tender process.

### **Council Plan Goal/Strategy**

Council Plan 2025-29; Goal - Do it well.

Strategy – 5.3 Responsive, innovative and efficient.

### **Legislation and standards**

#### ***Local Government Act 2020 – s.108 Procurement Policy***

Section 108 of the Act requires Councils to prepare and approve a procurement policy which must include the principles, processes and procedures that will apply to all purchases of goods, services and works by the Council. Also, the policy must seek to promote open and fair competition and provide value for money

In addition, the policy must include:

- the contract value which Council must invite a tender or seek an expression of interest
- a description of the criteria to be used by the Council to evaluate whether a proposed contract provides value for money
- a description of how the Council will seek collaboration with other Councils and public bodies in the procurement of goods or services
- the conditions under which the Council may purchase goods or services without inviting a public tender or expression of interest
- a description of the process to be undertaken in inviting a public tender or expression of interest

#### ***Local Government Act 2020 – s.109 Procurement***

Section 109 of the Act requires Councils to comply with its Procurement Policy before entering into a contract for the purchase of goods or services or the carrying out of works.

Also, this section requires the CEO to ensure that any report to the Council that recommends entering into a procurement agreement includes information in relation to any opportunities for collaboration with other Councils or public bodies which may be available.

### **Responsibilities**

The Director Corporate Services is responsible for the good governance of Council's procurement practices.

The Manager Financial Services is responsible for the development and management of this policy. The Coordinator Financial Services is responsible for assisting with the development and management of this policy. The Finance and Procurement Officer is responsible for assisting delegated purchasing officers and facilitating compliant tender and contract processes and procedures.

Monitoring of the Policy will be through:

- day to day enforcement of the processes as defined in the Procurement Guidelines by the officer/s responsible for processing the final payments for purchases made on behalf of Council
- periodic scrutiny of the processes as defined in the Procurement Guidelines by the officer/s responsible for authorising the final payments for purchases made on behalf of Council; and
- Internal Audits.

### **Stakeholders**

Mayor, Councillors, Chief Executive Officer, Director Corporate Services, Manager Financial Services, Finance and Procurement Officer, all delegated purchasing officers and all other Council staff, temporary employees, contractors and consultants while engaged by Council.

### **Review**

Assessment of the Policy will be undertaken every four years to align with the Council term to ensure it remains current with the Council's goals, processes, aims and requirements and as a means by which to reduce Council's exposure to risk. Triggers for an earlier assessment include legislative changes and introduction of new systems or procedures.

### **Communication and implementation**

Northern Grampians Shire Council's EDRMS Procurement Guidelines  
Council induction and in-house training presentations

### **References**

Local Government Victoria Beyond Value for Money - Social Procurement for Victorian Councils – 3<sup>rd</sup> edition  
Victorian Local Government Best Practice Procurement Guidelines 2013  
MAV Model Procurement Policy (August 2011)  
Local Government Victoria Conflict of Interest Guidelines  
Procurement Guidelines  
Staff Code of Conduct  
Model Councillor Code of Conduct  
Public Interest Disclosures  
Fraud Policy and Fraud Awareness Training  
Council Purchasing Delegations  
Standard Tender and Contract documents  
Disciplinary Procedure

### **Privacy and Data Protection compliance**

All Council policies must consider the *Privacy and Data Protection Act 2014* and the *Victorian Protective Data Security (VPDSS) Framework* which adopts a risk-based approach to protective data security. This policy includes relevant, identified security risks and governance arrangements in place to protect security across the domains of information, personnel, ICT and physical.

### **Gender Equality compliance**

N/A

### **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 and Responsibilities Act 2006*.

### **Definitions**

In this Policy, the following words and phrases have the meanings set out below:

Procurement/purchasing – to buy or acquire products, goods or services using Council's operational or capital works budgeted funds in order to deliver outcomes consistent with Council's objectives.

**Category** – an area of spending determined by market boundaries separating different products, services or industries.

**Category management** – recognising suppliers within certain markets that are likely to have similarities which enable a tailored approach to procurement.

**Conflict of interest** - an interest, pecuniary or otherwise, that could conflict with the proper performance of duties, or conflict or incompatibility between personal interests and the impartial fulfilment of public or professional duties.

**Emergency** - Sudden or unexpected occurrence requiring immediate action e.g.

- The occurrence of a natural disaster such as flooding, bushfire or epidemic which may require the immediate procurement of goods, services or works to provide relief
- The occurrence of an event such as flooding or fire at a council property which may require the immediate procurement of goods, services or works to ensure business continuity
- The unforeseen cessation of trading of a core service provider due to bankruptcy and a need to appoint a replacement service provider on the grounds of public safety
- Any other situation which is liable to constitute a risk to life, property or reputation.

**Expression of interest** – Public request for organisations to register their interest in the supply of goods or services but without providing details of pricing

**Sustainable Procurement** – a process whereby Council meets its needs for goods and services and works in a way that achieves value for money on a whole of life basis in terms of generating benefits not only to Council, but also to society and the economy, whilst minimising damage to the environment.

**Tender/Request for Tender** – Public request for organisations to submit a bid for the supply of goods or services, including pricing and other relevant information which demonstrates their ability to meet the specification and address the relevant selection criteria.

**Procurement Australia/MAV Procurement** – External contracting organisations that act on behalf of all Victorian Local Governments and establish various supply and service contracts at tendered rates.

### Review history

<b>Date</b>	<b>Review details</b>	<b>Action</b>
7 November, 2013	Aligned to new format and updated to include information based on the Victorian Local Government Best Practice Guidelines 2013 and MAV Model Procurement Policy (Updated).	Presented to Audit Committee 12 November, 2013  Presented to Councillor Briefing 18 November, 2013  Presented to Council Meeting 2 December, 2013
18 November 2014	Increase the threshold levels that have remained constant for many years to recognise inflationary increases in costs.	Presented to Audit Committee 25 November, 2014  Presented to Councillor Briefing 23 November, 2014  Presented to Council Meeting 1 December, 2014
4 November 2015	Altered the review process of the policy to incorporate this statement, "If the policy is deemed to require only minor changes then the review process is to inform Councillors through the Councillor Bulletin. Significant alterations to the policy will require the Council to adopt the changes."	Submitted to the Councillor Bulletin on 4 November, 2015

29 June 2017	Aligned to new format and forwarded to civic support to include in next Councillor Bulletin	Submitted to the Councillor Bulletin on 29 June, 2017
22 August 2018	<p><i>New threshold limits:</i></p> <p>Threshold limit for going to public tender separated into 2 different dollar values being:</p> <ol style="list-style-type: none"> <li>1. \$125,001 and above relating to contracts for the purchase of goods and services</li> <li>2. \$170,001 and above relating to contracts for the carrying out of works</li> </ol> <p>Amended all NGSC thresholds from GST inclusive to GST exclusive.</p> <p>Included an additional section under thresholds in relation to information on compliance with the policy.</p> <p>New wording around purchase order splitting added.</p>	<p>Presented to Audit Committee 5 September 2018</p> <p>Presented to Council Meeting 1 October 2018</p>
29 July 2019	<p><i>Thresholds:</i></p> <p>Paragraph 3 added for formal public tender to include cumulative spend per supplier and spend per project.</p> <p><i>Officers Financial Delegations:</i></p> <p>Paragraph 3 added whereby no employee should be purchasing/reimbursing their own training/conferences and associated costs.</p>	Presented to Audit Committee 9 September 2019
7 October 2019	Presented to Council Meeting 7 October 2019	
31 August 2020	Panel of Contractors & Contractors Register now included	
7 September 2020	Presented to Council Meeting 7 September 2020	
6 December 2021	Presented to Council Meeting 6 December 2021	Adopted by Council
18 July 2022	Update the thresholds value requirements for panel of contractors from \$0 - \$50,000 to \$15,001 - \$50,000.	Presented to a Councillor Briefing 18 July 2022
15 August 2022	Presented to Council on 15 August 2022	Adopted by Council
18 March 2024	Added 'emergency' definition and expanded exemption explanation. Local supplier evaluation allowance increased to 10%	Presented to Councillor Briefing on 18 March 2024.
19 May 2025	Added library services to the list of threshold exemptions in line with the <i>Local Government Act 2020</i>	Presented to Councillor Briefing on 19 May 2025.
10 February 2026	Amended procurement and panel contractor thresholds and made minor changes to the wording regarding local purchasing requirements. Included direction regarding when Council releases a tender and receives no submissions Other minor changes	Presented to Councillor Briefing on 10 February 2026.
3 March 2026	Presented to Council on 3 March 2026	Adopted by Council