



# WUJAL WUJAL ABORIGINAL SHIRE COUNCIL

## Procurement Policy

### Document Control

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## 1. Origin / Authority

Wujal Wujal Aboriginal Shire Council

## 2. Purpose and Scope

This Policy is Council's procurement policy for the purposes of section 198(1) of the *Local Government Regulation 2012*.

The purpose of this policy is to outline Council's approach to developing and maintaining procurement practices for the acquisition of goods and services which optimise value for money and promote effective supplier relationships. Value for money does not necessarily mean selecting the lowest price; it also means considering the overall quality and benefits.

This Procurement Policy applies to the procurement of all goods, equipment, and related services, as well as construction contracts and service contracts. The policy applies to the local government, including the Chief Executive Officer and all Council employees. It is the responsibility of Council employees involved in the procurement process to understand the meaning and intent of the policy.

## 3. Policy Statements

There are four aspects to the Procurement Policy, which are the principles that the local government will apply in the 2025-26 financial year, and generally for the period in which this Policy remains current, for purchasing goods and services:

- a) The Procurement Principles provide guidance regarding ethical behaviour and sound contracting principles.
- b) The Procurement Arrangements provide the procedures to be followed for each procurement category.
- c) The Local Supplier Preference provides guidance on how to apply the Council's desire to give preference.
- d) The Delegations prescribe the limits for staff to authorise the procurement of goods and services.

### 3.1. Procurement Principles

Council officers are required to:

- a) Adhere to the "sound contracting principles" as stipulated in *the Local Government Act 2009*.  
The sound contracting principles are:
  - (i) value for money; and
  - (ii) open and effective competition; and
  - (iii) the development of competitive local business and industry; and
  - (iv) environmental protection; and
  - (v) ethical behaviour and fair dealing.

Council officers involved in purchasing must act with impartiality, fairness, independence, openness, integrity, and professionalism in their discussions and negotiations with suppliers and their representatives. All employees must:

- Spend Council funds efficiently and effectively and in accordance with the law and Council policy;
- Deal fairly, impartially and consistently with suppliers and prospective suppliers;

- Keep confidential all sensitive information obtained as part of the procurement activity;
- Not have an actual conflict of interest in relation to the procurement activity; and
- Not seek or accept any remuneration, gift or advantage.

**Purchase orders are to be generated for all purchases of goods and services other than:**

- Staff reimbursement; or
- Corporate card transactions; or
- Long-term supply contracts (Ergon, Telstra, etc.); or
- Direct payments and fees (bank charges etc.); or
- Other purchases where an Executive Manager or the CEO has determined, in extenuating circumstances, that a Purchase Order is not required prior to purchase.

Purchasing activities must, whenever possible, result in effective competition in the provision of goods and services. Council must give fair and equitable consideration to all prospective suppliers

### **3.2. Procurement Arrangements**

Council staff are to achieve the best value for money over the long term in their purchasing decisions. The concept of value for money is not restricted to price alone. The value for money assessment may include consideration of:

- Contribution to the advancement of Council's priorities;
- Fit for purpose, quality, after-sales servicing and support;
- Whole-of-life costs including costs of acquiring, using, maintaining and disposal; and
- Internal administration costs;
- Price;
- Technical compliance issues;
- Risk exposure and reputation of the supplier;
- The value of any associated environmental benefits; and
- Advantages of local knowledge, networks and relationships.

The relative weighting of the different components will depend both on the value of the transaction and the materials or services being procured.

Consideration must be given to the use of evaluation criteria for medium-sized contractual arrangements where it will assist in determining the most advantageous supply arrangement to Council over the long term.

The use of evaluation criteria is mandatory for all large-sized contractual arrangements.

The purchasing thresholds described in [Table 1](#) below must be adhered to unless directed in writing by the CEO or otherwise varied by Council. The value of the purchase contract is to be calculated over the full contract period. The appropriate delegated purchasing officer must undertake approval of all Purchase Orders. Purchasing delegations are provided in [Table 2](#).

To the extent of any inconsistency between these purchasing thresholds and any provision of the *Local Government Act 2009*, *Local Government Regulation 2012*, or any other legislation, the legislative requirement will prevail.

Table 1: Purchasing Thresholds

Amount of purchase	Requirement
Under \$1,000	<ul style="list-style-type: none"> <li>a) The Preferred or Prequalified Supplier List shall be utilised for these procurements where such goods and services are on the Preferred or Prequalified Supplier List.</li> <li>b) Quotations are not required, but staff must be able to demonstrate that Council is receiving value for money with the purchase;</li> <li>c) Payment for purchases under \$1,000 can be made with a Corporate Card;</li> <li>d) Staff may make purchases with the prior approval of a purchasing delegate and request reimbursement.</li> <li>e) Staff may request a Purchase Order to be used for the purchase.</li> </ul>
\$1,000 – \$15,000	<ul style="list-style-type: none"> <li>a) The Preferred or Prequalified Supplier List shall be utilised for these procurements where such goods and services are on the Preferred or Prequalified Supplier list. A single written quote shall be obtained.</li> <li>b) Where suppliers cannot be sought from the Preferred or Prequalified Suppliers List, a minimum of two written quotes shall be requested, with the details recorded on the Purchase Requisition. A minimum of two working days is to be allowed for the receipt of such quotes from the time of request.</li> <li>c) A local supplier will be given preference for purchases in this category to encourage the development of local businesses and the availability of such goods and services to the community locally.</li> <li>d) Suppliers may be sourced from Local Buy Panel Arrangements with a written quotation.</li> <li>e) Relevant Quality Assurance and Workplace Health &amp; Safety requirements are to be considered in the procurement of such goods and services.</li> <li>f) Reasons for not accepting the lowest quote from the lowest conforming local supplier must be recorded.</li> <li>g) Where local preference has been applied to award the procurement to a local supplier, the local preference amount applied will be noted.</li> <li>h) The procurement of these goods and services shall be in accord with the conditions of delegation under this policy and the Chief Executive Officer’s delegation to relevant Council Officers.</li> </ul>

Amount of purchase	Requirement
\$15,000 - \$200,000	<p>a) A specification/scope shall be prepared for all goods and services in this category.</p> <p>b) The Preferred or Prequalified Supplier List shall be utilised for these procurements where such goods and services are on the Preferred or Prequalified Supplier list. A minimum of one single written quote shall be obtained.</p> <p>c) Where suppliers cannot be sought from the Preferred or Prequalified Suppliers List or a Local Buy Panel Arrangement, a minimum of three written quotes shall be requested, with the details recorded on the Purchase Requisition. A minimum of four working days, except in the case of emergencies, is to be allowed for the receipt of such quotes from the time of request.</p> <p>d) A Local Supplier will be given preference for purchases in this category to encourage the development of local businesses and the availability of such goods and services to the community locally.</p> <p>e) Public advertising may also be used for this category. Where public advertising is used to source quotations, a minimum of four selection criteria shall be used to assess the submissions. A minimum of ten working days is to be allowed for the receipt of such quotes from the time of advertising</p> <p>f) Relevant Quality Assurance and Workplace Health &amp; Safety requirements are to be considered in the procurement of such goods and services.</p> <p>g) The procurement of these goods and services shall be in accord with the conditions of delegation under this policy and the Council’s delegation to the Chief Executive Officer.</p> <p><b>Note:</b> Council approval is required for all procurements exceeding \$200,000 (excluding GST).</p>
\$200,000 and above	<p>a) Council approval is required for all procurements of \$200,000 or more.</p> <p>b) A detailed specification shall be prepared and shall include any relevant Quality Assurance requirements and Workplace Health and Safety requirements in accordance with the <i>Work Health &amp; Safety Act 2011</i> for all goods and services in this category.</p> <p>c) Selection criteria shall be used to assess the submissions. Relevant Quality Assurance and Workplace Health requirements must be considered when procuring such goods and services.</p> <p>d) A form of contract will be included with the specification.</p> <p>e) The Local Supplier preference arrangements do not apply to this category.</p> <p>f) The tender advertisement/notice shall allow at least 21 days.</p> <p>g) All offers shall be evaluated, and a report prepared for Council’s consideration. Purchase Orders cannot be placed or contracts entered until Council has approved the purchase.</p>

### 3.3. Local Supplier Preference

Council encourages the development of competitive local businesses within its local government area. In this policy, a “local supplier” is a:

- Registered Business that is beneficially owned and operated by persons who are residents within the local government area; or
- Registered Business or individual that has its principal place of business within the local government area of council; or otherwise a
- Registered Business that has a place of business within the local government area of Council, which solely or primarily employs persons who are residents of the local government area.

Where goods or services are available locally but procured from outside the shire, documentation is required to demonstrate that local preference has been considered.

Council has a local preference policy for the procurement of goods and services other than plant hire as follows. If quotations or tender responses are evaluated, the following weightings must be included.

Table 2: Local Supplier Preference values

Contract Value	Evaluation weighting
Up to \$5,000	25%
Greater than \$5,000 up to \$20,000	25%
Greater than \$20,000 up to \$200,000	25%
Greater than \$200,000	None

Plant Hire is excluded from the application of the Local Supplier Preference, as local suppliers have an advantage in regard to the transport of plant to the site.

### 3.4. Purchasing Delegations

The Chief Executive Officer has the delegated authority to allocate financial delegation to positions within Council. These are provided below in Table 3. Any new positions or changes/variations must be approved by the Chief Executive Officer in accordance with the relevant legislation.

Any expenditure must be within the delegations, and delegation holders must operate within their budget. The Chief Executive Officer may remove delegations from a position if misused in any manner.

Table 3: Purchasing Delegations.

Position	Amount
Chief Executive Officer	\$100,000 and above
Manager Finance	\$100,000
Operations Manager	\$100,000
Community Services Manager	\$100,000
Building Services Coordinator	\$15,000
Civil Services Coordinator	\$15,000

Essential Services Coordinator	\$15,000
Aged Care Coordinator	\$5,000
Arts Centre Coordinator	\$5,000
Kindergarten Director	\$5,000
Indigenous Knowledge Centre Coordinator	\$5,000
Operations Accountant / Finance Manager	\$5,000
Office Manager	\$5,000
Executive Assistant to Mayor and CEO	\$5,000
Depot Administration Officer	\$1,000

#### 4. Inclusions and Exclusions

For the purposes of this policy, the following inclusions and exclusions apply:

- Disposal of land and valuable non-current assets. Section 227 of the Local Government Regulation 2012 provides that land and valuable non-current assets must be disposed of by way of auction or by inviting tenders.
- Additional exceptions are permissible where Council considers that one of the following circumstances is evident:
  - Council is satisfied that only 1 supplier is reasonably available;
  - Council determines that, due to the specialised or confidential nature of the services sought, it would be impractical or disadvantageous for Council to invite quotes or tenders;
  - A genuine emergency exists as determined by the Mayor or CEO;
  - The contract is for the purchase of goods and is made by auction;
  - The contract is for the purchase of second-hand goods; or
  - The contract is made with, or under arrangement with, a government body.
- For invoices values less than \$15,000 threshold, variances of \$50.00 or 10% (whichever is less) will be accepted by the Accounts Payable Team.

#### 5. Definitions

<b>Contract</b>	Means a formal, legally binding instrument between the Council and a Contractor which details the terms that govern the performance of work.
<b>Contractor</b>	Means the entity that enters a formal contract to perform work for the Council.
<b>Council</b>	Means Wujal Wujal Aboriginal Council.
<b>Goods and Services Tax (GST)</b>	All values quoted in this policy are exclusive of GST.
<b>Large-sized contractual arrangements</b>	A contractual arrangement with a supplier that is expected to be worth (exclusive of GST) \$200,000 or more in a financial year or over the proposed term of the contractual arrangement.
<b>Life cycle costing</b>	An evaluation of the costs of procuring, owning, operating and disposing of an asset.

<b>Local supplier</b>	A local supplier is a business entity that operates locally, as described in Section 4.3 of this policy.
<b>Medium-sized contractual arrangement</b>	A contractual arrangement with a supplier that is expected to be worth (exclusive of GST) \$15,000 or more, but less than \$200,000 in a financial year or over the proposed term of the contractual arrangement.
<b>Preferred supplier arrangement (PSA)</b>	A form of standing offer where a pre-qualified supplier has provided a standing quotation for the goods or services.
<b>Preferred supplier</b>	A supplier who Council has assessed as having the technical, financial, and managerial capability necessary to perform contracts on time and in accordance with agreed requirements.
<b>Prequalified supplier</b>	A supplier who has been assessed by the local government as having the technical, financial and managerial capability necessary to perform contracts on time and in accordance with agreed requirements.
<b>Purchase order</b>	The official document, normally generated by Council's finance system, used to authorise and record the purchase of goods or services by Council. It is, in most cases, the prime reference confirming the contractual situation between Council and the supplier.
<b>Purchase requisition</b>	The official document that records the Council's requirements for goods and/or services and records the details of any quotes obtained. It is used to raise a Purchase Order in the Finance System. Any staff member may complete a Purchase Requisition, but it must be approved by a Coordinator, Manager or the Chief Executive Officer, depending on the officer's financial delegation authority. Refer to <a href="#">Table 3</a> .
<b>Registered business</b>	A company or entity as defined by the Australian Taxation Office, and that also appears as "Active" in the ABN Lookup and as amended from time to time.
<b>Register of pre-qualified suppliers (ROPS)</b>	Register of Pre-Qualified (Preferred) Suppliers. A pre-qualified supplier is a supplier who has been assessed by Council as having the technical, financial and managerial capability necessary to perform contracts on time and in accordance with agreed requirements. The ROPS is compiled after a tender process.
<b>Sole supplier</b>	A supplier of goods or services that no other suppliers can provide, or with the constraints of distance, it is not viable for other suppliers to compete for the supply of goods or services.
<b>Standing Offer Arrangements (SOA)</b>	An agreement subject to specified terms and conditions whereby Council agrees to purchase their requirements of a specified number or range of items, during a specified time period from the supplier at agreed prices or on an agreed price basis. Typically, no obligation to purchase a specified quantity exists, although estimates for the guidance of the supplier may be given

## 6. Associated Policies

- Corporate Card Policy
- Employee Code of Conduct
- Fraud and Corruption Policy

## **7. Relevant Legislation**

- [Queensland Local Government Act 2009](#)
- [Queensland Local Government Regulations 2012](#)

## **8. Review**

It is the responsibility of the Finance Manager to monitor the adequacy of this policy and recommend appropriate changes. This policy will be formally reviewed annually or as required by Council.



Kiley Hanslow  
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Wujal Wujal Aboriginal Shire Council