COUNCIL POLICY

TITLE:	PROCUREMENT POLICY
ID NUMBER:	CPO-CORPS-CP-001 (DocSetID 2290676)
DEPARTMENT:	CORPORATE
UNIT:	CONTRACTS AND PROCUREMENT
RESPONSIBLE OFFICER:	Director Corporate Services

ADOPTED DATE AND BY WHOM:	16 December 2025 – by Council
EXPIRY DATE:	December 2029
REVIEW DATE:	At least once during each 4-year term of the Council

AVAILABILITY:	Organisation wide	Yes ☒	No ☐
	Public	Yes ☒	No ☐
	Internet	Yes ☒	No ☐
ADVISE AVAILABILITY:	Media Release	Yes ☐	No ☒
	Sou Wester (Responsible Officer to prepare article)	Yes ☒	No ☐

Table of Contents

1. References 3
2. Purpose 3
3. Council Policy and Applicability 4
   3.1 Treatment of GST 4
   3.2 Procurement during the Caretaker Period 4
4. Guiding Principles 4
   4.1 Probity, Accountability and Transparency 4
   4.1.1 Disclosure of Information 5
   4.2 Strategic Procurement 6
   4.3 Value for Money 6
   4.4 Risk Management 8
5. Council Policy 9
   5.1 Procurement Structure, Processes, Procedures and Systems 9
   5.2 Procurement Methods 9
   5.3 Collaborative Procurement 10
   5.4 Tender Evaluation 11
   5.5 Panel Arrangements 11
6. Procurement Monitoring, Reporting and Non-Compliance 12
7 Effective Legislative and Policy compliance and Control 12
   7.1 Financial delegations 12
   7.2 Delegation Limits 13
   7.3 Procurement Thresholds 14
   7.4 Exemptions from Procurement Thresholds 14
   7.5 Aggregate Spend 15
   7.6 Public Interest Disclosure Procedures 15
8. Gender Impact Assessment 15
9 Records Management 15
10 Victorian State Legislation Copyright Acknowledgement 16
11 Appendix A - Definitions 17
12. Appendix B – Social and Environmental Procurement 20
   12.1 Social Procurement 20
   12.2 Environmental Procurement 20
13. Appendix C Information Technology equipment and software procurement requirements. 21
14. Appendix D – Exemptions 23

1. References

- *Local Government Act 2020 (Vic)*
- *Gender Equality Act 2020 (Vic)*
- *Protected Disclosures Act 2012 (Vic)*
- *Victorian Industry Participation Policy Act 2003 (Vic)*
- *Charter of Human Rights and Responsibilities Act 2006 (Vic)*
- *Privacy and Data Protection Act 2014 (Vic)*
- *Occupational Health and Safety Act 2004 (Vic)*
- *Competition and Consumer Act 2010*
- Local Government (General) Regulations 2015 (Vic)
- Department of Treasury and Finance, Competitive Neutrality Policy 2012
- Victorian Local Government Best Practice Procurement Guidelines 2024
- Local Jobs First Policy (LJFP) Guidelines
- Australian Standards Code of Tendering AS 4120-1994
- Instruments of Delegation by the CEO to Officers authorised to procure goods, services and supplies on behalf of Council
- Glenelg Shire Council, Records Management Policy OPO-CORPS-RECM-001
- Glenelg Shire Council, Discipline Procedure OPR-CEO-OD-014
- Glenelg Shire Council, Staff and Councillor Code of Conduct OPO-CEO-HR-003
- Glenelg Shire Council, Councillor Code of Conduct CPO-CEO-CS-008
- Glenelg Shire Council, Environmental Sustainability Policy CPO-ASSETS--EV-001
- Glenelg Shire Council, Gifts, Benefits and Hospitality Policy and Procedure CPO-CEO-CS-007
- Glenelg Shire Council, Current Credit Card Policy OPO-CORPS-FI-007
- Glenelg Shire Council, Petty Cash Policy CPO-CORPD-FI-004
- Glenelg Shire Council, OHS Contractor Management Procedure OPR-CORPS-RM-012
- Public Interest Disclosure Procedure (DocSetID: 2580165)

2. Purpose

The purpose of this Policy is to guide Council's procurement activities in a manner that promotes open and fair competition, ensures Value for Money, and upholds the principles of transparency, probity, and accountability. It supports ethical, efficient, and effective procurement practices that deliver value to the community and align with Council's strategic objectives.

Council is required under section 108 and 109 of the *Local Government Act 2020* (*the Act*) to prepare, adopt and comply with its Procurement Policy. In accordance with *the Act*, the Procurement Policy sets out the key principles and process applied to the purchases of Goods, Services and Works by Council.

3. Council Policy and Applicability

This Policy applies to all procurement activities undertaken by Council and is binding upon Councillors, Council Officers, Contractors, Consultants and or third parties acting on behalf of Council to comply with the principles and framework set out in this policy.

In accordance with *the Act*, this Policy seeks to ensure open and fair competition and Value for Money whilst upholding the principles of transparency, probity and accountability.

Key terms used throughout this policy are defined in the Definitions section within this policy.

3.1 Treatment of GST

All monetary values stated in this policy exclude GST, unless specifically stated otherwise.

3.2 Procurement during the Caretaker Period

In accordance with section 69 of *the Act*, Council must not make major procurement decisions during the caretaker period that could influence the outcome of an election or bind an incoming Council.
All procurement activities during the caretaker period must:

- Be assessed for political or commercial risk;
- Be clearly and appropriately documented; and
- Comply with all relevant probity principles and legislative requirements.

Further guidance will be provided by Council through caretaker period protocols and/or be referenced within Council's procurement policy or guidelines.

4. Guiding Principles

Council's procurement processes shall be based on the following principles, irrespective of the value and complexity of that procurement.

4.1 Probity, Accountability and Transparency

Council is committed to upholding the highest standards of probity, accountability and transparency in all procurement activities, in line with *the Act*, and the Victorian Best Practice Procurement Guidelines (2024).

All Councillors, Council officers and authorised agents involved in procurement activities must act ethically, impartially and in the public interest. They are individually accountable for their decisions and the outcomes of procurement processes undertaken on behalf of Council.

All procurement activities must be conducted in a manner that:

- Complies with *the Act*, this Procurement Policy, associated procurement manual or guidelines, relevant legislation and applicable standards.
- Demonstrates integrity, fairness, and transparency.
- Is defensible under internal and external scrutiny.
- Manages conflicts of interest and maintains public trust.
- Prevents and mitigates risks such as fraud, corruption or collusion.

Where procurement activities are carried out by authorised agents on Council's behalf (e.g. external parties, consultants, contractors), they must comply with the same legal, ethical and procedural obligations as Council officers.

To support probity and accountability, Council will:

- Apply consistent and transparent processes that ensure fair and equitable treatment of all suppliers.
- Ensure procurement criteria and conditions are not changed after public release unless formally approved in line with policy or procedure.
- Require all participants involved in procurement activities to act in good faith, declare and manage conflicts of interest, and adhere to relevant codes of conduct and ethical standards.
- Prohibit the acceptance of any gifts, benefits or hospitality from current or prospective suppliers in accordance with Council's Gifts, Benefit's and Hospitality policy.

4.1.1 Disclosure of Information

Commercial in Confidence information received by Council must not be disclosed and is to be stored in a secure location. Councillors and Council staff must take all reasonable measures to maintain confidentiality of:

- Information submitted by suppliers in tenders, quotations or during tender negotiations; and
- Information that is marked confidential, or reasonably understood to be confidential due to its nature; and
- Any details related to current or proposed contracts, particularly where disclosure could compromise Council's position or breach probity.

Discussion with potential suppliers during tender evaluations should not go beyond the extent necessary to resolve doubts on what is being offered by that supplier.

At no stage should any discussion be entered into which could improperly influence the procurement process or negotiation of a contract prior to the contract approval process being finalised, other than authorised pre- contract negotiations.

4.2 Strategic Procurement

Council adopts a strategic approach to procurement to maximise value and efficiency.

Each procurement activity will be planned with consideration of the following principles:

- Opportunities for aggregated purchasing across Council or with other entities through approved purchasing schemes.
- Collaborative or joint procurement arrangements.
- Utilisation of existing internal and external supplier panels or contracts; and
- Alternative contracting models that best support the delivery of outcomes;
- Be undertaken to promote economic activity within the shire where possible.

Guidance materials and procurement planning templates are available to support council officers in applying these principles effectively throughout the procurement process.

4.3 Value for Money

Council is committed to achieving Value for Money in all procurement decisions. This means selecting the option that offers the best overall outcome - not just the lowest price, but based on a balanced assessment of cost, quality, risk, sustainability and social impact over the entire lifecycle of the goods, services or works

Council's approach to Value for Money includes integration of Quadruple Bottom Line (QBL) principles which means ensuring that economic, environmental, social, and ethical considerations are embedded into procurement planning and decisions wherever practical and proportionate.

In applying the Value for Money principle, Council will:

- *Consider Whole-of-Life Costs*: including planning, acquisition, operation, maintenance, and disposal.
- *Optimise Quality and Performance*: ensuring goods, services, and works are fit for purpose, durable, and supported by service warranties where appropriate.
- *Deliver Broader Community Benefits*: encouraging procurement outcomes that generate positive social, economic, and environmental impacts, including through support of local, social, Indigenous, and inclusive suppliers.
- *Champion Sustainable and Ethical Procurement*: engaging suppliers who demonstrate compliance with fair, ethical, and socially responsible labour practices, and who meet legislative and regulatory obligations, including workplace safety.
- *Minimise Environmental Impact*: selecting products and services that

reduce resource consumption, emissions, waste, and environmental degradation.

- *Support Innovation:* encouraging new solutions, technologies, or delivery models that improve outcomes or efficiencies.
- *Promote Fair Competition and Efficiency*: ensuring open, transparent procurement processes that support innovation and reduce duplication.
- *Enable Collaboration and Aggregation*: leveraging shared services, panel arrangements, and approved purchasing schemes where appropriate.

Further details regarding sustainable and social procurement are within Appendix B.

4.3.1 Quadruple Bottom Line (QBL) Principles

Council will, wherever appropriate, incorporate the following Quadruple Bottom Line considerations into its procurement planning and decision making:

a. Economic

Support local suppliers (as defined in this policy's definition), small to medium enterprises (SMEs), and regional businesses

- Create local jobs and stimulate economic development within the Council area and neighbouring Councils.
- Consider long-term value and cost-effectiveness, not just upfront price.

b. Environmental

- Reduce waste, greenhouse gas emissions, and resource use.
- Prioritise recycled, energy-efficient, or sustainably made goods and services.
- Support the circular economy and climate resilience through environmentally responsible purchasing.

c. Social

- Promote diversity, equity, and inclusion across supply chains.
- Support Indigenous-owned businesses, disability enterprises, and certified social benefit suppliers.
- Provide employment and training opportunities for disadvantaged or marginalised groups.

d. Ethical Governance

- Work with suppliers who follow ethical practices including fair labour and safe workplaces. and compliance with modern slavery laws.
- Maintain transparency, integrity, and compliance in all procurement activities.

4.4 Risk Management

Procurement activities must be properly planned and executed to protect Council from risks including but not limited to; personal injury, property damage, financial loss, reputational harm, legal exposure, and disruption to the delivery of goods, services, or works.

To minimise procurement-related risks and uphold best practice, Council implements the following risk mitigation strategies:

- **Procurement Planning**: allowing sufficient time for procurement preparation, market engagement, and internal approvals to reduce the risk of rushed or non-compliant processes.
- **Standardised Contract Documentation**: using Council approved templates that include legally reviewed terms and conditions to ensure consistency and reduce contractual ambiguity.
- **Securities**: requiring appropriate security deposits such as bank guarantees to protect against supplier non-performance or contract default
- **Due diligence Checks**: undertaking financial and reference checks on new and existing suppliers, with periodic reviews as needed to ensure ongoing capability and compliance.
- **Subject Matter Expert Input**: referring complex or technical specifications to qualified internal or external subject matter experts to ensure clarity, feasibility, and risk mitigation.
- **Contract Execution before Commencement**: ensuring that all contracts are fully executed and documented before any goods are delivered, services commenced, or payments issued.
- **Standards and Compliance**: incorporating relevant Australian Standards, legislative requirements, and industry best practices into specifications and contract terms.
- **Ongoing Contract Management**: requiring contract managers to actively monitor contractor performance, deliverables, and compliance throughout the contract term, with issues documented and addressed promptly.

Ensuring staff have adequate training and understanding of the procurement policy and processes.

These practices are consistent with the Local Government Best Practice Procurement Guidelines 2024, which emphasises proactive risk planning, transparency, and strong governance as essential to achieving Value for Money and ensuring public confidence in procurement outcomes.

5. Council Policy

5.1 Procurement Structure, Processes, Procedures and Systems

Council maintains a procurement function responsible for:

- Maintaining the Procurement Policy and associated guidelines, processes and procedures.
- Maintaining appropriate purchasing, procurement, and contract management systems and tools.
- Providing procurement-related advice and support to the organisation as required.
- Building organisational procurement and contract management capability (including delivery of training and provision of guidance materials).
- Promoting awareness and monitoring of compliance with this Policy.
- Ensuring Legislation is followed, reporting breaches and corrective actions in a timely manner.
- Collaborating with other councils and organisations to identify best practice in and achieving better value from procurement.

Council will maintain internal procurement control documents detailing the processes, procedures and systems related to procurement including maintaining details of tendered contracts.

5.2 Procurement Methods

The standard methods for procurement activities are:

- Purchase Order (preferred method).
- Purchase Card.
- Request for Quotation (RFQ) process, followed by a Contract and or Purchase Order.
- Request for Tender (RFT) process, followed by a Contract and or Purchase Order.
- Approved Purchasing Schemes or Panel Contracts.

All procurement activities must:

- Be supported by identified and available funding.
- Be authorised in accordance with Council's approved financial delegations and thresholds.
- Involve more than one person with appropriate documentation and approvals to ensure transparency and accountability.

5.2.1 Expressions of Interest (EOI)

Expressions of Interest may be used where:

- Multiple suppliers are likely.
- Full tendering is burdensome, or procurement is complex.
- Vendor interest or capability is uncertain.
- Council seeks preliminary advice from the market.

5.2.2 Alternative Approaches Following an Unsuccessful Tender

If a public tender process concludes with no submissions received, Council may consider alternative procurement approaches, including:

- Reissuing the tender in its original form.
- Revising the scope or requirements and reissuing the tender.
- Inviting a limited number of suitable suppliers to submit proposals (Select Sourcing).
- Entering direct negotiations with a supplier (Sole Sourcing).

Any alternative procurement approach must be:

- Supported by documented market analysis and a clear rationale for the selected approach.
- Demonstrated to achieve Value for Money, fairness, and probity, in line with *the Act*, this Policy, and best practice procurement principles.

5.3 Collaborative Procurement

In accordance with Section 108 (c) of *the Act*, Council will actively seek opportunities to collaborate with other councils and public bodies in the procurement of goods, services or works, where such collaboration can deliver economies of scale, improved value for money, or other strategic benefits.
Council officers must give due consideration to collaborative procurement opportunities as part of the planning phase for all procurement activities.

Where a procurement recommendation is brought before the Council, the accompanying report must include:

- An outline of any potential collaborative procurement opportunities identified, including the public bodies or councils involved; and
- A statement explaining why Council did, or did not, pursue the identified opportunities for collaboration in relation to that procurement process.

5.4 Tender Evaluation

Council is committed to ensuring a fair, consistent, and transparent approach to the evaluation of tenders. To uphold these principles:

- Late tenders will not be accepted under any circumstances to ensure procedural fairness and integrity.
- Tender evaluation criteria and weightings will be documented and approved prior to issuing any tender to ensure transparency and consistency in assessment.
- An Evaluation Panel comprising appropriately qualified and briefed members will be established for each tender process. The panel will assess submissions objectively against the pre-determined criteria.
- Where beneficial, external representatives with relevant expertise may be included on the Evaluation Panel or engaged as advisors to enhance capability and ensure appropriate oversight.
- All panel members must complete a Conflict-of-Interest declaration before commencing any evaluation activities. Identified conflicts must be managed in accordance with Council's policies and procedures.
- The evaluation process will be conducted in a manner that is robust, unbiased, and able to withstand internal and external scrutiny.
- A Probity Advisor should be engaged, and a Probity Plan developed for complex, high-value or high-risk procurements, particularly those exceeding $5 million.

5.4.1 Contract Negotiations and Best and Final Offer (BAFO) Process

To ensure the best value outcome for Council, contract negotiations may be conducted with one or more shortlisted tenderers, provided such negotiations remain consistent with the original scope, intent and probity principles of the tender process.

Council may also implement a shortlisting process as part of the evaluation. Where appropriate, shortlisted tenderers may be invited to submit a Best and Final Offer (BAFO) to allow Council to clarify, refine, or enhance proposals prior to final contract award.

Any negotiation or BAFO process will be conducted in a fair, transparent, and equitable manner, in line with *the Act*, relevant procurement best practice guidelines and Council's procurement policy.

5.5 Panel Arrangements

When accessing established panel arrangements quotations should be sought consistent with the guidelines set out in Clause 7.3 to ensure that any procurement through panels demonstrates value for money and competitive process.

An exception is that an Approved Supplier may be appointed directly for works up to $15,000 where a schedule of rates has been provided under the terms of

the panel. For procurements greater than $15,000 the quotation requirement outlined in 7.3 should be followed.

Note: If an existing panel or unit rate contract is in place for goods, (such as a specific price per unit), Council Officers can access these contracts without the need to undertake a full Request for Quote process where value for money can be provided

6. Procurement Monitoring, Reporting and Non-Compliance

Council is committed to transparency, accountability, and continuous improvement in all procurement activities.

The Procurement Team is responsible for monitoring procurement performance and compliance with this policy. This includes oversight of:

- Procurement activities and trends
- Use of Procurement exemptions
- Alignment with procurement thresholds and financial delegations
- Documentation and record keeping practices

Non-compliance Management:

- Minor or administrative non-compliance will be addressed by relevant Council staff in leadership positions, with a focus on education and corrective action.
- Serious or repeated breaches, or matters involving probity, integrity, or public interest concerns, will be escalated to the Audit and Risk Committee, Executive Leadership Team, through an Attestation Report and reported to Council where required.

Any breach of this Policy may be considered a breach of organisational policy and could result in disciplinary action including potential termination. Breaches will be assessed in accordance with relevant internal policies and frameworks, including those governing:

- Staff and Councillor conduct
- Fraud and corruption prevention
- Ethical and accountable behaviour

All staff are responsible for compliance with this policy.

7 Effective Legislative and Policy compliance and Control

7.1 Financial delegations

Section 47 of *the Act* defines the process for Council to delegate its powers, duties and functions to a member of its staff. Council has by an appropriate Instrument of Delegation, delegated powers and responsibilities to the Chief Executive Officer.

In turn the Chief Executive Officer has by an appropriate Instrument of Delegation, delegated powers and responsibilities to Officers as appropriate to perform their role.

Council maintains a documented system of procurement delegations, which controls employee authorisation limits in line with the below authorisation limit table. Officers must be aware of their role and financial responsibilities and must ensure that all purchases they make are within their delegated authority.

7.2 Delegation Limits

Delegation limits for requisition and purchase order approvals are set by the CEO under the CEO's power of delegation. Procurement delegation limits for the CEO are set by Council.

Officers responsible for procurement are prohibited from splitting invoices for the purpose of avoiding established procurement delegations.

Any Council employee may requisition works, goods or services. However, only employees with delegated authority, as listed below, can authorise the associated requisition or purchase order:

Position Title	Delegated Limited (GST exclusive)	Procurement Activities / Additional Guidance & Conditions
CEO (or delegate)	up to $400,000	• Purchase Orders • Procurement Exemptions • Contracts • Contract Variations: (Maximum limit under delegation *cumulative*) All expenditure including contract variations must be within the approved budget, otherwise escalate
Directors (or delegate)	up to $200,000	• Purchase Orders • Procurement Exemptions • Contracts • Contract Variations: (Maximum limit under delegation – *cumulative*) All expenditure including contract variations must be within the approved budget, otherwise escalate
Senior Executive Officer/Managers	up to $100,000	• Purchase Orders
Coordinators	up to $50,000	• Purchase Orders
Team Leaders	up to $20,000	• Purchase Orders
Business Support Officers	up to $10,000	• Purchase Orders

If an officer holds a credit card with an approved credit limit higher than the authorised officer's limit, then this takes precedent.

7.3 Procurement Thresholds

A public tender process must be used for all procurements valued at $200,000 (exc GST) and above.

For procurements valued under $200,000 (exc GST), the following thresholds below apply:

Value Excl GST	Minimum Procurement Requirement	Additional Guidance
Up to $2,000	Best price available 1 Verbal or Written Quote	Quote to be saved in Sharepoint
$2,001 - $10,000	1 Written Quote	Quote to be saved in Sharepoint
$10,001 to $50,000	2 Written Quotes	Quotes to be saved in Sharepoint
$50,001 to $200,000	3 Written Quotes	
$200,001 +	Public Tender	Evaluation report to CEO (contracts up to $400,000) Council Report (above $400,001)

Employees must not generate multiple purchase orders for the one supplier to circumvent the above procurement limit processes.

7.4 Exemptions from Procurement Thresholds

An exemption to the Procurement Thresholds and procedures may be requested under the following circumstances:

- In matters of Emergency including public health, security, or safety or because of an unforeseen event or occurrence;
- Installations where a change in supplier would necessitate the procurement of Goods and Services that do not meet the requirements for interoperability or interchangeability;
- An absence of competition for technical reasons;
- The Goods, Services or Works are required as part of a grant, funding agreement, lease or similar arrangement specifically stating how the Goods, Service or Works are to be provided or undertaken; and
- Where the procurement is on Council's exemption list (refer to Appendix D).

An exemption cannot be sought by the CEO if the value of the procurement is over $200,000. In this case, an exemption can be sought from Council.

Exemptions regarding application of the mandatory weightings as stated in Appendix B can only be approved by the CEO. A 'Procurement Policy Exemption Form' must be completed.

7.5 Aggregate Spend

There is no specific length of time applicable to a contract for the purpose of applying thresholds, where significant amounts are spent in aggregate either on one supplier or for one service over time.

The test(s) to be applied in determining the financial value of a contract are;

The value of a contract is the aggregate value of the contract over the term of the contract.

- If the term of the contract is not clear, a default term of 2 years is to be used for cumulative expenditure.
- Where the aggregate value of similar suppliers across Council exceeds the relevant threshold over a 2 year period.
- Where the aggregate value of the same supplier exceeds the relevant threshold over a 2 year period.
- Reviews of the aggregate spend of all Council suppliers will be conducted quarterly and where aggregate expenditure with suppliers not under contract exceeds the above threshold, formal tenders will be called for the supply of the relevant categories of goods services or works.

7.6 Public Interest Disclosure Procedures

The position of Director Corporate Services is the appointed Public Interest Disclosure Coordinator (PID). If improper conduct is suspected, Council's PID Coordinator can be contacted as follows:

Public Interest Disclosure Coordinator
Mr David Hol
Director Corporate Services
Phone: (03) 5522 2222
Email: pid@glenelg.vic.gov.au
(dedicated public interest disclosure email address)
or dhol@glenelg.vic.gov.au

8. Gender Impact Assessment

In accordance with the *Gender Equality Act 2020* (Vic), Council is committed to ensuring a gender lens is applied to all new policies, programs and services that directly and significantly impact the public and ensure that a gender impact assessment (GIA) is conducted as needed. Records of GIA conducted must be saved in the records management system with the relevant procurement in accordance with the GIA Policy.

9 Records Management

All Council records created and managed as a result of implementing this policy will be managed in accordance with the Council's Records Management Policy.
The Records Management Policy assigns responsibilities for records management to employees, supervisors, volunteers and other specific positions.

No Council records are to be destroyed without consideration of the requirements of the *Act*(s) that govern the functions relevant to this policy. Prior to destruction, advice must be sought from the Records Management Unit, with consideration to the requirements of the appropriate Retention and Disposal Authority (RDA).

10 Victorian State Legislation Copyright Acknowledgement

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11 Appendix A - Definitions

Term	Definition
the Act	Local Government Act 2020 (Vic).
Best Practice	As defined in the Local Government Best Practice Procurement Guidelines or any other document specified by Council.
Collaborative Procurement Arrangement	a contract established by Council, government or a nominated agent, such as Procurement Australasia, Municipal Association of Victoria (MAV) or a local government entity, for the benefit of numerous state, federal and/or local government entities and others that achieves best value by leveraging combined economies of scale.
Commercial in Confidence	Information that, if released, may prejudice the business dealings or commercial interests of the Council or another party (e.g. prices, discounts, rebates, profits, methodologies, and process information etc.)
Conflict of Interest	Any general or material conflict as defined in sections 127–128 of *the Act*, where personal, professional or financial interests may, or may appear to, influence impartial decision-making.
Contract Management	The process that ensures all parties to a contract fully meet their respective obligations as efficiently and effectively as possible, to deliver the contract objectives and provide Value for Money.
Contract Variation	A Contract Variation refers to any modification made to the original terms and conditions of an executed contract. Variations may be financial or non-financial in nature and must be managed transparently, appropriately documented and assessed to ensure they do not undermine the principles of value for money, probity, equity, or open and fair competition.
Contract Variation - Financial	A variation that alters the contract's monetary value. This includes: • Increases or decreases in contract cost, • Whether within or exceeding approved contingencies, Subject to approval in line with Council's financial delegation limits and governance requirements
Contract Variation - Non-Financial	A variation that does not result in a financial adjustment but alters other contractual parameters, such as: • Project timelines or milestones, • Scope, specifications or design details, • Working hours or access arrangements, • Location or quantity changes or Any other aspect of the contract provided it doesn't impact cost
Council	Glenelg Shire Council
Council Officer	Any Council employee, contractor or consultant authorised to act on behalf of the Council, including Councillors in their official capacity.
Emergency	A sudden or unexpected occurrence requiring immediate action eg: • 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 unplanned event such as damage of council property including road infrastructure or IT incidents which may require the immediate procurement of goods, services or works to ensure business continuity and/or community safety; • 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;
Local Supplier	is defined as a commercial business that meets at least one of the following criteria: • Maintains an operational premises that is physically located within the municipal boundaries of Council; **or** • Delivers, sources or undertakes the majority of their goods, services or works within the Council area; **or** is located within a municipality that borders Council where geographic proximity clearly contributes to local, economic, social or community outcomes.
Material Breach	Any breach of this policy that may also represent a breach of legislation such as procurement thresholds, fraud or corruption, and occupational health and safety.
Panel Contract	A panel contract (or standing offer arrangement) is a procurement method where a council selects multiple suppliers through a tender process for works, goods and services on a regular basis over a specified time. They allow Council staff to purchase from these panel suppliers without a public procurement process for each individual purchase. Panel contracts cannot be used to purchase works, goods or services that fall outside the scope of the original arrangement. Any other service outside of the original scope would need to be procured via a different procurement process.
Probity	Probity is the evidence of ethical behaviour, and can be defined as complete and confirmed integrity, uprightness, and honesty in a particular process. Probity is a defensible process which can withstand internal and external scrutiny, which achieves both accountability and transparency, providing respondents with fair and equitable treatment.
Procurement	Refers to the end-to-end process of acquiring external goods, services, and works. It encompasses the entire lifecycle, from initial planning and concept development through to contract completion, asset disposal, or the conclusion of a service. Procurement also includes the organisational structures, governance, and compliance frameworks that support and guide procurement activities within the council operations.
Total Contract Sum	The potential total value of the contract including: • costs for the full term of the contract, including any options

	for either party to extend the contract • applicable goods and services tax (GST) • anticipated contingency allowances or variations all other known, anticipated and reasonably foreseeable costs.

12. Appendix B – Social and Environmental Procurement

12.1 Social Procurement

Council supports procurement that not only delivers appropriate value for money but also generates positive social outcomes. This includes fostering and maintaining a strong community by exploring ways to generate local employment and further strengthening the local economy.

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.

Council requires all procurement evaluation criteria to include the following:

Evaluation Criteria	Weighting
Economic Contribution to the Shire	up to 25%

12.2 Environmental Procurement

The way in which Council procures materials and services has an impact on its environmental, economic, and social obligation through:

- Ensuring suppliers minimise the environmental impact of their operations and maintain environmentally responsible policies and practices including reducing their greenhouse gas emissions.
- Selecting products/services that have minimal effect on the depletion of natural resources and biodiversity and promote a circular economy.
- Improving our ability to adapt to climate change.
- Reducing water consumption and improving water management.
- Improving equity of access to opportunities.
- Supporting and fostering social and service innovation and emerging sectors.

Council is also committed to minimising Council's environmental footprint by purchasing goods and services with fewer impacts on the environment.

Council requires all procurement evaluation criteria to include the following:

Evaluation Criteria	Weighting
The level of commitment demonstrated to maximise environmental sustainability	15%

13. Appendix C Information Technology equipment and software procurement requirements.

The IT department is responsible for the procurement of all Council software and IT equipment. All purchases that incorporate technology must be approved by the Executive Leadership Team.

These technologies include applications hosted both inside and outside Council's network, software that is licensed or on subscription, available on websites or over the internet, apps that hold Council data, online booking systems, community consultation platforms, tracking, reporting and monitoring systems, smart sensors, business directories, open data platforms, livestreaming and digital permit systems.

Engaging early at the procurement or project initiation stage will reduce delays, ensure the solution is viable and provide better outcomes. Minimum requirements to be met include:

- Compatibility and integration with existing systems.
- Compliance with privacy, data protection and cyber security standards.
- Avoidance of functional duplication.
- Network capability.
- Alignment with Council's strategic direction.

The following forms must be completed prior to approval of any technology acquisition and require Director approval to progress.

The Software Acquisition Request Form outlines the business needs, initial and ongoing costs, implementation and integration requirements, budget alignment, and the type of data to be entered and stored.

The Hardware Request Acquisition Form outlines the intended purpose, compatibility with existing systems, security requirements, initial cost, expected lifespan, whether it is a new or replacement asset and budget alignment.

Please contact IT for assistance with completing the forms.
Renewal or upgrade of existing IT equipment purchased outside the life cycle costs will need to be budgeted for by the unit.

Where a project requires software acquisition, budget for implementation and licensing costs for the first year must be within the project scope and budget. The software will then be included in the IT application budget for the ongoing lifecycle costs.

Renewal or upgrades of applications is the responsibility of Application Owners. They are responsible for assessing the performance and functionality of software prior to renewal or upgrade, ensuring it continues to meet business needs, provides value for money, is vendor-supported, remains up-to- date and is compatible and compliant with Council's systems.

Australian Privacy Principles and Council Polices require all personal, sensitive and confidential data be stored and retained in Australia. Any request where data is stored outside Australia may be rejected.

Council monitors its IT networks. Any unapproved software and hardware detected will be investigated, and breaches may result in immediate removal.

14. Appendix D – Exemptions

The following procurements are either exempt from market engagement and/or the requirement for a Purchase Order. With the Chief Executive's approval, exemptions can be added or removed from this list at any time.

Category	Description	Exempt from market engagement	Exempt from purchase order
Utilities	Where there is only a single provider such as: Water Services	Yes	Yes
Utilities	Where there are multiple providers such as: Power Gas Telecommunications	No	Yes
Insurance premiums and claims	WorkCover and other insurances	Yes	Yes
Prescribed contracts	Legal services	Yes	No
Payroll expenses	Superannuation, PAYG and long service entitlements	Yes	Yes
GST	Goods and Services Tax payable.	Yes	Yes
Postage	Australia Post	Yes	Yes
Vehicle registrations	VicRoads vehicle registrations	Yes	Yes
Councillor expenses	Allowances and Reimbursements	Yes	Yes
Refundable trust funds	Includes Security Bonds, Contract Retentions and other funds held in trust	Yes	Yes
Collaborative procurement providers	Municipal Association of Victoria, Procurement Australia, State Government prequalified supplier list	Yes	No
Levies, fees or fines due by Council to	EPA Victoria Levy	Yes	Yes

Category	Description	Exempt from market engagement	Exempt from purchase order
another level of Government.	State Revenue Office – Land Tax	Yes	Yes
	State Revenue Office - Emergency Services and Volunteers Fund (ESVF)	Yes	Yes
	Department of Transport – Valuations (supplementary & objection)	Yes	No
	Dept of of Jobs, Precincts & Regions – Sec 69 cat, dog & DAB registrations	Yes	No
	Wannon Water – fire plug maintenance Department of Transport – Traffic Signal Maintenance, Main Rds Street lighting Council contribution (60/40 split) Powercor – provide maintenance for public lighting and power connections and upgrades to facilities, Victorian Electoral Commission - Council Elections	Yes	No
Council Contribution	Council contributions – approved as part of the budget	Yes	No
Novated Contracts	Where the initial contract was entered into in compliance with *the Act* and due diligence has been undertaken in respect to the new party.	Yes	No
Other	Acquisition of Land and Buildings.	Yes	Yes
	Medical expenses (including workcover)	Yes	No
	Venue hire	Yes	Yes
	Memberships and subscriptions. - approved as part of the budget	Yes	No
	External audit fees – Victorian Auditor- General's Office	Yes	No

Category	Description	Exempt from market engagement	Exempt from purchase order
	Annual community grants	Yes	Yes
	Professional workshop and conference registration fees and associated costs	Yes	No
	Loans and investments	Yes	Yes
	Advertising for: General Public notices Recruitment	Yes	No
	Accommodation associated with provision of employment.	Yes	No
	Salary Packaging	Yes	Yes
	Leases for equipment	Yes	Yes
	Supermarket Purchasing cards	Yes	Yes
	Where the acquisition is of a cultural or artistic nature i.e. a live show or art piece, and the purchase is within the adopted budget	Yes	Yes