

1. INTRODUCTION

- 1.1 SRWRA is committed to a fair, transparent, and accountable process when acquiring goods and services, consistent with Section 49 of the Local Government Act 1999.
- 1.2 This Policy seeks to:
 - 1.2.1 define the methods by which SRWRA can acquire goods and services
 - 1.2.2 demonstrate accountability and responsibility of SRWRA to its member Councils
 - 1.2.3 be fair and equitable to all parties involved
 - 1.2.4 enable all processes to be monitored and recorded; and
 - 1.2.5 ensure the best possible outcome is achieved for SRWRA.
- 1.3 However, this Policy does not cover:
 - 1.3.1 the disposal of land and other assets owned by SRWRA; or
 - 1.3.2 the purchase of land by SRWRA.

2. POLICY OBJECTIVE

SRWRA aims to achieve advantageous procurement outcomes by:

- 2.1 enhancing value for money through fair, competitive, non-discriminatory procurement
- 2.2 promoting the use of resources in an efficient, effective, and ethical manner
- 2.3 making decisions with probity, accountability, and transparency
- 2.4 advancing and/or working within SRWRA's economic, social, and environmental policies
- 2.5 providing reasonable opportunity for competitive local businesses
- 2.6 appropriately managing risk; and
- 2.7 compliance with all relevant legislation.

3. POLICY SCOPE

This policy applies to the procurement of all goods, services, and works and is binding upon all persons undertaking this process on behalf of SRWRA procurement for Joint Ventures is covered under Procurement Policy within each entity.

4. PROCUREMENT PRINCIPLES

SRWRA must have regard to the following principles in its acquisition of goods and services:

- 4.1 Encouragement of open and effective competition
- 4.2 Obtaining Value for Money
 - 4.2.1 This is not restricted to price alone.
 - 4.2.2 An assessment of value for money must include, where possible, consideration of:
 - 4.2.2.1 the contribution to SRWRA's long term plan and strategic direction
 - 4.2.2.2 any relevant benefits to SRWRA, both tangible and intangible
 - 4.2.2.3 efficiency and effectiveness of the proposed procurement activity

- 4.2.2.4 the performance history, quality, scope of services and support of each prospective supplier
 - 4.2.2.5 fitness for purpose of the proposed goods or service
 - 4.2.2.6 whole of life costs
 - 4.2.2.7 SRWRA's internal administration costs
 - 4.2.2.8 technical compliance issues
 - 4.2.2.9 risk exposure; and
 - 4.2.2.10 any associated environmental benefits.
- 4.3 Probity, Ethical Behaviour and Fair Dealing
- 4.3.1 SRWRA staff involved in the procurement process will at all times undertake their duties in an ethical and impartial manner with the highest level of integrity. SRWRA staff will not engage in any activity that would create a conflict between personal interests and the interests of SRWRA. SRWRA staff are bound by the Code of Conduct for SRWRA Employees.
 - 4.3.2 SRWRA will refer to the Unsolicited Bids Policy in the event of an unsolicited proposal.
- 4.4 Accountability, Transparency and Reporting.
- 4.5 Compliance with all relevant legislation
- 4.6 Local economic development: to the extent permitted by law, utilise local providers and provide local businesses the opportunity to quote and give preference to goods made locally and suppliers whose activities contribute to local economic development.
- 4.7 Environmental protection
- 4.8 Work, Health & Safety
- 4.8.1 SRWRA will only engage suppliers who are able to maintain a level of Work Health and Safety acceptable to SRWRA. As a minimum, this will be compliance to the Work Health Safety Act SA 2012, all associated regulations and all requirements relating to contractors, as specified in terms and conditions of contractual arrangements.
- 4.9 Risk Management
- 4.9.1 Risk assessments when undertaking procurement may influence the type of approach to market, with higher risk activities requiring more formal procurement planning methodology and higher level of oversight.

5. PROCUREMENT METHODS

SRWRA may, having regard to its Procurement Principles and any other factors considered relevant, in its absolute discretion, determine to utilise one or more of the following procurement methods:

- 5.1 Direct Purchasing
 - 5.1.1 This is purchasing from a single source, without first obtaining competing bids.
 - 5.1.2 This method may be suitable for low value, low risk goods and services, and where the supplier already has a successful service history with SRWRA.
- 5.2 Quotations (Informal)

- 5.2.1 This is obtaining quotations from prospective suppliers.
- 5.2.2 Generally, a minimum of three quotations are sought.
- 5.2.3 This method may be suitable for low value, low risk goods and services.
- 5.3 Request for Quotations (RFQ)
 - 5.3.1 This is where SRWRA obtains written quotations from prospective suppliers.
 - 5.3.2 Generally, a minimum of three written quotations are sought.
 - 5.3.3 This method may be suitable for simple, largely price-based purchases.
- 5.4 Request for Tenders (RFT)
 - 5.4.1 This is where SRWRA issues a tender for a proposed goods and/or service.
 - 5.4.2 SRWRA may issue a “Select” Request for Tender where it has reasonable grounds for only dealing with a select group of potential suppliers.
 - 5.4.3 Otherwise, SRWRA may issue an “Open” Request for Tender.
- 5.5 Expression of Interest (EOI)
 - 5.5.1 This is where SRWRA issues an open invitation for proposed goods and/or services.
 - 5.5.2 This method may be used where there is potentially a large market for the proposed goods and/or service, and SRWRA would like to be able to prepare a short list of suppliers to then invite to participate in a tender process.
- 5.6 Panel contracts
 - 5.6.1 This is where SRWRA establishes panel arrangements with a select group of suppliers – generally, this occurs once SRWRA has completed its appointment of such suppliers in accordance with this Policy, and can include either:
 - 5.6.1.1 a standing offer from a pool of suppliers for the provision of goods and services on agreed terms; or
 - 5.6.1.2 the prequalification of certain suppliers who may or may not be engaged on terms to be agreed.
 - 5.6.2 Once a panel has been established, SRWRA may purchase the particular goods and/or service through such panel arrangements.
- 5.7 Strategic alliances
 - 5.7.1 This is where SRWRA undertakes procurement through contract arrangements already established and administered by other organisations, including:
 - 5.7.1.1 Local Government Association Procurement (Vendor Panel)
 - 5.7.1.2 Constituent Councils
 - 5.7.1.3 Procurement Australia
 - 5.7.1.4 State government contracts

6. CONSIDERATIONS FOR SRWRA

The appropriate method of procurement will be determined by reference to a number of factors, including:

- 6.1 Value of the Purchase

Value of Purchase (\$)	Method of Procurement
Up to \$15,000	<ul style="list-style-type: none"> • Direct sourcing/negotiation • Panel Contracts • Strategic Alliances
Over \$15,000 and up to \$50,000	<ul style="list-style-type: none"> • At least two written quotations • Direct sourcing/negotiation where market is limited • Panel Contracts • Strategic alliances
Over \$50,000 and up to \$100,000	<ul style="list-style-type: none"> • At least three written quotations • Direct sourcing/negotiation where market is limited* • Open/Select/Limited/Staged Tender • Panel Contracts • Strategic Alliances
Over \$100,000	<ul style="list-style-type: none"> • Open/Select/Limited/Staged Tender • Panel Contracts • Strategic Alliances

*CEO approval required

The value of the purchase will be calculated as follows:

- 6.1.1 single one-off purchase – the total amount, or estimated amount, of the purchase (excluding GST);
- 6.1.2 multiple purchases – the gross value, or the estimated gross value, of the purchases (excluding GST); or
- 6.1.3 ongoing purchases over a period of time – the annual gross value, or the estimated annual gross value, of the purchases (excluding GST).
- 6.2 Cost of an open market approach versus the value of the acquisition and the potential benefits
- 6.3 The particular circumstances and objectives of the procurement activity
- 6.4 The size of the market and the number of competent suppliers
- 6.5 SRWRA's leverage in the marketplace
- 6.6 Time constraints
- 6.7 Outcomes of a risk assessment undertaken consistent with section 3.9 identifying high risk procurements, activities or projects that require a higher level of procurement planning and oversight.

7. RECORDS

- 7.1 SRWRA must record written reasons for utilising a specific procurement method in each activity and where it uses a procurement method other than tendering.
- 7.2 Records relating to a procurement process must be created and retained according to legislative and organisational requirements.

- 7.3 Information gathered from suppliers will be treated as commercial in confidence and only disclosed and used for the purposes it was collected.
- 7.4 Contracts or purchase orders provide evidence of the approval process, commitment of funds and establish SRWRA terms and conditions with the supplier; all SRWRA purchases must be supported by a purchase order unless exempt under 7.5
- 7.5 Purchases for the following goods, services, fees, or charges are exempt from the requirement for a quotation or purchase order:
- 7.5.1 Statutory government charges / levies
 - 7.5.2 Vehicle registrations
 - 7.5.3 Insurance charges
 - 7.5.4 Utilities (water, phone, electricity)
 - 7.5.5 Refunds or reimbursement of expenses
 - 7.5.6 Internally generated invoices for transactions between associated entities

Individual purchases made using corporate credit cards; a standing purchase order will apply covering total monthly card expenditure.

8. EXEMPTIONS FROM THIS POLICY

This Policy contains general guidelines to be followed by SRWRA in its procurement activities.

In certain circumstances and emergencies, the Chief Executive Officer or SRWRA Board may exempt / waive application of this Policy and pursue a method which will bring the best outcome for SRWRA. SRWRA must report on reasons for waiving application of this Policy to the Audit and Risk Committee and Board.

8.1 Emergency Purchases

Purchases can be made without the need to initially follow policy in emergency situations. ***The provisions of this section must not be used as an excuse for not following policy.***

For the purpose of this section emergency situations are restricted to:

- Genuine concerns for public or staff safety
- Avoiding major expenses
- Activation of the Emergency Response Plan
- Activation of the Business Continuity Plan.
- Security of SRWRA's assets (building, equipment, or property)

Determination of whether these situations apply will be at the discretion of the Chief Executive Officer.

Where a purchase is made under this section, the following will apply:

1. Expenditure should be limited to that required to alleviate the emergency situation only; and
2. Appropriate methods of purchase are resumed as soon as practicable; and
3. The Chairperson will be consulted; and

4. The Board informed as soon as practicable of those circumstances and a report considered at the next meeting.

8.2 Under \$100,000: Chief Executive Officer approval is required if a different purchasing method for purchases under \$100,000 (excluding GST) are used other than those prescribed in this Policy.

Approval may be granted for considerations such as:

- availability of the required goods/services,
- number of suppliers available,
- urgency of time,
- a proprietary product only available from one supplier, or
- a compelling case exists to pursue an alternative procurement method.

Under such circumstances the cost of these purchases should be benchmarked for value for money.

8.3 Over \$100,000: Tenders must be called for contracts for goods and services in excess of \$100,000 (excluding GST) unless:

- a panel contract or strategic alliances are used,
- a different competitive process will deliver greater benefit than other
- methods.

Under such circumstances the cost of these purchases should be benchmarked for value for money.

However, purchases in excess of \$100,000 (excluding GST) require the Board's approval if another purchasing method is to be used other than

a tender, panel contract or strategic alliance (via Report to the Board).

An Acquisition Plan should be in place to outline SRWRA requirements for tendering and the subsequent assessments of tenders.

8.4 Exemptions Register: SRWRA's Administration is to record its reasons in writing for exempting the application of this Policy and retained in SRWRA's file management system for probity purposes and is to be presented to the Board annually.

8.5 Unsolicited Bids: Refer to SRWRA's Unsolicited Bids Policy.

9. DELEGATIONS

The following Officers of SRWRA have delegated authority to sign purchase orders and contracts for the purchase of goods and services, in line with the adopted budget on behalf of SRWRA.

In exercising this authority, delegates are required to comply with the SRWRA Charter, and the procedure set out in (6.1):

TITLE		LIMIT \$
Chief Executive Officer	Goods and Services	\$ 250,000
	Professional Services	\$ 250,000
Corporate Services Manager	Goods and Services	\$ 50,000
	Professional Services	\$ 50,000
Operations Manager	Goods and Services	\$ 50,000
	Professional Services	\$ 50,000
Strategic Projects Manager	Goods and Services	\$ 30,000
	Professional Services	\$ 30,000
Landfill Supervisor	Goods and Services	\$ 10,000
	Professional Services	\$ 10,000
Communication & Engagement Officer	Goods and Services	\$ 10,000
	Professional Services	\$ 10,000
Business Support Officer	Goods and Services	\$ 10,000
	Professional Services	\$ 10,000
Weighbridge Operator	Goods and Services	\$ 1,000

- 9.1 The Chief Executive Officer may invoke and revoke delegated authority for the signing of purchase orders exercising due consideration to the requirement to maintain effective internal control without impeding the operational efficiency of the organization.
- 9.2 SRWRA Officers with delegated authority will, when making decisions under this Policy, act in accordance with SRWRA's adopted budget, relevant policies, plans, agreements, resolutions etc.
- 9.3 All procurements exceeding \$250,000 must be submitted to the SRWRA Board for approval..

10. CORPORATE CREDIT CARDS

SRWRA maintains a corporate credit card facility with a combined monthly limit of \$30,000; corporate credit cards are allocated to positions with delegated purchasing authority, with roles and limits approved by the Chief Executive Officer (CEO).

Use of the Corporate Credit Card will be restricted to items where supplier account facilities are not in place or it is impractical to use the account facilities, purchase orders are not accepted, or upfront payment is required e.g. online subscriptions and fees, travel expenses, or in cases of emergency.

Corporate Credit Cards may only be used for SRWRA business purposes and appropriate records must be maintained by the card holder as specified in the SRWRA Corporate Credit Card Acceptance & Declaration cardholder responsibilities.

Monthly Corporate Credit Card expenditure for delegated officers will be approved by the CEO; credit card expenditure by the CEO will be approved by the Board Chair.

11. FURTHER INFORMATION

- 11.1 This Policy will be available to the general public via the SRWRA website .
- 11.2 This policy is to be reviewed at least every three years, and at other times if any significant new information, legislative or organisational change warrants an amendment to this document.
- 11.3 However, SRWRA may revise or review this Policy at any time (but not so as to affect any process that has already commenced).

12. DOCUMENT CONTROL

Original Issue Date:	22 September 2014
Review Version:	Version 7
Adoption Date:	November 2023
Next Review Date:	November 2026