Procurement Policy

Document Information

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Gender Impact Assessment (GIA) Statement

In accordance with the *Gender Equality Act 2020*, a Gender Impact Assessment (GIA) has been undertaken when developing this policy.

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1. Definitions and Abbreviations

Term	Summary Definition
Best Practice	Procurement practices aligned with the Local Government Best Practice Procurement Guidelines or other Council-endorsed documents.
The Act	Refers to the ***Local Government Act 2020***.
Approved Budget	Total funding authorised by Council through the Annual Budget or a formally adopted budget revision, including any additional funding secured through successfully awarded grants.
Best Value / Value for Money	Selecting goods, services or works based on both cost and non-cost factors, including QBL principles, fit-for-purpose quality, whole-of-life costs, and alignment with Council priorities.
Collaborative Procurement / Approved Purchasing Scheme	Procurement using pre-tendered supplier panels established by Councils, groups of Councils, or authorised agents (e.g. MAV, PA, State Contracts), allowing streamlined purchasing within scheme rules.
Commercial in Confidence	Sensitive information that, if released, could harm Council or another party's commercial interests.
Conflict of Interest	Any situation under sections 127–128 of the Act where personal or financial interests may influence, or appear to influence, impartial decision-making.
Contract	A legally binding agreement for goods, services or works, including purchase orders, service agreements, standing offers and variations.
Contract Management	Ensuring all contract obligations are met efficiently to deliver objectives and achieve value for money.
Contract Variation	Any change to contract terms; must be documented and assessed for probity and value for money impacts.
Contract Variation – Financial	A change that alters contract cost, requiring approval aligned with financial delegations.
Contract Variation – Nonfinancial	A change that affects scope, timelines or other non-cost elements; approved by a Manager.
Council – BCSC	Bass Coast Shire Council.
Council Officer	Any Council employee, contractor, consultant or Councillor acting on behalf of Council.
Emergency	Unexpected event requiring immediate action, including natural disasters or sudden contractor failures.
Expression of Interest (EOI)	An invitation to submit capability information; not a binding offer.
Gippsland Region	Includes BCSC, Baw Baw, South Gippsland, Latrobe, Wellington, East Gippsland, Casey and Cardinia councils.

Term	Summary Definition
Local Supplier	A business with premises in the municipality, undertaking most activity locally, or operating in the Gippsland region with clear local economic or social benefit.
Material Breach	A breach of this policy that may also breach legislation (e.g. procurement thresholds, fraud, OHS).
Panel Contract	A tendered group of approved suppliers used for ongoing purchases within defined scope and rules of use.
Probity	Ethical, transparent and defensible conduct that ensures fairness and withstands scrutiny.
Procurement	The full lifecycle of acquiring goods, services and works—from planning to contract completion—supported by governance and compliance frameworks.
Purchase Order (PO)	A contractual document authorising and recording a purchase, often used alongside supply agreements.
Schedule of Rates (SOR)	A list of pre-set unit prices for tasks or materials, with payment based on quantities completed.
Superintendent	A Superintendent is a senior operational leader responsible for supervising day-to-day activities, managing staff and resources, ensuring compliance with Council policies, and overseeing the successful delivery of projects or services.
Total Contract Sum	The total potential contract value including term, extensions, contingencies and foreseeable costs (excl. GST).

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 sections 108 and 109 of the *Local Government Act 2020* (The Act) to prepare, adopt and comply with its procurement policy.

3. Council Policy and Applicability

This policy applies to all procurement activities undertaken by Council and is binding upon all Council Officers, Councillors, 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 manual 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 the highest standards of probity, accountability and transparency in procurement, ensuring compliance with the Local Government Act, the Procurement Policy, relevant legislation and the Victorian Best Practice Procurement Guidelines (2024). All Councillors, officers and authorised agents must act ethically, impartially and in the public interest, remaining individually accountable for their decisions. Procurement must be fair, transparent, defensible under scrutiny, and actively manage conflicts of interest while preventing risks such as fraud or corruption. Council aims to achieve value for money through a quadruple-bottom-line approach that incorporates environmental, social and local economic considerations alongside price. Authorised agents acting on Council's behalf are bound by the same legal and ethical obligations. To support probity, Council applies consistent and transparent processes, ensures procurement requirements are not altered after release without proper approval, and requires all participants to act in good faith, declare conflicts of interest, and adhere to codes of conduct and relevant ethical standards.

4.1.1 Disclosure of Information

Commercial-in-confidence information provided to Council must not be disclosed and must be securely stored. Councillors and staff must maintain confidentiality of supplier tender or quotation information, any material marked or reasonably considered confidential, and any details of current or proposed contracts where disclosure could compromise Council or probity. Discussions with suppliers during evaluations must be limited to clarifying their offer and must never influence the procurement process or contract negotiations before formal approval, except for authorised pre-contract negotiations.

4.2 Strategic Procurement

Council takes a strategic approach to procurement by planning each activity to maximise value through aggregation, collaboration, use of panels, and suitable contracting models. Guidance and templates are provided to help officers apply these principles effectively.

4.3 Value for Money and Quadruple Bottom Line.

Council pursues Value for Money by selecting options that deliver the best overall outcome through balanced consideration of cost, quality, risk, sustainability and social impact, applying Quadruple Bottom Line principles across procurement. This includes whole-of-life costing, supporting

sustainable and ethical suppliers, reducing environmental impact, enabling community and economic benefits, fostering innovation, promoting fair competition, and leveraging collaboration and aggregated purchasing where appropriate.

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:

1. Economic
2. Environmental
3. Social (Procure outcomes aligned to Council's *Municipal Public Health and Wellbeing Plan and First Person' Framework)*
4. Ethical Governance

Council will apply Quadruple Bottom Line (QBL) principles in a manner that is practical, proportionate, and aligned to the size, risk and complexity of each procurement activity. These considerations may be factored into planning, specification, evaluation, and contract management stages.

4.4 Risk Management

Council manages procurement risks by ensuring activities are well-planned, use standard contract documents, include appropriate securities, and apply due diligence checks, expert input, and clear compliance requirements. All contracts must be executed before work begins, and ongoing contract management is essential to monitor performance and mitigate risks such as financial loss, legal exposure, safety risks, and service disruption.

Council will continue to provide an annual report to the Audit and Risk Committee, ensuring effective oversight of compliance with procurement thresholds and the application of exemption criteria.

5. Council Policy

Under section 108 of *the Act*, Council will set public tender threshold levels that require tenders for contracts. All public tenders or similar competitive procurement processes invited by Council will be published via Council's e-Tendering Portal and may be advertised in the media or social channels as determined by Council.

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

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

Where applicable, Requests for Tender (RFT) and Expressions of Interest (EOI) will be published on Council's online tendering portal. RFT's and EOI's may also be advertised through additional channels such as state or local newspapers, industry publications, and web-based forums depending on the scale and audience of the procurement.

In accordance with *The Act*, Council must publish details of awarded tenders that meet or exceed prescribed thresholds on its public website to ensure legislative compliance, transparency, and community awareness.

5.2.1 Purchase Order Requirement "No PO or Claim, No Payment" Policy

Council operates under a strict "No PO or Claim, No Payment" policy. A Council Purchase Order or correct claim must be created and provided to a supplier before commencement of any engagement for the supply of goods, services of works. Council will not be able to pay suppliers if they do not have a Purchase Order. This policy ensures financial control, transparency, and compliance with procurement and budgetary requirements.

5.2.2 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.

5.2.3 Alternative Approaches Following an Unsuccessful Tender

If a public tender process concludes with no submissions received or no compliant submissions, 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

Where public tendered procurement is not pursued, only Council endorsed panels or approved purchasing schemes established through a compliant public tender process may be used as an alternative procurement method.

5.3 Collaborative Procurement

Council will actively pursue collaborative procurement opportunities with other councils—particularly within the Gippsland region—and with public bodies where this can improve value, achieve economies of scale, or deliver strategic benefits. Officers must consider collaboration during procurement planning, noting that activities fully funded by State or Commonwealth grants may be exempt. Reports to Council must outline any collaboration opportunities identified and explain why they were or were not pursued.

5.4 Tender Evaluation

Council ensures fair, consistent and transparent tender evaluations by rejecting late submissions unless a proven technical issue occurred, using preapproved evaluation criteria, and appointing a qualified evaluation panel that includes external expertise when needed. All panel members must declare conflicts of interest, the process must withstand scrutiny, and a Probity Advisor and Probity Plan should be used for complex or high value procurements, particularly those over $10 million.

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

Council may negotiate with shortlisted tenderers or request a Best and Final Offer (BAFO) to refine proposals, provided all negotiations remain within the original scope and maintain probity. Any negotiation or BAFO process will be conducted fairly, transparently, and in accordance with the Act and best practice procurement guidelines.

5.5 Procurement Exemptions and Sole Sourcing

Council recognises that in defined and limited circumstances, procurement activities may be exempt from the standard requirements to seek tenders, quotations or expressions of interest.

Sole sourcing is the engagement of a single supplier without seeking competitive offers and is considered a procurement exemption under this policy. It is permitted only in exceptional circumstances where:

- The market is restricted (e.g. licensing software, intellectual property rights, regulatory exclusivity)
- Council has jointly developed or co-owns the relevant intellectual property
- There is an urgent public interest or emergency requiring immediate procurement
- A thorough market analysis has demonstrated no viable alternatives exist or that a prior public tender process was unsuccessful and Council proceeds to an alternative sourcing approach in accordance with Section 5.2.2

It is a requirement associated with a State or Federal Government grant that a nominated consultant

or contractor must be engaged to comply with the Funding Agreement.

Several defined procurement exemption justifications have been identified and are detailed in Section 8 of this policy. All exemptions must be:

- Endorsed and approved by Department Manager
- Justified and documented using the approved Exemption Justification form or process for monitoring, reporting and auditing purposes.

5.6 Select Sourcing and Panel Arrangements

Council may use select sourcing without a full public tender where it is appropriate to the procurement's value, risk and complexity, including when suppliers are pre-qualified on approved panels, the market is limited, existing agreements justify continued engagement, time or complexity warrants a streamlined approach, or a prior tender was unsuccessful. When using internal or collaborative panels, alternate thresholds and sourcing rules must be documented, approved and applied, overriding standard thresholds, and all procurement must align with the panel's scope and templates. A procurement exemption is only required when proposed activity exceeds the panel's scope or usage rules.

6. Relevant Legislation Policy and Other Documents

Council's procurement activities shall be undertaken to a high professional standard and in full compliance with the Local Government Act 2020 (Vic), associated regulations, and all applicable internal and external policies, procedures, and codes of conduct.

All Council procurement must also be consistent with Council's broader policy framework and strategic plans. This policy has clear linkages to a range of legislation, standards, and strategic documents including:

Legislative Provisions	Local Government Act 2020 | legislation.vic.gov.au Local Government Best Practice Procurement Guidelines 2024 Relevant provisions of the Competition and Consumer Act 2010 (Cth) Charter of Human Rights and Responsibilities Act 2006 (Vic) Gender Equality Act 2020; Modern Slavery Act 2018 (Cth); Gender Equality Act 2020 Occupational Health and Safety Act 2004; Working with Children Act 2005 and Working with Children Regulation 2016 Freedom of Information Act 1982; Privacy and Data Protection Act 2014; Public Records Act 1973; Building & Construction Industry Security of Payment Act 2002; Local Government (Governance and Integrity) Regulations 2020; Local Government (Planning and Reporting) Regulations 2020;
Council Supporting Documents	Council Plan and adopted Plans and Strategies S5 and S7 Delegations.
Internal Policies and Frameworks	Council Plan, Annual Budget and Long-Term Financial Plan Fraud and Corruption Policy Governance Rules Climate Change Action Plan Environmentally Sustainable Design Policy (ESD) Sustainable Procurement Framework / Policy

7. Procurement Monitoring, Reporting and Non-Compliance

Council ensures transparent and accountable procurement by monitoring performance, managing non-compliance appropriately, and escalating serious or repeated breaches in line with organisational conduct, integrity, and fraud-prevention frameworks.

In all cases, Council staff are responsible for complying with the Policy. Non-compliance with the Policy may result in a breach of our legislative requirements and disciplinary actions, including dismissal. In addition, criminal and civil penalties may be imposed in cases of fraud, corruption, bribery or breach of Australian Consumer Laws.

Ongoing Review and Reporting

Detailed reporting and monitoring provisions, including documentation standards and escalation

protocols, are provided in the appendices to this Policy. These processes will be reviewed periodically to ensure they remain aligned with legislative obligations and sector best practice.

8. Procurement Exemption Justifications

Exemption Category	Improved Summary Definition
Competitive Sourcing (No Available Competition)	Used when genuine competition is not available—such as memberships, niche services, or where reasonable attempts to obtain quotes resulted in no responses—and proceeding is necessary to maintain community value or avoid undermining the business case.
Genuine Emergency or Hardship	Allows immediate contracting where urgent action is required due to an emergency (e.g., natural disaster, declared emergency) and approved by the CEO or authorised officer.
Contracts Established by Government or Approved Third Parties	Permits use of contracts already established by Federal, State or Local Government entities or recognised group purchasing schemes (MAV, PA, Local Buy, State Purchase Contracts).
Interim Contract Extensions During Tendering	Allows short-term extension of an existing contract while a new tender is underway, where switching suppliers would result in poorer value for money or negative public impact.
Professional Services Unsuitable for Tendering	Permits direct engagement of services where tendering is inappropriate, such as legal services, utilities, or the purchase of land.
Novated Contract	Allowed where the original contract was compliant with the Act and due diligence confirms the new party is suitable.
Operating Leases	Applies where the lessor leases assets (e.g., vehicles, plant) to Council and retains responsibility for residual value risk.
IT Resellers and Software Developers (Sole IP Holders)	Applies where a software provider or authorised reseller is the sole supplier due to intellectual property ownership, licensing rights, or proprietary systems.
Sole Sourcing	Direct engagement of a single supplier only in exceptional circumstances such as market restrictions, IP constraints, failed tenders, or required direct negotiation. Must be fully justified, documented, and approved under financial delegations.
Other Specific Council Exemptions	Includes engagement of Traditional Owners for culturally sensitive matters, utilities undertaking work on their assets, Regional Waste & Recovery Group arrangements, and purchase of replacement parts or ongoing services linked to existing equipment.
Taxes and Levies	Covers mandatory payments to government (e.g., PAYG, fringe benefits tax, fire services levy) that cannot be competitively sourced.

Emergency events & post-emergency procurement activities should meet all requirements of the Disaster Recovery Funding Arrangements. In addition, the Value for Money principals will still be applicable. All emergency procurement must consider immediate response needs and long-term recovery, wellbeing, safety and resilience. Council will prioritise contractors able to operate in trauma-informed, culturally safe and community-sensitive ways during emergencies.

Where Council expenditure is funded from State or Federal Government grant monies the requirement to comply with Division 2 Section 108 of the Act remains unless there are grant conditions which provide alternative arrangements.

Should the nature of the requirement and the characteristics of the market be such that it is considered a public tender process is not possible, an exemption as outlined in Section 108 3 (d) may be sought from Council.

If a state of emergency/disaster/pandemic Event is in place within Victoria, this exemption can be approved by the Chief Executive Officer.

Revision History

Date	**Version**	**Revision Description**	**Administered**

9. Appendices

All policy requirements contained within these Appendices are only applicable to Bass Coast Shire Council and are to be reviewed and updated in line with internal governance and legislative obligations.

Appendix 1 - Procurement Thresholds & Approved Methodology

Expenditure (Ex. GST)	Best price available (verbal or email quote)	1 Written Quote	2 Written Quotes	3 Written Quotes	Public / Selective Tender	Accepted commitment method	Delegation
Up to $1,000 #	✓	X	X	X	X	Verbal or Emailed quote. Quote must be attached to the Purchase Order (PO)	Team Leader
$1,001 to $5,000 #	✓	X	X	X	X	Emailed quote. Quote must be attached to the Purchase Order (PO)	Coordinator
$5,001 to $15,000 #	X	✓	X	X	X	Minimum one (1) written quote. Quote must be attached to PO	Coordinator
$15,001 to $50,000 #	X	X	✓	X	X	Quote must be attached to PO or Contract. At least one quote should be sought from a local supplier where available	Coordinator
$50,001 to $200,000	X	X	X	✓	X	Quotes or Summary of Quotes must be attached to PO and contract. At least one quote should be sought from a local supplier where available.	Manager
$201,000 to $300,000	X	X	X	✓	X	Quotes or Summary of Quotes must be attached to PO and contract At least one quote should be sought from a local supplier where available.	General Manager
$300,000 to $1,000,000 **	X	X	X	X	✓	Tender Evaluation Report	CEO
Over $1,000,000	X	X	X	X	✓	Tender Evaluation Report & Council Report	Council

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**Exemptions can be submitted for purchases of over $15,000 if the relevant documentation and justification can be provided.*

excludes the approval of exemptions

** Or as delegated by Council via Council resolution to a maximum of $5,000,000

Appendix 2 – General Supplier & External Contracts

Table is to be used for panel contracts such as MAV, Procurement Australia, State Government Panels.
For Bass Coast Shire Council annual supply and panel contracts, refer to Appendix 3

Requisition Amount (Ex GST)	**Email Quote**	**1 Written Quote**	**2 Written Quotes**	**3 Written Quotes**	**CEO Tender Evaluation & Award Report OR CEO Summary of Quotations Report**	**Council Award report OR Council meeting minutes**	**Accepted commitment method**	**Delegation**
Up to $1,000	X	X	X	X	X	X	No quote required for Internal Supply Contract. Review of Schedule of Rates (SOR) is required prior to PO being raised	Team Leader
$1,001 to $5,000	✓	X	X	X	X	X	Minimum one (1) written quote. Quote must be attached to PO	Coordinator
$5,001 to $15,000	X	✓	X	X	X	X	Minimum one (1) written quote. Quote must be attached to PO	Coordinator
$15,001 to $50,000	X	X	✓	X	X	X	Quote must be attached to PO or Contract.	Coordinator
$50,001 to $200,000	X	X	X	✓	X	X	Quotes or Summary of Quotes must be attached to	Manager

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Requisition Amount (Ex GST)	**Email Quote**	**1 Written Quote**	**2 Written Quotes**	**3 Written Quotes**	**CEO Tender Evaluation & Award Report OR CEO Summary of Quotations Report**	**Council Award report OR Council meeting minutes**	**Accepted commitment method**	**Delegation**
							PO and contract. If the spend is $150,000+ a signed Summary of Quotations Report (snip of approvals is acceptable)	
$200,001 to $300,000	X	X	X	✓	X	X	Quotes or Summary of Quotes must be attached to PO and contract. If the spend is $150,000+ a signed Summary of Quotations Report (snip of approvals is acceptable)	General Manager
$300,001 to $1 million	X	X	X	X	✓	X	Report to be attached to the PO along with the Awarded Submission **OR** Schedule of Rates (SOR)	CEO
$1 million +	X	X	X	X	X	✓	Report to be attached to the PO along with the Awarded Submission **OR** Schedule of Rates (SOR)	Council

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Appendix 3 – Internal Contracts inc. Annual Supply and Internal Panel Contracts

Requisition Amount (Ex GST)	Email Quote	1 Written Quote	2 Written Quotes	3 Written Quotes	CEO Tender Evaluation & Award Report OR CEO Summary of Quotations Report	Council Award report OR Council meeting minutes	Accepted commitment method	Delegation
Up to $1,000	X	X	X	X	X	X	No quote required for Internal Supply Contract. Review of SOR is required prior to PO being raised	Team Leader
$1,001 to $5,000	✓	X	X	X	X	X	Minimum one (1) written quote. Quote must be attached to PO	Coordinator
$5,001 to $15,000	X	✓	X	X	X	X	Minimum one (1) written quote. Quote must be attached to PO	Coordinator
$15,001 to $50,000	X	✓	X	X	X	X	Quote must be attached to PO or Contract.	Coordinator
$50,001 to $200,000	X	✓	X	X	X	X	Quotes or Summary of Quotes must be attached to PO or contract. If the spend is $150,000+ a signed Summary of Quotations Report (snip of approvals is acceptable)	Manager

Requisition Amount (Ex GST)	Email Quote	1 Written Quote	2 Written Quotes	3 Written Quotes	CEO Tender Evaluation & Award Report OR CEO Summary of Quotations Report	Council Award report OR Council meeting minutes	Accepted commitment method	Delegation
$200,001 to $300,000	X	✓	X	X	X	X	Quotes or Summary of Quotes must be attached to PO and contract. If the spend is $150,000+ a signed Summary of Quotations Report (snip of approvals is acceptable)	General Manager
$300,001 to $1 million	X	✓	X	X	✓	X	Report to be attached to the PO along with the Awarded Submission. Market needs to be tested, and any quotes received need to be added to the PO.	CEO
$1 million +	X	✓	X	X	X	✓	Report to be attached to the PO along with the Awarded Submission. Market needs to be tested, and any quotes received need to be added to the PO.	Council

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Appendix 4 – Contract Variations and Extensions

Where a variation occurs, the delegation is not defined by the value of a single variation, but the accumulative value of all contract variations to that point in time. The whole contract including any contingency must be considered in-line with the delegation thresholds defined in the table below. Approved budget must be available for variations based on delegation limits below.

Variation Delegation Limit (Ex. GST)	**Position Title**	**Procurement Activities / Additional Guidance & Conditions**
Up to $5,000	Superintendent	• Contract Variations: Within budget
Up to $100,000	Manager	• Contract Variations: Within budget and up to 20% of the total contract sum ○ All expenditure including contract variations must be within the approved budget

Up to $200,000	General Manager	• Contract Variations: Within budget and up to 20% of the total contract sum
		  ○ All expenditure including contract variations must be within the approved budget, otherwise escalate
		  ○ Contract Extension – Up to $1,000,000 and within budget

Up to $1,000,000	Chief Executive Officer	• Contract Variations:
		  ○ All variations providing the budget is not exceeded by more than $100,000, capped at $1,000,000
		  ○ Contract Extension – Authority capped at 20% of the allocated budget

Unlimited Authority	Elected Council	• Contract Variations • Contract Extensions

* Cumulative means the total value of all contract variations against a contract

Appendix 5 - Procurement Performance Indicators

Council will seek to improve its procurement performance by measuring, analysing, and reporting on procurement activity against the key performance indicators below (or other indicators as endorsed by the Executive Leadership Team). Performance will be monitored annually and used to inform procurement planning, capability development, and continuous improvement initiatives.

Category	Key Performance Indicators Examples
Procurement Performance and Efficiency These indicators measure the overall effectiveness, efficiency, and compliance of the procurement function.	• Purchase Order Compliance - % of invoices without a purchase order • Number of new collaborative procurement contracts established
Local Economic Development These indicators track the extent to which Council is supporting local businesses and the regional economy.	• Number of local suppliers engaged through procurement processes • Proportion (%) of total procurement spend with local businesses
Social Procurement These indicators demonstrate Council's contribution to social value creation through procurement.	• Purchase Orders awarded to social enterprises, Aboriginal businesses, or Australian Disability Enterprises • Number of tenders that included social procurement criteria or weighting • Quantum of Council spend aligned to Municipal Public Health and Wellbeing Plan priorities
Sustainable Procurement These indicators measure environmentally responsible procurement practices aligned with Council's sustainability goals outlined in its Circular Economy Framework, Climate Change Action Plan and Environmentally Sustainable Design (ESD) policy.	• Number of tenders that included sustainable procurement criteria or weighting • Number of suppliers certified to recognised environmental standards (e.g., ISO 14001, GECA, FSC)