District Council of
Loxton Waikerie

Procurement Policy

Responsible Officer/s	Chief Finance Officer
Relevant Legislation / Documents	Local Government Act Risk Management Policy Disposal of Land & Assets Policy Issue of Council Orders Policy Credit Card Policy Request for Procurement Exemption/Direct Purchase Form
Adopted	April 2000
Reviewed	February 2026
Next Review	February 2028

A. Purpose

The purpose of this Policy is to outline Council's approach to procuring goods and services in accordance with Section 49 of the *Local Government Act 1999*. It ensures Council meets its legislative obligations relating to contracting out services, competitive tendering, and the appropriate use of local goods and services. This Policy provides clear direction for undertaking procurement so that all activities align with Council's strategic, corporate and financial objectives.

B. Objective

The objectives of this Policy are to ensure that procurement activities achieve value for public money, are conducted ethically and transparently, and support consistent and well-documented decision-making. The Policy also aims to promote accountability, enable effective monitoring and review, and ensure that procurement processes demonstrate sound governance at all times. It applies to all procurement and expenditure activities associated with acquiring goods or services of any value, and to all individuals involved in procurement on behalf of Council.

This Policy does not apply to:

- non-procurement expenditure such as sponsorships, grants, funding arrangements, donations and employment contracts;
- disposal of land and other assets owned by Council; or
- purchase of land by Council.

C. Policy

1. Procurement principles

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

1.1 Open and effective competition

To ensure open, fair and effective competition by providing suppliers with appropriate access to Council's procurement opportunities. This includes feedback to unsuccessful participants at the conclusion of the procurement process

1.2 Value for Money

This is not restricted to price alone. An assessment of value for money must include, where possible, consideration of:

- the contribution of Council's long term plan and strategic direction;
- any relevant direct and indirect benefits to Council, both tangible and intangible;
- efficiency and effectiveness of the proposed procurement;
- the performance history, quality, scope of services and support of each prospective supplier;
- fitness for purpose;
- whole of life costs;
- Councils internal administration costs;
- technical compliance issues;
- risk exposure; and
- the value of any added environmental benefits

1.3 Probity, Accountability and Transparency

To ensure that responsibilities are clearly defined, and that decisions are made in an open and transparent manner. This includes ensuring appropriate records are kept of the procurement process in Council's record management system.

1.4 Ethical Behavior and Fair Dealing

To behave in a professional, ethical and impartial manner, act responsibly and exercise sound judgement by observing the highest standards of integrity, probity and professional conduct

1.5 Identification and Management of Risk

To ensure appropriate risk management practices and procedures are in place for purchasing activities including risk identification, assessment and implementation of controls

Consideration should be given to the following risks:

- financial;
- supply;
- business/supplier;
- legal;
- reputational;
- probity;
- work health and safety;
- environmental; and
- political and sensitive risks.

1.6 Environmental Sustainability

To promote and adopt purchasing practices that conserve resources, save energy, minimize waste, protect the environment and are generally consistent with principles of ecological sustainability, to the greatest extent possible. This includes promoting the use of products containing recycled content where applicable.

1.7 Local Economic Benefit

To give preference to local suppliers, where appropriate and when all other commercial considerations are appropriate (e.g. capability, capacity and competitiveness). To support the development of local industry and maximize the skills and employment opportunities available in the local area.

With regard to all other matters set out in this Policy and when deciding on the purchase of goods and services, priority will be given as follows:

1. District Council of Loxton Waikerie area
2. Riverland
3. South Australia

1.8 Social Impact

Council is committed to achieving positive social outcomes through its procurement activities. Where practicable, consideration will be given to suppliers and procurement approaches that provide broader community benefits. This includes supporting not-for-profit organisations and social enterprises that create social value, particularly those that benefit disadvantaged or vulnerable groups.

2. Purchasing Approach

The appropriate method of procurement will be determined by reference to the level of expenditure and the most appropriate procurement approach as determined by schedule 1 and consideration of the following;

- the particular circumstances of the procurement activity;
- the objectives of the procurement;
- the size of the market and the number of competent suppliers;
- the Council's leverage in the marketplace;
- time constraints;
- the cost of an open market approach verse the value of the acquisition and potential benefits
- an assessment of the risk associated with the relevant activity, including the risk profile of the procurement and any risk associated with the preferred procurement method.

2.1 Value of the Purchase

The value of the purchase will be calculated as follows (excluding GST):

- single one-off purchase – the total amount, or estimated amount, of the purchase
- multiple purchases – the gross value, or the estimated gross value, of the purchases
- ongoing purchases over a period of time – the annual gross value, or the estimated annual gross value of the purchases (cumulative spend)

3. Procurement Methods

Generally, open and fair competition is best achieved by undertaking a process so that all interested parties have an opportunity to bid. Unless exceptional circumstances exist, there is no

provision for any financial compensation or payment for participation in any of the listed procurement methods.

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

2.1 Direct Purchasing

Purchasing from a single supplier, without first obtaining competing bids. This method may be suitable for low value, low risk goods and services, or where costs outweigh benefits of alternative methods.

2.2 Quotations (Informal)

Where suppliers are invited to participate in a process to bid on a specified goods or services.

Simple price quotes, this method may be suitable for one off, simple, low value/risk purchases, often of a retail nature. Where possible, the Council must insist on written quotes. If a written quote cannot be obtained, the Council must keep detailed written records of the oral quote obtained.

2.3 Request for Quotations (RFQ)

Where suppliers are invited to participate in a process to bid on a specified goods or services. Detailed written quotes using an approved template. This method may be suitable for more complex, one off purchases which are largely price based and of low to medium value/risk.

2.4 Requests for Expressions of Interest (REOI)

This is where Council issues an open invitation for a proposed goods and/or service. This method may be used where there is potentially a large market for the proposed goods and/or service, and the Council would like to be able to prepare a short list of suppliers to then invite to participate in a tender process.

2.5 Request for Tenders (RFT)

A formal and structured invitation to suppliers to participate in process to bid on specified goods or services.

Open Tender

Seeking tenders from the marketplace via an open invitation process.

Select Tender

Seeking tenders from a limited number of suppliers where there are reasonable grounds for only dealing with a select group of potential suppliers.

2.6 Panel contracts

This is where the Council establishes panel arrangements with a select group of suppliers – generally, this occurs once the Council has completed its appointment of such suppliers in accordance with this Policy, and can include either:

- a standing offer from a pool of suppliers for the provision of goods and services on agreed terms; or
- the prequalification of certain suppliers who may or may not be engaged on terms to be agreed.
- Once a panel has been established, the Council may purchase the particular goods and/or service through such panel arrangements.

2.7 Strategic alliances

This is where the Council undertakes procurement through contract arrangements already established and administered by other organisations, including:

- Riverland G3 alliance
- LGA Procurement;
- State Library Board of South Australia
- Procurement Australia;
- Any Australian State or Federal Government contract

2.8 Passenger and Light Commercial Vehicles purchases

For the purpose of purchasing light commercial and passenger vehicles, priority will be given as follows:

- Firstly the District of Loxton Waikerie,
- Secondly The Riverland
- Thirdly South Australia

4. Exemptions from this policy

This Policy contains guidelines to be followed by the Council in its procurement activities. There may instances in which the processes noted will not necessarily deliver best outcome for the Council, and other market approaches may be more appropriate.

4.1 Chief Executive Officer Waiver

In certain circumstances, the Chief Executive Officer may waive application of this Policy and pursue a method which will bring the best outcome for the Council. Reasons for waiving application of this policy must be recorded using the procurement summary form or email and registered in Council's Electronic Document Records Management System.

Some examples of when it may be appropriate for the CEO to waive application of this Policy are:

- emergency situations threatening life and property;
- the supply market is known;
- where better value can be achieved by an alternative method;
- availability of vendors;
- timing constraints;
- any other exemptions as documented for probity.

At least once a year a specific report regarding procurement policy exemptions will be received by the Audit & Risk Committee

4.2 Recurrent services

Recurrent Services include routine or standard goods and services required for the day-to-day operations of Council, such as utilities and government statutory charges. These services are provided under an existing regulation, contract, or arrangement and do not require the issue of an official order. As such, Recurrent Services are exempt from the requirements of this policy. A list of these goods and services is set out in Council's Issue of Council Purchase Order Policy. While market engagement is not required, Council officers must exercise due diligence to ensure value for money for Council.

5. Delegations

All procurement and purchasing will be undertaken in accordance with Council's Delegation Register and expenditure sub-delegations, detailing authorised purchases, purchasing limits and the ability to enter an agreement.

The Council will delegate the appropriate authority to the Chief Executive Officer to make procurement decisions to an unlimited value (within the annual budget or long term financial plan), or where:

a. The procurement is a purchasing Cooperative Contractual arrangement (e.g. LGA Procurement, Procurement Australia)
b. It relates to Energy procurement
c. Expenditure authorisation is needed for service charges relating to Government levies, SA Water, Electricity or insurance premiums.

D. Availability

This Policy will be available for inspection at the Council Offices at Loxton or Waikerie during ordinary business hours at no charge.

Copies of this Policy will also be available from Councils website: www.loxtonwaikerie.sa.gov.au or postal copies may be obtained from the Council Office free of charge.

E. Document history and version control

Date	Version	Authorisation	Amendment Details
12/04/2000	1.0	Council meeting	Competitive Tendering, Contracting, Purchasing, Sale and Disposal Policy
15/10/2004	2.0	Council meeting	Competitive Tendering, Contracting, Purchasing, Sale and Disposal Policy – revoked; Tender and Purchasing Policy adopted
18/09/2009	3.0	Council meeting	Tender, Quotation and Procurement Policy adopted
15/07/2011	3.0	Council meeting	Procurement Policy adopted
15/08/2014	3.1	Council meeting	
18/03/2016	3.2	Council meeting	
17/11/2017	4.0	Council meeting	Addition of a social, economic sustainability, clarification of payment for quotation, record of exemptions to policy, the addition of an Acquisition Plan and document history and version control protocols.

27/03/2019	5.0	Audit Committee	Amendment to value of purchase limits, reference to G3 alliance purchasing methods, addition of credit card purchasing methods
20/09/2023	6.0	Council Meeting	Amendment to value of purchase limits, removal of petty cash and acquisition plan.
18/02/2026	7.0	Council Meeting	Amendment to principles, methods, Procurement Matrix and template format, add reference to Recurrent Services and reference to issue of Council Purchase order policy.

Schedule 1 – Procurement Matrix

Value of Purchase $ (excluding GST)	**Procurement Method**	**Agreement**
$0 - $10,000	Direct purchase Credit Card** One quote to purchase	PO Standard Terms and Conditions
$10,001- $75,000	Minimum of two (2) written quotes	PO Standard Terms and Conditions or Contract
$75,001 - $200,000	Request for Quote (RFQ) Panel contracts Minimum of three (3) written quotes Request for Tender (RFT) – Selective Strategic Alliances Panel contracts	PO Standard Terms and Conditions or Contract
$200,001+	Request for Expression of Interest (REOI) Request for Tender (RFT) – Open Strategic Alliances	PO Standard Terms and Conditions (Plant Only) or Contract

All procurement and purchasing are to be approved by the relevant financial delegate per Clause 5

**Refer credit card purchasing policy regarding spending caps and limit