



## Procurement Policy

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## Section 1 - Introduction

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This Procurement Policy is made under Section 108 of the *Local Government Act 2020* (the Act). The Act requires Council to:

- Prepare and adopt a Procurement Policy which specifies the principles, processes and procedures applying in respect of the purchase of goods and services and carrying out of works by the Council; and
- Review its Procurement Policy at least once during each 4-year term of the Council.

## Section 2 - Definitions and Abbreviations

Term	Definition
The Act	<i>Local Government Act 2020</i>
Aggregate Purchasing	Is the strategic consolidation of procurement activities for identical or similar goods, services, or works across multiple departments, projects, or entities. This approach is intended to optimise Value for Money by leveraging combined purchasing power, improving contract outcomes, and reducing duplication of effort
Authorised Agent	A person or organisation formally empowered to act on behalf of the Council in relation to procurement activities
Best Practice	As defined in the Local Government Best Practice Procurement Guidelines or any other document specified by Council
Collaborative Procurement	<p>Refers to a pre-established arrangement with a panel of suppliers or contractors, formed through a public tender process in accordance with the Local Government Act 2020, associated regulations and relevant procurement thresholds.</p> <p>These arrangements may be established by:</p> <ul style="list-style-type: none"><li>• Individual Councils;</li><li>• A group of Councils or public bodies working collaboratively; or</li><li>• Recognised external agents such as Procurement Australia, Municipal Association of Victoria or State Government Agencies.</li></ul> <p>Collaborative procurement allows Councils to procure goods, services, or works without undertaking a full tender process, provided the engagement complies with the scheme's terms and conditions.</p>
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

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	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	<p>A variation that alters the contract's monetary value. This includes:</p> <ul style="list-style-type: none"><li>• Increases or decreases in contract cost,</li><li>• Whether within or exceeding approved contingencies,</li><li>• Subject to approval in line with Council's financial delegation limits and governance requirements</li></ul>
Contract Variation - Non-Financial	<p>A variation that does not result in a financial adjustment but alters other contractual parameters, such as:</p> <ul style="list-style-type: none"><li>• Project timelines or milestones,</li><li>• Scope, specifications or design details,</li><li>• Working hours or access arrangements,</li><li>• Location or quantity changes or</li><li>• Any other aspect of the contract provided it doesn't impact cost</li></ul>
Council	Means Maribyrnong City Council
Council Officer	Any Council employee, contractor or consultant authorised to act on behalf of the Council.
Councillor	A Councillor of Maribyrnong City Council as defined under the <i>Local Government Act 2020</i>
Delegation	A power delegated by Council or Chief Executive Officer (CEO) in an Instrument of Delegation to enable a delegate to act on Council's behalf.
Emergency	A sudden or unexpected event requiring immediate action including the occurrence of a natural disaster, flooding or fire event at a Council property; the unforeseen cessation of trading of a core service provider; any other situation which is liable to constitute a risk to life or property.
Local Supplier	<p>is defined as a commercial business that meets at least one of the following criteria:</p> <ul style="list-style-type: none"><li>• Maintains an operational premises that is physically located within the municipal boundaries of Council;</li><li>or</li></ul>

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	<ul style="list-style-type: none"><li>• Delivers, sources or undertakes the majority of their goods, services or works within the Council area; or</li><li>• is located within municipality of Maribyrnong Council where geographic proximity clearly contributes to local, economic, social or community outcomes</li></ul>
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	<p>A panel contract (or standing offer arrangement) is a procurement method where a Council selects multiple suppliers through a tender process for the delivery goods, services or works on a regular basis over a specified time.</p> <p>They allow Council staff to purchase from panel suppliers in line with the Council's procurement thresholds for each individual purchase.</p> <p>Panel contracts cannot be used to purchase goods, service or works 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.</p>
Probity	<p>Probity is the evidence of ethical behaviour, and can be defined as complete and confirmed integrity, uprightness, and honesty in a particular process.</p> <p>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.</p>
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.
Procurement Procedures Manual (PPM)	The PPM is the supporting documents to the Procurement Policy. It provides detailed procedures, guidance, tools, and templates to assist staff in implementing the Policy. It outlines the "how to" for undertaking procurement activities in a compliant, efficient, and consistent manner across the organisation.
Purchase Order	A form of contract, which is an official document used to authorise and record the purchase of goods or services or works by a Council officer. It is the prime reference

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	confirming the contractual situation between the buyer and supplier. A purchase order may be used in conjunction with an agreement for the supply of goods, services or works or to instigate supply against an agreement.
Request for quotation (RFQ)	<p>A RFQ is an invitation to a specific or closed supplier market, designed to capture commercial information and pricing for goods, services or works against a set of predefined requirements. A RFQ requires:</p> <ul style="list-style-type: none"><li>• a completed Procurement Initiation Form;</li><li>• all quotations to be received through the electronic tender system by the nominated closing date and time;</li><li>• all quotations to be evaluated against pre-approved Evaluation Criteria; and</li><li>• the awarding of the contract approved by the Council officer with the delegated authority</li></ul>
Request for tender (RFT)	<p>A RFT is the process of inviting parties to submit a quotation by tender using public advertisement, followed by evaluation of submissions and selection of a successful tenderer. A RFT requires:</p> <ul style="list-style-type: none"><li>• a completed Procurement Initiation Form (PIF);</li><li>• all tenders to be submitted via the electronic tender system by the nominated closing date and time;</li><li>• all tenders to be evaluated by a tender evaluation panel against pre-approved Evaluation Criteria; and</li><li>• the awarding of the contract approved by the Council officer with the delegated authority</li></ul>
Schedule of Rates (SoR)	A Schedule of Rates contract sets out rates for goods or services which are available for the term of the agreement. However, no commitment is made under the agreement to purchase a specified value or quantity of goods or services
Sustainability	Activities that meet the needs of the present without compromising the ability of future generations to meet their needs.
Tender Process	The process of inviting parties to submit an offer or quotation by tender using public advertisement, followed by evaluation of submissions and selection of a successful tenderer.
Total Contract Sum	<p>The potential total value of the contract including:</p> <ul style="list-style-type: none"><li>• costs for the full term of the contract, including any options for either party to extend the contract;</li><li>• applicable goods and services tax (GST);</li></ul>



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	<ul style="list-style-type: none"><li>• anticipated contingency allowances or variations, and</li><li>• all other known, anticipated and reasonably foreseeable costs.</li></ul>
Value for Money / Best Value	<p>Value for Money and or Best Value in Procurement is about selecting the supply of goods, services or works taking into account both cost and non-cost factors including:</p> <ul style="list-style-type: none"><li>• contribution to the advancement of Council's priorities;</li><li>• non-cost factors such as fitness for purpose, quality, service and support; and</li><li>• cost related factors including whole-of-life costs and transaction costs associated with acquiring, using, holding, maintaining and disposing of the goods, services or works.</li></ul>

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## Section 3 - Purpose

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The purpose of this Policy is to guide Council's procurement activities in a manner that promotes open and fair competition, ensure 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. This Policy has been developed collaboratively by the Municipal Association of Victoria (MAV) in partnership with a working group of procurement professionals across the Victorian Local Government Procurement Sector.

Based on the model MAC Procurement Policy, this Policy has been tailored to reflect the specific needs and context of Maribyrnong City Council.

The Policy applies to procurement activities undertaken by Maribyrnong City Council and will:

- Promote open and fair competition and provide Value for Money;
- provide direction to Council to allow consistency and control over procurement activities;
- promote the highest levels of procurement probity and ethical behaviours;
- demonstrate accountability to ratepayers;
- provide guidance on ethical behaviour in public sector procurement;
- demonstrate the application of best practice in procurement activities;
- demonstrate the consideration of sustainability in procurement with respect to social, economic, environmental and ethical factors;
- increase the probability of obtaining the best outcome when purchasing goods, services or works; and
- promote collaborative procurement.

These objectives will be achieved by requiring Council's contracting, purchasing and contract management activities to:

- Support the Council's corporate strategies, aims and objectives
- span the whole life cycle of an acquisition and take sustainability considerations into account;
- take a long term strategic review of procurement needs while continually assessing, reviewing and auditing its procedures, strategy and objectives;
- achieve demonstrable value for money
- are conducted and are seen to be conducted, in an impartial, fair and ethical manner;
- seek continual improvement including the consideration of innovative and technological advances; and
- generate and support local business through inclusion wherever practicable.

## **Section 4 - Council Policy and Applicability**

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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.

This Policy provides direction on the conduct of procurement activities throughout the sourcing, management and disposal phases. It also covers the general procurement framework but does not extend to the related accounts payable processes.

The Council must comply with this Policy before entering into a contract for the purchase of goods or services or the carrying out of works.

### **4.1 Treatment of GST**

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

### **4.2 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 requirements under the Act and/or be referenced within Council's Governance Rules.

## **Section 5 - Guiding Principles**

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

### **5.1 Probity, Accountability and Transparency**

Council is committed to upholding the highest standards of probity, accountability and transparency in all procurement activities, in line with this Procurement Policy, 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 public interest. They are individually accountable for their decisions and the outcomes of procurement processes undertaken on behalf of Council.

Councillors and Council officers shall at all times conduct themselves in accordance with the Councillor Code of Conduct or the Staff Code of Conduct respectively, perform their duties ethically and with integrity and will:

- Treat potential and existing suppliers with equality and fairness;
- Not use their position to seek or receive personal gain in procurement matters;
- Maintain confidentiality of Commercial in Confidence information such as contract prices and other sensitive information;
- Present the highest standards of professionalism and probity;
- Afford suppliers and tenderers with the same information and an equal opportunity to tender or quote for goods, services and works contracts;
- Be able to account for all decisions and demonstrate and provide evidence of the processes followed
- Not perform any work under any Council contracts they are supervising i.e. Council Staff cannot also work for the relevant supplier;
- Query incidents, decisions or directions that appear to contradict or deviate from Council's standards of ethics or probity or established policies and procedures;
- Ensure that this Procurement Policy and Council's Procurement guidelines are adhered to in relation to any expenditure of Council funds; and
- 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.

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- 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

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.

### **5.2 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 officers must take all reasonable measures to maintain confidentiality of:

- Information submitted by suppliers in tenders, quotations or during tender negotiations;
- 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.

### **5.3 Conflict of Interest**

Councillors and Council officers shall at all times avoid situations which may give rise to a conflict of interest. A conflict of interest may be a general or a material conflict of interest and is defined under section 128 of the Act. Conflicts of interests as defined in Council's Fraud and Corruption Framework should also be considered when carrying out procurement activities.

A Council officer has a general conflict of interest in a matter if an impartial, fair-minded person would consider that the person's private interests could result in that person acting in a manner that is contrary to their public duty.

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A Council officer has a material conflict of interest in a matter if an 'affected person' would gain a benefit or suffer a loss depending on the outcome of the matter. The benefit or loss may be direct or indirect and pecuniary or non-pecuniary. Affected persons is defined under section 128(3) of the Act and includes but is not limited to the Council officer and their family members.

Individual Councillors cannot participate in any aspect of the procurement process. Councillors will only be involved in the procurement when acting collectively as the Council at a Council meeting to consider the awarding of a contract.

Council officers involved in the procurement process, specifically when preparing tender documentation, writing tender specifications, opening tenders, participating in tender evaluation panels, preparing an officer report, and awarding tenders must:

- Avoid conflicts of interest, whether material or general or actual, potential or perceived;
- Declare that they do not have a conflict of interest in respect of the procurement. Council officers participating in tender evaluation panels must complete a Conflict of Interest declaration. Council officers must declare any actual or perceived conflicts in line with Council's internal processes for reporting conflicts of interest; and
- Observe prevailing Council and Government guidelines on how to prevent or deal with conflict of interest situations; and not take advantage of any tender related information whether or not for personal gain.

### **5.4 Fair and Honest Dealing**

All prospective contractors and suppliers must be treated impartially and afforded an equal opportunity to tender or submit a quotation.

Any suspected improper conduct, including suspected fraud, corruption, substantial mismanagement of public resources, risk to public health and safety, risk to the environment, or detrimental action should be managed in accordance with Section 5.7.

### **5.5 Gifts and Benefits**

No Councillor or Council officer shall seek or accept any immediate or future reward or benefit in return for the performance of any duty or work for the Maribyrnong City Council or where it could be reasonably perceived as influencing them or their position or undermining their integrity or the integrity of the process in some way.

Any gift or benefit offered to a Councillor or Council officer will be dealt with in accordance with the requirements of the relevant Code of Conduct and any relevant Council policies, including Council's Gifts and Hospitality Policy.

Offers of bribes, commissions or other irregular approaches from organisations or individuals must be promptly brought to the attention of the Chief Executive Officer.

### **5.6 Reward and Loyalty program participation**

Council Staff cannot accumulate reward or loyalty program credits in purchases made on behalf of Council or accept any discounts through the use of council credit or fuel cards.

### **5.7 Complaints and Reporting Suspicious activities**

#### **5.7.1 Complaints Handling**

Council takes allegations of fraudulent activity and complaints about procurement seriously and is committed to handling such disclosures sensitively and confidentially. Members of the public, suppliers and Council officers are strongly encouraged to report fraudulent allegations or complaints about procurement processes and/or taking part in procurement activities to the Council's Finance Manager or Council's Manager Governance and Commercial Services.

#### **5.7.2 Reporting Suspicious Activities**

Councillors, Council officers, and Council suppliers are required at all times to act honestly and with integrity and to safeguard the public resources for which they are responsible. Council is committed to protecting all revenue, expenditure and assets from any attempt to gain illegal benefits (financial or otherwise).

Council will take all reasonable steps to protect those who assist Council by providing information about suspected fraud. This will include confidentiality of identity and protection from harassment.

Suspected improper conduct, offers of bribes, commissions and any other irregular approaches from suppliers, prospective suppliers or individuals will be investigated and reported in accordance with Council's internal policy and processes.

The Chief Executive Officer must notify IBAC of any matter they suspect on reasonable grounds to involve corrupt conduct occurring or having occurred in accordance with mandatory reporting requirements under the Independent Broad-based *Anti-Corruption Commission Act 2011*.

### **5.8 Strategic Procurement**

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

Each procurement activity will be planned with consideration of:

- 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.

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Guidance materials and procurement planning templates are available on Council's Intranet to support Council officers in effectively applying these principles throughout the procurement process.

### 5.9 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 or works 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.

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.

#### 5.9.1 Occupational Health & Safety Management Systems (OH&SMS)

It is mandatory for all relevant contractors engaged by Council to provide services or works, to have a documented OHSMS that conforms to the requirements of the OHS Act 2004 and that the system is implemented during the conduct of those services or works.



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Contract Managers will be required to ensure that an OHSMS is sighted and assessed for conformance prior to the commencement of any relevant services or works.

### **5.9.2 Insurance and Indemnity Requirements**

Successful tenderers must take out and maintain insurance cover for the term of the contract and any additional period specified within the contract. Evidence of cover must be provided prior to receipt of goods or services and prior to commencing works under the contract.

The type and minimum amount of insurance cover required is as follows:

- WorkCover Insurance as required by legislation;
- Public Liability Insurance for a minimum of \$20M;
- Professional Indemnity Insurance for a minimum of \$5M for consultancy services associated with building works;
- Professional Indemnity Insurance for a minimum of \$2M for other types of consultancy services ;
- Insurance of the Works for building projects as required by legislation; and
- Product Liability for goods.

Variations to the above require a completed risk assessment of the project/scope and written approval of the responsible member of Council's Executive Leadership Team based on the risk assessment results prior to the tender being released.

### **5.9.3 Endorsement**

Council officers must not publicly endorse any products or services or contractors.

### **5.9.4 Dispute Resolution**

Where relevant, Council contracts shall incorporate dispute management and alternative dispute resolution provisions to minimise the chance of disputes escalating to legal action.

### **5.9.5 Contract Management**

In order to continually improve its outcomes, Council will evaluate and seek to improve on all aspects of procurement and contract management, in accord with procurement processes and Contract Management Guidelines.

Good contract management ensures goods, services or works are delivered to the required standards of quality and quantity as intended by the contract through:

- establishing a system of monitoring and achieving the responsibilities and obligations of both parties under the contract;
- providing a means for the early recognition of issues and performance problems and the identification of solutions;

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- adhering to Council's Risk Management Framework and adhering to relevant Occupational Health and Safety Contractor Compliance Procedures;
- developing and maintaining a sound business relationship with relevant suppliers for the duration of any contractual agreement; and
- maintaining accurate records of contract communications, progress, status and activities for auditing and compliance. Records are to be stored in Council's Content Management system for retrieval.

Council contracts are to include contract management requirements commensurate with the complexity of the procurement. Furthermore, contracts are to be proactively managed by the member of Council responsible for the delivery of the contracted goods, services and works to ensure Council, and therefore the community, receives Value for Money.

Council awards some contracts that are strategically critical and of relatively high value. Council will provide appropriate senior oversight of the management of a significant contract.

## **Section 6 - Council Policy**

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### **6.1 Procurement Structure, Processes, Procedures and Systems**

Council has delegated a range of powers, duties and functions to the Chief Executive Officer in relation to procurement. The Chief Executive Officer shall: maintain a procurement management responsibility structure and delegations ensuring accountability, traceability and auditability of all procurement decisions made over the lifecycle of goods, services, building and construction purchased by the Council.

Council maintains a procurement function responsible for:

- Maintaining the Procurement Policy and associated guidelines, processes and procedures;
- Maintaining appropriate purchasing and procurement systems and tools.
- Providing procurement-related advice and support to the organisation as required;
- Building organisational procurement 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;
- Guarantee that prospective contractors and suppliers are afforded an equal opportunity to tender/quote; and
- Encourage competition

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

Council operates a centre-led procurement structure wherein all strategy, policy, systems, best practice and networking in procurement matters will be coordinated by the Risk Management and Strategic Procurement Team within the Governance and Commercial Services Department.

### **6.2 Procurement Methods**

Council's standard methods for purchasing goods, services and works are:

- Purchase order following a quotation or tender process from suppliers for goods, services or works that represent value for money under the thresholds adopted by Council;
- Request for Quotation (RFQ) process, followed by a Contract and or Purchase Order;

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- Request for Tender (RFT) process, followed by a Contract and or Purchase Order;
- Using Collaborative Procurement Arrangements;
- Using Ministerial approved arrangements;
- Corporate Charge card; and
- Staff Expense Reimbursement.

All procurement activities must:

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

All Requests for Tender (RFT) and Expressions of Interest (EOI) must be published through 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.

### **6.2.1 Expression of Interest (EOI)**

Expressions of Interest may be used where:

- The requirement is complex, difficult to define, unknown or unclear;
- The requirement is capable of several technical solutions;
- Council wishes to assess the capacity of the respondents prior to a formal tender process and whether those tendering possess the necessary technical, managerial and financial resources and experience to successfully complete the project;
- Tendering costs are likely to be high and Council seeks to ensure that companies incapable of supplying the requirements don't incur unnecessary expense;
- It is necessary to pre-qualify suppliers and goods to meet defined standards; and
- The requirement is generally known but there is still considerable analysis evaluation and clarification required (both of the objective and the solution).

### **6.2.2 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;

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- Inviting a limited number of suitable suppliers to submit proposals (Select Sourcing); and
- 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; and
- 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.

### **6.3 Collaborative Procurement**

In accordance with Section 108(3)(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.

Any Council report that recommends entering into a procurement arrangement must set out information relating to opportunities for collaborative procurement, only if available, including:

- the nature of those opportunities, if any, and the Councils or public bodies with which they are available; and
- why Council did, or did not, pursue the identified opportunities for collaboration in relation to that procurement process.

Council-specific construction / works projects, where the specifications of the works required are unique to an individual Council site and are not applicable to the other Councils will for instance not be considered for collaboration.

Where collaborative procurement is to be pursued:

- A pre-market approval submission will be submitted to each Council prior to commitment to collaboration, seeking delegation of contract approval to CEOs;
- A Heads of Agreement to be established that gives authority for a lead council to act as each Council's agent in the collaborative procurement;
- Each of the Councils who participate will be able to enter into a contract with the preferred supplier identified through the collaborative procurement process, or may choose as a group to enter into a contract using "jump in/opt-in" contract provisions during the contract term, or with the Council which conducted the public tender; and

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- Each participating council must be involved in:
  - The initial decision to undertake the collaborative procurement;
  - Preparation of, and agreement to, the specifications;
  - Ensuring probity for the collaborative procurement; and
  - The acceptance of tender(s) and awarding of contract(s).

Furthermore, Council may collaborate with other councils or other bodies such as MAV Procurement or Procurement Australasia to procure goods, services or works, or utilise existing Collaborative Procurement Arrangements for the procurement of goods, services or works established through a public tender process where it provides an advantageous Value for Money outcome for the Council.

Any Federal or State Government grant funded projects may be excluded from collaborative procurement.

The public tender threshold and related exemptions also apply to collaborative procurements.

### **6.4 Public Tenders Requirements**

Public tenders invited by the Council will be published via Council's e-Tendering Portal and may also be advertised through additional channels such as the media, state or local newspapers, industry publications, and web-based forums depending on the scale and audience of the procurement.

Information regarding Current Tenders and Awarded Tenders will be published on Council's website.

To ensure the market is able to respond to requests for tenders in a meaningful and timely manner all public tenders shall remain open to the public for no less than 15 business days; however this period may be increased due to the complexity of the task or response.

#### **6.4.1 Probity Advisor**

A formal probity plan should be developed, and a probity advisor appointed in the following circumstances:

- Where the proposed Total Contract Sum exceeds \$10 million over the life of the contract or for a lesser value set by Council from time to time; or
- Where a proposed contract is considered by Council or the Chief Executive Officer to be particularly complex, of a high risk or controversial nature, and requiring a high level of public confidence.

A Probity Advisor may be appointed to any tender evaluation panel and may be appointed to oversee the evaluation process.

### **6.4.2 Procurement Planning**

A Procurement Initiation Form, inclusive of anticipated timeframes, key personnel, evaluation criteria and weighting shall be developed and approved by the delegate officer prior to the release of the tender. Council objectives should also be identified and documented during the planning phase and Council officers are responsible for appropriately considering Council's objectives and ensuring the procurement is developed to achieve these objectives outlined in Section 7 – Demonstrate Sustained Value.

### **6.4.3 Tender Evaluation**

A tender evaluation panel will be established to evaluate each tender submission against the tender's selection criteria.

Tender evaluation panels can include external personnel in order to ensure the best outcome for a procurement activity and must comprise at least three Council officers, one being the Chairperson and one being a member of the Governance and Commercial Services Department.

Panels will be chaired as follows:

- Manager or Director: up to a total value of \$1 million
- Director: for procurements exceeding a total value of \$1 million

Tender Evaluation Panels shall strictly adhere to the selection criteria and must conduct themselves with the highest standards of probity and integrity including maintaining confidentiality and declaring and managing conflict of interests.

At the conclusion of the evaluation process, the Tender Evaluation Panel Chair shall be responsible for preparing a Tender Evaluation Report for consideration by the Delegated Authority, inclusive of a recommendation for appointment of a preferred tenderer.

### **6.4.4 Evaluation Criteria**

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 by the relevant Director as part of the Procurement Initiation Form prior to issuing any tender to ensure transparency and consistency in assessment;
- 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;

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- Council may include the following evaluation criteria categories to determine whether a proposed contract provides Value for Money, as outlined in Section 7 – Demonstrate Sustained Value;
  - Mandatory compliance criteria (e.g. ABN registration, OH&S, Fair Work Act)
  - tendered price;
  - capacity of the Tenderer to provide the goods and/or services and/or works;
  - capability of the Tenderer to provide the goods and/or services and/or works; and
  - demonstration of sustainability.
- Cost related factors including tender price, whole-of-life costs and transaction costs associated with acquiring, using, holding, maintaining and disposing of the goods, services or works will account for at least 45% of the weighted criteria.

### **6.4.5 Contract Negotiations and Best and Final Offer (BAFO)**

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 Procedures Manual.

### **6.5 Procurement Exemptions**

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.

All exemptions must be:

- Authorised by Council's Chief Executive Officer;
- justified and documented using the approved Exemption Justification form; and
- must be approved prior to the delivery of goods, services or the commencement of works.

The defined procurement exemption justifications are detailed in Section 13.2 of this Policy.



### **6.6 Panel Arrangements**

Council may, in specific circumstances, engage a limited number of suppliers without conducting a full public tendering process. This select sourcing approach is permitted under this Policy where it is appropriate to the procurement's value, risk and complexity, and where one or more of the following conditions apply:

- Suppliers are pre-qualified under a panel contract, approved purchasing scheme or collaborative contract (e.g. MAV, Procurement Australia, State Purchase Contracts);
- The market is limited in capacity, expertise or geographical reach (e.g. niche categories or regional delivery constraints);
- An existing agreement provides clear rationale for continued engagement within defined parameters;
- The procurement risk, value, and complexity are proportionate to a streamlined sourcing approach, supported by a documented rationale;
- A previous public tender process was unsuccessful, and Council proceeds to a limited sourcing approach in accordance with Section 6.2.2;
- All procurement activities must align with the panel's scope, terms of use, use approved templates and processes in accordance with Council's Procurement Procedures Manual and
- Delegate, and sourcing methodologies for the panel are documented; and

A Panel Arrangement Approval Form will be required to be completed and approved by the Chief Executive Officer to allow Council to access the pre-qualified suppliers under an approved purchasing scheme or collaborative contract.

### **6.7 Contract Variations**

All contract variations must be assessed to determine whether they are properly characterised as variations, or whether they are in effect a new contract. This will depend on factors like:

- The monetary value of the proposed variation, i.e. the value of the variation in the context of the thresholds fixed by the Procurement Policy; and
- The subject matter of the proposed variation, and whether it is consistent with the scope of the original contract.

### **6.8 Delegations**

Delegations define the limitations within which Council officers are permitted to commit to the procurement of goods, services or works and the associated costs.

Council's Instrument of Delegation allows Council officers to undertake certain purchases, quotations, tender and contractual processes without prior referral to Council. This enables Council to conduct procurement activities in an efficient and timely manner whilst maintaining transparency and integrity.

Council has delegated responsibilities relating to the expenditure of funds for the purchase of goods, services or works, the acceptance of quotations and tenders and

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for contract management activities to the Chief Executive Officer. The Chief Executive Officer has further delegated some of those responsibilities to other members of Council, subject to specified conditions and limitations.

### **6.9 Internal Controls**

The Chief Executive Officer will maintain a framework of internal controls over procurement processes that will ensure:

- More than one person is involved in and responsible for a transaction end to end;
- New suppliers to the purchasing system are authorised by more than one Council officer;
- Procurements are not separated into parts from a single supplier for a single purchase in order to retain approval within a lower delegation;
- Transparency in the procurement process;
- A clearly documented audit trail exists for procurement activities;
- Appropriate authorisations are obtained and documented;
- Delegations are not exercised beyond the authority given in the Instruments of Delegation;
- Cross checking of suppliers bank details against the bank details of Council officers;
- Systems are in place for appropriate monitoring and performance measurement; and
- A process is in place for escalation, where appropriate, of procurement matters (including procedural non-compliance) to the Executive Leadership Team, the Audit and Risk Committee and/or Council.

### **6.10 Responsible Financial Management**

The principle of responsible financial management shall be applied to all procurement activities. Council funds must be used efficiently and effectively to procure goods, services and works and every attempt must be made to contain the costs of the procurement process without compromising any of the procurement principles set out in this policy.

Accordingly, to give effect to this principle, the availability of existing funds within an approved budget, or source of funds, shall be established prior to the commencement of any procurement action for the supply of goods, services or works.

## Section 7 - Demonstrate Sustained Value

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### 7.1 Value for Money and Quadruple Bottom Line (Sustainable Procurement)

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 and modern slavery to employees;
- 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; and
- Enable Collaboration and Aggregation: leveraging shared services, panel arrangements, and approved purchasing schemes where appropriate.

### 7.2 Quadruple Bottom Line (QBL) Principles and Objectives

Council commits to applying the principles of sustainability to its procurement decision-making and activities by:

- Being accountable for its impacts on society, the economy and the environment including the impacts of the organisation's supply chain;
- Examining anticipated organisational, project and/or community needs;
- Continually improving sustainability specifications, practices and outcomes; and

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- Planning and undertaking sustainability evaluations as part of contracting activities.

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

### **7.2.1 Economic**

Council is committed to procurement that supports local business and economic diversity in the region. Where practicable and applicable Council will give preference to goods manufactured or produced in Australia and will actively seek quotations and tenders from local businesses.

Council's approach will be underpinned by the following principles:

- Ensuring accountability and transparency;
- Ensuring Value for Money outcomes;
- Ensuring open and effective competition, and development of competitive Local Business and industry;
- Fostering innovation and emerging sectors; and
- Considering life cycle costs.

This approach aims to:

- Achieve Value for Money on a whole of life (including disposal) basis, rather than just initial cost;
- Ensure probity and accountability in the procurement process;
- Commit to sourcing local and where appropriate include evaluation criteria that favours suppliers that support the local economy;
- Build relationships with local business and encourage procurement from them to help build their capacity; and
- Create local jobs and stimulate economic development within the Council area and nominated surrounding regions.

### **7.2.2 Environmental**

Where applicable, Council will purchase goods, services and works that reduce air, water and soil pollution, greenhouse gas emissions, waste production, natural resource depletion and biodiversity depletion whenever they present an acceptable Value for Money outcome, and in some cases where they might not.

Council's approach will be underpinned by the following principles:

- Considering a product's or asset's lifecycle;
- Promoting circular economy participation;
- Managing demand to reduce procurement requirements;
- Encouraging innovation through specifications; and
- Engaging suppliers who are also committed to reducing their environmental impact.

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This approach aims to:

- Improve energy efficiency;
- Reduce waste, greenhouse gas emissions and resource use;
- Minimise waste production;
- Improve water efficiency;
- Reduce air, water and soil pollution;
- Prioritise recycled, energy-efficient, or sustainably made goods and services
- Reduce biodiversity impacts; and
- Support the circular economy and climate resilience through environmentally responsible purchasing

All Requests for Tender relating to building and infrastructure-related goods, services or works must include a response outlining how the proposed goods, services or works meet the requirements of Council's Environmentally Sustainable Design (ESD) Policy and Guidelines.

### 7.2.3 Social

Council is committed to building stronger communities and meeting social objectives which benefit the municipality and commits to integration of measures in its procurement processes and documentation which promote improved social outcomes.

Council's approach will be underpinned by the following principles:

- A thorough understanding of the socio-economic issues affecting the community;
- Promotion of equity, diversity and equal opportunity; and
- Respect for human rights, the rule of law and international norms of behaviour.

This approach aims to:

- Ensure suppliers do not exploit workers and provide fair wages, including inclusive business practices;
- Maintain a social procurement program to increase social procurement spend across the region;
- Ensure sourced products are accessible by all segments of the community;
- Increase employment and training opportunities for indigenous people, people with a disability, disadvantaged people, marginalised groups and long term unemployed;
- Improve gender equity;
- Prevent, detect and remove modern slavery from Council's supply chain;
- Promote diversity, equity, and inclusion across supply chains; and
- Support Indigenous-owned businesses, disability enterprises, and certified social benefit suppliers

### **7.2.4 Ethical Governance**

Council is committed to:

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

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.

For operational guidance on how to apply Value for Money and Quadruple Bottom Line principles, including evaluation weightings and engagement strategies, refer to Council's Procurement Procedures Manual and Procurement Initiation Form.

## **Section 8 - Procurement Monitoring, Reporting and Non-Compliance**

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

The Commercial Services Department is responsible for monitoring procurement performance and compliance with this Policy.

This includes oversight of

- Procurement activities and trends
- Register 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 officer 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 Council's Manager Finance or Council's Manager Governance and Commercial Services 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.

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

## Section 9 - Key Stakeholders

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Consultation was undertaken during the development of the revised Procurement Policy with the following stakeholders:

- **Internal Staff:** Feedback, comments, and recommendations were provided by the Senior Leadership Team and Executive Leadership Team, contributing to the refinement and alignment of the revised Policy.
- **Western Region Procurement Excellence Network (WRPEN):** The network collaborated to align Council's Procurement Policy with the MAV Procurement Policy template. This collective effort aims to support effective and consistent procurement practices across the local government sector by establishing a standardised Procurement Policy framework across WRPEN member Councils. It is noted that individual councils may apply minor amendments to suit their specific systems and processes.

## Section 10 - Implementation and Monitoring

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Policy Owner	Directorate
Manager Governance and Commercial Services	Corporate Services

## Section 11- Review of Policy

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This Policy will be reviewed at least once every four years in accordance with *the Local Government Act 2020*, from the date of approval or earlier if required.



## Section 12 - References

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Council's procurement activities shall be undertaken to a high professional standard and in full compliance with the *Local Government Act 2020*, 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:

- *Local Government Act 2020*
- *Charter of Human Rights and Responsibilities Act 2006*
- *Gender Equality Act 2020*
- *Modern Slavery Act 2018 (Cth)*
- *Occupational Health and Safety Act 2004;*
- *Working with Children Act 2005*
- *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;*
- *Competition and Consumer Act 2010 (Cth);*
- Other relevant Australian Standards or legislation; and
- Local Government Best Practice Procurement Guidelines 2024

### Internal Policies and Frameworks

- Council Plan, Annual Budget and Long-Term Financial Plan;
- Fraud and Corruption Framework;
- Conflict of Interest Policy;
- Climate Action Plan; and
- Environmentally Sustainable Design Policy (ESD)

## Section 13 - Appendices

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All Policy requirements contained within these Appendices are only applicable to Maribyrnong City Council and are to be reviewed and updated in line with internal governance and legislative obligations.

### 13.1 Appendix 1 – Procurement Thresholds

Section 108 of the Act requires Council to set the public tender threshold above which tenders or expressions of interest for contracts must be publicly invited.

A public tender process must be used for all procurements valued at \$300,000 and above (incl. GST) for goods, works and services.

Council will invite tenders, proposals, quotes and expressions of interest from the supply market for goods, services or works in accordance with the methodology and thresholds listed below:

Minimum Spend Competition Thresholds	
Procurement Threshold (inclusive of GST)	Procurement Methodology
<\$20,000	<ul style="list-style-type: none"><li>• One written quotation.</li><li>• Purchase Order</li><li>• Corporate Charge Card</li><li>• Quotation received must be retained and recorded in the Authority purchasing system.</li></ul>
\$20,001 - \$50,000	<ul style="list-style-type: none"><li>• Two written quotations.</li><li>• Purchase Order</li><li>• Quotations received must be retained and recorded in the Authority purchasing system</li><li>• When seeking and or evaluating quotes, preference will be applied to local suppliers and a minimum of one local supplier must be invited, depending on availability of local suppliers</li></ul>
\$50,001 - \$300,000	<ul style="list-style-type: none"><li>• Three written quotations</li></ul> <p>Request for Quote process required:</p> <ul style="list-style-type: none"><li>• A RFQ Procurement Initiation Form must be completed. Quotations must be received through the electronic tender system by the nominated closing date and time. The quotations must be evaluated</li></ul>

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Minimum Spend Competition Thresholds	
Procurement Threshold (inclusive of GST)	Procurement Methodology
	<p>against pre-approved Evaluation Criteria and the awarding of the contract approved by the Council officer with the delegated authority.</p> <ul style="list-style-type: none"><li>• When seeking and or evaluating quotes, preference will be applied to local suppliers and a minimum of one local supplier must be invited, depending on availability of local suppliers.</li><li>• A member of the Governance and Commercial Services Department will participate in the evaluation of procurements of \$150,000 and above.</li></ul>
>\$300,000	<ul style="list-style-type: none"><li>• A public tender process is required for goods, services or works for a single procurement or if the on-going cumulative spend over the life of the contract is expected to exceed \$300,000.</li><li>• Expenditures of \$300,000 and above for goods, services and works above over a two year period, must be undertaken by a public tender process. The two year period is defined as commencing from the date an obligation to purchase goods, services or works is first entered into by Council.</li></ul>

### General Principles

- Thresholds refer to the total contract sum, including extension options and recurrent spend with the same supplier.
- Thresholds represent the minimum standards – Council officers may choose a more rigorous approach if it is in the best interests of Council
- Procurement transactions must not be split to circumvent the above thresholds.
- Where Council has established panels, alternate thresholds and methodologies may apply as approved at the time of panel formation.
- Where it is difficult to obtain sufficient quotations (e.g. due to limited suppliers or specialised work), an approved Procurement Exemption may be applied in accordance with Sections 6.5 and 13.2

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 or 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.

## 13.2 Appendix 2 – Procurement Exemption to Thresholds

An exemption from the Procurement Levels and procedures could be applied in the following circumstances:

Exemption Name	Explanation, limitations, responsibilities and approvals
A contract made because of genuine emergency or hardship	<ul style="list-style-type: none"> <li>Where the Council has resolved that the contract must be entered into because of an emergency (e.g. to provide immediate response to a natural disaster as declared, declared emergency, etc.)</li> </ul>
A contract made with, or a purchase from a contract made by, another government entity, government-owned entity or other approved third party	<ul style="list-style-type: none"> <li>This general exemption allows engagements:                             <ul style="list-style-type: none"> <li>With another government entity or government owned entity. For example, Federal, State or Local Government or an entity owned by the Federal, State or Local Government; and/or</li> <li>In reliance on contracts and arrangements established by another government entity, local authority or local government group purchasing scheme, Municipal Association of Victoria (MAV) or National Procurement network members (e.g. Local Buy), Procurement Australia (PA).</li> </ul> </li> </ul>
Extension of contracts while Council is at market	<ul style="list-style-type: none"> <li>Allows Council to extend an existing contract where the procurement process to replace the contract has commenced, and where the tender process or negotiations will take or are taking longer than expected.</li> <li>This exemption may be used when the establishment of an interim short-term arrangement with an alternative supplier is considered not to be in the public interest, as it may be cost prohibitive and/or present a risk in the delivery of critical public services to the municipality.</li> </ul>
Professional services unsuitable for tendering	<ul style="list-style-type: none"> <li>Legal Services</li> <li>Purchase of land</li> <li>Electoral or valuation services</li> <li>Payroll expenses and deductions Refunds</li> <li>Professional membership payments and subscriptions</li> <li>Insurance.</li> </ul>
Novated Contracts	<ul style="list-style-type: none"> <li>Where the initial contract was entered into in compliance with <i>the Act</i> and due diligence has been undertaken in respect to the new party.</li> </ul>
Information technology resellers and software developers	<ul style="list-style-type: none"> <li>Allows Council to renew software licenses and maintenance and support, or upgrade existing systems, where there is only one supplier of the software who holds the intellectual property rights to the software.</li> </ul>

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Exemption Name	Explanation, limitations, responsibilities and approvals
Regional Waste and Resource Recovery Groups	<ul style="list-style-type: none"> <li>Situations where a Regional Waste and Resource Recovery Group constituted under the <i>Environment Protection Act 1970</i> had already conducted a public tender for and on behalf of its member councils.</li> </ul>
Monopoly Market	<p>Allows engagements for monopoly markets:</p> <ul style="list-style-type: none"> <li>statutory compulsory insurance schemes (Workcover and motor vehicle insurance)</li> <li>supply of utilities or other services by statutory bodies (electricity, gas, water, essential services, relocation services without competition (non-contestable works))</li> </ul>
Operating Leases	<ul style="list-style-type: none"> <li>Where a lessor leases an asset (generally a vehicle or plant and equipment) to the Council and assumes the residual value risk of the vehicle.</li> </ul>
Artists and entertainers	<ul style="list-style-type: none"> <li>for the delivery of Arts or Entertainment where the Artist/s are represented by management companies</li> </ul>
Legislated providers	<p>Where the delivery of goods, services or for the undertaking of works is legislated -</p> <ul style="list-style-type: none"> <li>Australia Post (postal services)</li> <li>Victorian Electoral Commission and Australian Electoral Commission (electoral services)</li> <li>public street lighting and maintenance services</li> </ul>

All Exemptions must be authorised by the Chief Executive Officer and must be approved prior to delivery of goods, services or the commencement of works.

When an exemption has been approved, a written contract based on standard terms and conditions appropriate to the goods, services or works being provided must still be established in advance of any commitment being made with a supplier.

Appropriate insurance and indemnity is also required.

## Revision Record

Date	Version	Revision Description
18/9/2025	1	Draft Policy
21/10/2025	2	Adopted by Council