



SUSTAINABLE PROCUREMENT, CONTRACTS AND DISPOSAL POLICY

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Policy Statement

Walgett Shire Council (Council) is committed to responsible procurement practices that deliver value for money while promoting local economic growth, environmental stewardship, and socially responsible outcomes. The Sustainable Procurement, Contracts and Disposals Policy (the Policy) applies best practice principles across all stages of procurement, including planning, sourcing, contracting, and disposal, to ensure that Council's activities reflect high ethical standards, sustainability, and community benefit. All procurement activities are designed to mitigate risk and uphold a transparent, accountable process that can withstand public scrutiny.

The Policy provides a strategic framework that guides Council officers in purchasing goods and services and managing contracts effectively. The procurement framework emphasises flexibility within a compliant structure, allowing Council to adapt to evolving community needs while consistently achieving value for money. It also seeks to support Council's Community Strategic Plan by fostering a sustainable local economy that aligns with long-term social, environmental, and economic goals.

Council's approach to sustainable procurement integrates the principles of the Quadruple Bottom Line (QBL): economic, environmental, social, and governance considerations. This holistic view ensures that each procurement decision assesses the full lifecycle impact of goods and services, accounting not only for cost but also for the positive and lasting impact on the community, environment, and governance integrity.

Definitions

Term	Meaning
Asset	Any object, whether physical, digital, animate, or inanimate
Council officer	Includes Councillors, the General Manager, Council staff, contractors, volunteers, or any other person acting under the authority of the Council.
Disposal	The sale, destruction, recycling, gifting, or otherwise removing of an asset from Council's possession, title, and use.

Local Preference Purchasing Policy	Council's current policy on local preference in procurement, as adopted and amended by Council from time to time, including any policy that may replace it in the future.
Procurement	The acquisition of property, products, or services.
Procurement process	The processes outlined within this policy, as well as any additional policies, procedures, or directives issued by the General Manager or their delegate.
Tender panel	A group of individuals appointed by the General Manager or their delegate to review and assess tenders received by the Council.

1. Introduction

- 1.1. Council recognises procurement as a critical function that supports its strategic goals and community expectations.
- 1.2. The Policy provides a structured framework for conducting procurement and disposal activities to achieve optimal value, ensure accountability, and maintain public trust.
- 1.3. The Council's procurement and disposal practices balance financial responsibility with sustainable outcomes, supporting local economic growth and minimising environmental impact.
- 1.4. The Policy outlines principles for all Council procurement and disposal, ensuring transparency, consistency, and legal compliance across all procurement stages.

2. Application

- 2.1. The Policy applies to all Council officers, contractors, and representatives who are involved in any aspect of the procurement process and have delegated authority to purchase or dispose of goods, services, or works on behalf of Walgett Shire Council.
- 2.2. The Policy covers all types of procurement activities, including but not limited to the acquisition, leasing, and disposal of goods, services, and works, as well as contract management.
- 2.3. This includes purchases of any scale, whether through formal tenders, quotations, or direct sourcing, and applies throughout the lifecycle of a contract—from initial planning and sourcing to contract administration and final disposal.

3. Procurement Principles

- 3.1. Council's procurement activities are guided by the following high-level principles:
 - a. All procurement must be conducted in a manner that is legal, honest, and fair. Council officers are required to uphold ethical standards and ensure compliance with legislation, including the *Local Government Act 1993* (NSW) and the *Modern Slavery Act 2018* (NSW). Conflicts of interest must be declared and managed according to Council's *Code of Conduct*
 - b. Value for money is achieved by considering not only the price but the whole lifecycle of goods and services, including durability, quality, reliability, and potential maintenance costs. Council will balance cost with non-cost factors such as environmental sustainability, supplier capacity, and social value to ensure optimal long-term outcomes.
 - c. Procurement activities must be documented, transparent, and able to withstand public scrutiny. Council officers must demonstrate a clear basis for all procurement

decisions, supported by appropriate records and documentation as per Council's legislative obligations.

- d. Council prioritises environmentally responsible procurement and supports initiatives that minimise waste, reduce carbon emissions, and enhance biodiversity. Sustainable procurement considers the full lifecycle of products, from production through to disposal, and aims to contribute positively to environmental and social outcomes.
- e. Council is committed to supporting local businesses where feasible, recognising that doing so can stimulate local economic growth and create employment opportunities. When evaluating procurement options, Council will apply local preference considerations to ensure local suppliers have fair access to Council's procurement opportunities.

4. Local Economic Benefit

- 4.1. Council actively seeks to enhance the local economy by encouraging procurement from local suppliers.
- 4.2. When appropriate, a local preference weighting may be applied in the evaluation process for quotes and tenders to support local businesses.
- 4.3. The application of preferential procurement from local suppliers shall be done in accordance with Council's adopted *Local Preference Purchasing Policy*.

5. Quotations

- 5.1. To ensure a competitive process and achieve value for money, Council uses quotations as an essential tool in procurement. This approach not only supports fair pricing but also helps to limit the risks of fraud and corruption by maintaining a transparent and ethical procurement environment. Through structured quotation practices, Council upholds integrity, fosters healthy supplier competition, and ensures public trust in its procurement activities.
- 5.2. The General Manager is responsible for ensuring the development, implementation, and continuous improvement of procedures for quotations and purchasing.
- 5.3. The following guidelines apply to all quotation processes:
 - a. Council officers must never disclose the quote amount provided by one supplier to another. Maintaining confidentiality throughout the quotation process is essential to protect the integrity of Council's procurement activities and prevent undue influence or unfair advantage.
 - b. While Council officers may request suppliers to review or refine their quotes, this opportunity must be offered equally to all suppliers who have submitted a quote. Officers must exercise caution to ensure that such requests are impartial.
 - c. Council officers must avoid any actions or statements that could be perceived as collusion or favouritism. Officers are prohibited from using language or tactics that may be construed as inducing a supplier to lower their price with the implication that it will secure them the contract. All supplier interactions should be conducted fairly, transparently, and in a manner that preserves the competitive integrity of the process.
- 5.4. Council officers must assess the Quadruple Bottom Line, considering the total lifecycle impact of goods or services, not solely the upfront price.
- 5.5. All decisions must be documented thoroughly in accordance with Council's procurement processes to ensure transparency and accountability

5.6. To support competitive and transparent procurement, the following thresholds, including GST, apply:

Purchase Amount	Quotations required
<\$5,000	Council officers are permitted to purchase items as needed and in accordance with their financial delegations and budget allocations.
\$5,000 - \$15,000	A minimum of one verbal or written quote is required. Officers should ensure the selected supplier provides value for money.
\$15,000 - \$50,000	A minimum of three written quotes must be obtained.
\$50,000 - \$249,000	A minimum of three written and itemised quotes must be obtained.
>\$250,000	Tender process in accordance with the requirements of the <i>Local Government Act 1993</i> .

5.7. Council acknowledges that its operating environment and remote location can make obtaining the required number of quotes challenging. In such circumstances, the General Manager or their delegate may issue a written exemption from the quotation requirements outlined in clause 5.5. This exemption must include sufficient detail explaining why the required number of quotes could not be obtained, ensuring transparency and accountability in the decision-making process.

6. Tenders

- 6.1. In accordance with Section 55 of the Local Government Act 1993 (NSW), Walgett Shire Council is required to conduct an open or selective tendering process for the procurement of goods and services that exceed \$250,000 (inclusive of GST).
- 6.2. This threshold is lowered to \$150,000 for contracts involving the provision of services that are, at the time of entering the contract, provided by Council employees.
- 6.3. Council may participate in local government group tendering, when advantageous to Walgett Shire to do so.
- 6.4. The General Manager is responsible for ensuring the development, implementation, and continuous improvement of procedures for conducting tender processes.
- 6.5. All tenders must be reviewed by a tender panel appointed by the General Manager to ensure compliance with Council's procurement principles and legislative requirements.
- 6.6. The General Manager is to ensure that members of tender panels comply with the Policy and are free of conflicts of interest.
- 6.7. For tenders within the General Manager's delegation, the General Manager may accept the tender based on the tender panel's recommendation.
- 6.8. The General Manager is required to report to Council on each tender accepted under delegation, providing transparency and accountability.
- 6.9. For tenders exceeding the General Manager's delegation, the tender must be presented to Council at a formal Council meeting.
- 6.10. Council may either accept the tender panel's recommendation or reject it. Should Council reject the recommendation, they may choose to:
 - a. Restart the tender process to seek alternative bids, either with the same or an amended scope.

- b. Undertake the works in-house if feasible.
 - c. Cancel the tender entirely.
- 6.11. It is not within Council's authority to substitute the tender panel's recommended provider or supplier with an alternative provider, ensuring that Council's procurement process remains impartial and adheres to best practices in tendering.

7. Disposal of Assets

- 7.1. The decision to dispose of an asset involves the identification of the asset as no longer being required by Council.
- 7.2. The General Manager is responsible for ensuring the development, implementation, and continuous improvement of procedures for disposal of assets.
- 7.3. All disposal of assets valued below \$150,000 must be authorised by the General Manager or their delegate.
- 7.4. All disposal of assets valued above \$150,000 must be authorised through resolution of Council.
- 7.5. Where the Council is the approval authority, the General Manager is to ensure that a report is brought to Council at a meeting of the Council. This report must include sufficient information to satisfy Council as to the matters relevant to the disposal decision under this policy.
- 7.6. Where reasonably practicable, a valuation should be obtained for assets to be disposed. The nature and extent of that valuation will depend on the likely value of the asset in the circumstances.
- 7.7. The following are examples of criteria for disposal of an asset. An asset may be disposed where it is:
- a. No longer compliant with WHS standards;
 - b. Obsolete due to changed procedures, functions, or usage;
 - c. Found to contain hazardous material;
 - d. Damaged beyond economical repair;
 - e. At its optimum selling time to maximise returns;
 - f. No longer compliant with other legislative requirements; or
 - g. A stock item with no use in the previous financial year.
- 7.8. Assets may be disposed of using different methods depending on their value. The methods of disposal are set out below:

Value	Method of disposal
No value or not economical to dispose by sale	Destruction, recycling or waste disposal.
Up to \$1,000	Negotiated sale or auction via a commercial auction house or publicly advertised offers for direct sale.
\$1,000 - \$250,000	Auction via a commercial auction house or publicly advertised offers for direct sale.

>\$250,000	Public Tender
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7.9. Council may decide via resolution or delegation to the General Manager to dispose of assets via donation to community organisations where appropriate.

7.10. Any sale of land must be in accordance with the requirements of *the Local Government Act*.

8. Related Policy/Procedure

8.1. Code of Conduct

8.2. Business Ethics Policy

8.3. Gifts and Benefits Policy

8.4. Local Preference Purchasing Policy

8.5. *Local Government Act 1993*

8.6. *Local Government (General) Regulation 2021*

History

Minute Number	Meeting Date	Description of Change
	2017	Policy Developed
	July 2019	Reviewed and amended
	November 2022	Reviewed and amended – name changed from Procurement and Disposal.
R-12-11-2024	26 November 2024	Placed on Public Exhibition