

Policy Name	Procurement
Policy Type	Finance
Policy Number	FIN17
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## SUMMARY

The procurement (or purchasing) policy and procedures contained herein apply to all employees of West Daly Regional Council and represents Council policy.

Overall, Council is committed to carrying out business with its suppliers and clients in an equitable, professional and efficient manner. It is also conscious of the need to support the local traders and businesses and those supplies who, while not resident within the boundaries of the West Daly Region, provide services to regional communities.

## POLICY STATEMENT

All purchasing arrangements for West Daly Regional Council will be based on the following procurement principles:

- Open and effective competition;
- Value for money;
- Listed Preferred Suppliers;
- Enhancement of the capabilities of local business and industry;
- Environmental protection;
- Ethical behaviour and fair and equitable dealing; and
- Advancement of employment opportunities for those residing within Council's area.

Council purchasing officers are required to adhere to the following:

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Darwin Office

Unit 1/70 Cavenagh Street, Darwin NT 0800 | GPO Box 3775, Darwin NT 0801 | Ph: 08 7922 6403

Email [info@westdaly.nt.gov.au](mailto:info@westdaly.nt.gov.au) | [www.westdaly.nt.gov.au](http://www.westdaly.nt.gov.au) | ABN: 25 966 579 574

Purchase Costs (Excluding GST)	Procedure
Up to \$999	Direct Procurement
Over \$1,000 but less than \$10,000	One written quotation to be obtained
Over \$10,000 but less than \$100,000	Three written quotations to be obtained
\$100,000 and above	Three tenders to be obtained through open tender process (refer to Policy FIN21 – Tendering Process)

Where a verbal quote has been sourced, details including description of goods and services being purchased, the name and contact details of the supplier and the quoted purchase cost should be recorded by the enquiring employee in the 'comments' section of the purchase requisition with the Technology One system. A written quotation is to be attached to the purchase requisition.

Where the value of the goods and services is expected to exceed \$100,000, public tenders must be called. Refer to Policy FIN21– Tendering Process).

Quotations or tenders are not required for the purchase of land, a consultancy or other professional service, travel and accommodation or in any instance where the Minister dispenses with the requirements under the *Local Government (Accounting) Regulations*.

Similarly, quotations are not required to be sought if the supplies or services are to be obtained from a supplier or contractor who has a similar contract with:

1. The Northern Territory Government
2. A Commonwealth Government
3. A State or another Territory
4. Another Council\*
5. A Local Government or subsidiary\* or
6. Local Government Association of NT (LGANT)\*

\*subject to conditions of the *Local Government (Accounting) Regulations*.

Local Buy is part of the National Procurement Network to which LGANT is a member. Therefore, if Council purchases through Local Buy, it is not obligated to apply public tender requirements.

Under no circumstances are orders to be split so that the total value of the order falls under the amount of the individual's delegated authority or reduce the value of the purchase to a level where written quotations are not mandatory. This would be considered as violating Council's Fraud and Corruption Policy and could result in deferment of the purchase until an investigation can be completed.

Council employees are particularly instructed to always consider local traders and businesses and those suppliers who, while not resident within the boundaries of West Daly Region, provide services to regional communities within it.

Public liability insurance should be relevant to the works performed and the CEO has the delegation to change the amount required.

Please refer to the West Daly Regional Council Register for delegations covering purchases.

## TERMINOLOGY AND REFERENCES

### DEFINITIONS

**Contract** – is an agreement between Council and an external supplier for the provision of specified work, goods or services.

**Delegations** – are the authority given by Council to specific officers employed by Council to make decisions in relation to the negotiation of, or entering into, contracts for the carrying out of the work, the supply of goods and services to Council.

**Period Contracts** – are specific arrangements with a supplier following their selection by a public tender process. The agreements have specific commencing and finishing dates and are advertised initially with similar suppliers.

**Preferred Supplier Arrangement** – is an arrangement entered into between the Council and a particular supplier for supply of goods or services up to \$100,000.00 per transaction.

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**Purchasing Agreement** – is a contract for the supply of goods or services under agreed pricing and other conditions relation to delivery, quality of goods or services or timing. The arrangements are regularly reviewed by the Finance Department.

**Specifications** – are a detailed description of the work to be executed, the goods or materials to be supplied or the service to be rendered.

**Tender** – refers to a detailed quotation by a supplier of goods or services in response to a general advertisement by Council. A tender includes details of the goods and services to be offered, pricing conditions, delivery terms and quality of the items. Public tenders must be kept in a locked tender box and opened only under specific conditions after the published conclusion date and time has passed (Refer to Policy FIN21 – Tendering Process).

## **REFERENCES**

*Local Government Act*

## **FURTHER INFORMATION:**

*Chief Executive Officer*

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