



WAVERLEY  
COUNCIL

# Procurement Procedure

Procedure owner	Procurement Manager
Approved by	Executive Leadership Team
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Relevant legislation	<p>Local Government Act 1993 (NSW)</p> <p><a href="#">Local Government Amendment Act 2019</a></p> <p>Local Government (General) Regulation 2021</p> <p>Government Information (Public Access) Act 2009 No 52</p> <p>Independent Commission against Corruption Act 1988 (NSW)</p> <p><a href="#">State Records Act 1998</a> and</p> <p><a href="#">The Modern Slavery Amendment Act 2021</a></p> <p><a href="#">NSW Cyber Security Policy 2024</a></p>
Related policies/procedures/guidelines/plans	<p>Waverley Council Procurement Policy</p> <p>Waverley Council Code of Conduct</p> <p>Waverley Council Statement of Business Ethics</p> <p>Tendering Guidelines for NSW Local Government 2009 (OLG)</p> <p>ISO 20400:2017 Sustainable Procurement</p> <p><a href="#">Waverley Council Environmental Action Plan</a></p> <p><a href="#">Credit card procedure</a></p>
Related forms, documents, and templates	<a href="#">The Junction - Procurement</a>

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## 1. Background

The legislative framework stated at section 3 in this document covers the procurement of all goods and services and is binding on all Local Government Authorities.

The procurement principles stated in the Procurement Policy must be collectively considered and applied to the extent that is reasonable and practicable.

## 2. Scope/Purpose

The purpose of this Procedure is to provide guidance and to provide a framework for Council staff to follow in the procurement of all consultants, contractors, goods, capital works, and services. It is designed to ensure that Council complies with legislation and achieves best value for money through an efficient, effective, economic, environmental, circular and ethical procurement process.

This Procedure applies to all contracting and procurement activities undertaken by Council and is binding upon all Councillors and Council staff (permanent, temporary and contractors). It covers the procedures for the procurement of all goods and services for Council and excludes the acquisition, disposal or lease of land and real property.

## 3. Legislative Framework

This Procedure is intended to supplement the various Acts, Regulations, Guidelines and Council policies that apply to all contracting and procurement activities undertaken by Council.

### Acts and Regulations

- Local Government Act 1993 (NSW)
- Local Government Amendment Act 2019
- Local Government (General) Regulation 2021
- Government Information (Public Access) Act 2009 No 52
- Independent Commission against Corruption Act 1988 (NSW)
- State Records Act 1998 and
- The Modern Slavery Amendment Act 2021
- NSW Cyber Security Policy 2024

### Guidelines, procedures and plans

- Tendering Guidelines for NSW Local Government 2009
- Office of Local Government Guideline on the Use and Management of Credit Cards
- ISO 20400:2017 Sustainable Procurement
- Waverley Council Environmental Action Plan
- Credit card procedure

### Waverley Council Policies

- Procurement Policy
- Code of Conduct
- Statement of Business Ethics

## 4. Other considerations

### Centre-Led Procurement Model

Waverley Council operates a centre-led procurement model. The features of this model include:

- alignment with the common operational and strategic goals of the organisation
- utilising the power of volume bargaining power through pre-approved panels
- the Procurement team owning the procurement framework and facilitating the procurement process with the organisational departments providing subject matter expertise as part of the evaluation process.

### Probity

All people invited to quote or tender for Council business should be issued simultaneously with the equal amount of information. The information they provide to Council must be treated as confidential and restricted to persons involved in the procurement. Communication between evaluation panel members and suppliers responding to tenders should be avoided while the tender is in process. If required, such communication should only be undertaken by the Procurement team through the VendorPanel portal.

The procurement process must be transparent, visible and verifiable.

- Transparency
  - All suppliers / tenderers are to be treated fairly in an open and transparent manner and have access to the same information. There must be no improper advantage provided.
- Visibility
  - Procurement activities must be undertaken in a manner where there is evidence that fair process is visible. An independent third party must be able to see clearly that a process has been followed and that the process is fair and reasonable.
- Verifiable
  - Council must not invite or submit tenders without a firm intention and capacity to proceed with a contract, including having approved budgeted funds available.

### Value for Money

The best way to satisfy the requirement of obtaining value for money is to ensure that there is a strong element of competition in the allocation of orders or awarding of Contracts. To achieve a good value for money outcome and identify new opportunities it is important that Statement of Requirements consider whole of life costs and benefits. This helps obtain competitive Tenders or Quotations wherever practicable. Value for money does not automatically mean the “lowest price.” Best value for money is achieved when the submission satisfies all the essential criteria, specifications, WHS, environmental and statutory requirements stated in the Request for Tender/Quotation document.

### Work Health and Safety

The procurement of new plant, equipment, materials or services may introduce new Work Health and Safety (WHS) risks to the workplace. It is therefore necessary that the WHS implications be considered whenever any new items in these categories are procured.

**Risk Management**

Risk management should be considered for all procurement processes and it is essential that a risk identification process be undertaken for all high value and / or high-risk procurement. Assessment of risk assists in making better decisions and results in a higher quality outcome because it allows staff members to identify and manage risks to minimise the likelihood of problems occurring during the procurement process. All decisions regarding risk identification, assessment and management should be recorded and registered in TRIM.

**Environmentally Positive and Circular Economy**

In line with Council environmental and social commitments, Sustainable Procurement ISO 20400 and Circular Economy Principles; environmental, social and circular economy considerations must be taken into consideration when procuring products and services. This must be done throughout the entire life cycle of the procured product, services or work being procured.

**Local Businesses**

Wherever possible, Council is committed to support and give priority to local business over non-locals for the supply of products, goods, or services. Local businesses must be given every opportunity to compete for Council business. This is conditional upon the local business offering similar prices and conditions as non-locals. Council must continue to abide by the legislative and policy obligations in relation to tendering and procurement.

**Determining Value and Procurement Thresholds**

The value of a contract is the amount that Council spends on that contract over the life of the contract, including any extension options. For example, if a contract runs for three years at \$100,000 per year, and there is an extension option for one year, then the value of the contract is deemed to be \$400,000.

**Order Splitting**

Order splitting is the practice of dividing expenditure into smaller parts to avoid a particular procurement process or spend threshold value. This practice is prohibited. Council will assess the total value of expenditure on a contract and report to executive on a routine basis.

**Procurement Within a Budget**

A procurement event is not to proceed unless adequate funds are available in Council's budget. The Project Manager is responsible to check that sufficient funds are available in the budget.

**Financial Delegations**

Delegations are administered by Governance. These approved delegations are reflected in TechOne. Expenditure can only be authorised when it is in accordance with the authorising staff member's delegated authority.

**Payment Terms**

Wherever possible, payment must not to be made prior to delivery. All procurement events will be subject to the Council's standard creditor payment terms (30 days from date of invoice). Variations to these payment terms are subject to review by the Procurement team. Individual Council officers do not have the authority to negotiate or agree payment terms with any suppliers. Payments to suppliers relating to goods and services provided in the building and construction categories, are subject to requirements in the [Building and Construction Industry Security of Payment Act 1999 No 46](#).

**POs (PO)**

Except in the case of an emergency, or extenuating circumstances or the use of other available procurement methods, all transactions are MANDATORY through the issue of a PO in Council's Finance System as per the requirement of the "Local Government (Code of Accounting Practice and Financial Reporting)." The practice of raising orders after the goods/services have been provided

through a Confirmation Order is usually a good indicator that insufficient planning has occurred and 'value for money' may not have been achieved. POs must be raised prior the issuing of an invoice from a supplier. PO statistics are reported to the ELT on a regular basis, with all instances of POs raised after invoice date identified for follow up action.

### **Records Maintenance**

Full records of the procurement process should be maintained in TRIM. This includes, but is not limited to:

- all information sent to suppliers
- a list of suppliers invited to provide a quotation or who received tender documents
- details of the successful supplier and reasons for selection
- details of the evaluation methodology, criteria, and weightings
- any reports developed as part of the procurement process
- explanations for any variations to the procurement procedures (e.g. exemptions)

### **Confidentiality**

To maintain the integrity of the procurement process, it is important to maintain confidentiality throughout the process. Staff members are bound by the Council's Code of Conduct and are not to disclose information obtained during the evaluation process to other staff members, Councillors, external persons or organisations.

### **Conflicts of Interest**

Council staff must not engage in any matter involving Council in which they have a conflict of interest. A conflict of interest can arise where:

- a staff member has a financial or non-financial interest in the matter
- a person closely associated with the staff member has an interest in the matter
- the staff member could be influenced or appear to be influenced in favour of that interest in the performance of their duties
- there exists a reasonable expectation of a direct or indirect benefit or loss as a result.

Council staff members have an obligation to promptly report all actual, potential, or perceived conflicts of interest. The conflict of interest must be declared, evaluated, and resolved in favour of the public interest.

### **Dealing With Suppliers**

In dealings with suppliers, staff are bound by Council's Code of Conduct and Statement of Business Ethics.

### **Collusion**

Collusion between suppliers is illegal and undermines Council's procurement processes in that it interferes with the natural competition between suppliers which assists Council to obtain value for money. Some signs of collusion between suppliers include:

- suppliers appearing to be taking turns at winning tenders
- regular suppliers declining to bid for no reason
- suppliers sometimes bidding low and sometimes high on similar types of contracts

- the successful supplier regularly subcontracting work to competitors that submitted higher priced tenders
- prices are much higher or much lower than market research would indicate is a reasonable price
- tenders from different suppliers using exact same wording or formatting
- suppliers meeting during the period the tender is open.

If you suspect collusive activity is occurring, contact the Procurement team.

### Unsolicited Offers

Occasionally suppliers will contact Council directly when Council has not requested a proposal. The NSW Government has an [Unsolicited Proposals Guide](#) that sets out how they may be considered. The expenditure or receipt of all goods or services must go through a formal procurement process to ensure equity and transparency. If approached by a supplier, and this has been unsolicited, refer the offer to the Procurement team.

### Specialist Goods and / or Services

Due to a variety of business risks, business units must not individually procure the following items and must be referred to the relevant department:

Item	Risk	Relevant Department
General Office Furniture	OH&S Requirements	Property and Facilities
General Office Workstations	OH&S Requirements	Property and Facilities
Mobile Phones, Photocopiers, Printers	Asset Management	Information Technology
Computer Equipment	Asset Management	Information Technology
Computer Software	Asset Management	Information Technology
Motor Vehicles, Marine Hulls, Plant & Equipment	Asset Management	Assets and Operations
Building / Trade Services	Contract Management	Property and Facilities

### Assistance and Support

The Procurement team can provide support and assistance for:

- procurement management system (VendorPanel)
- contract variations and extensions
- preferred supplier agreements
- compliance with procurement regulations, policies, procedures, and guidelines
- training and support in the use of TechOne.

### Reporting

Council Compliance to this Guideline will be reported to the Executive Leadership Team quarterly.

The minimum reporting requirements are as follows;

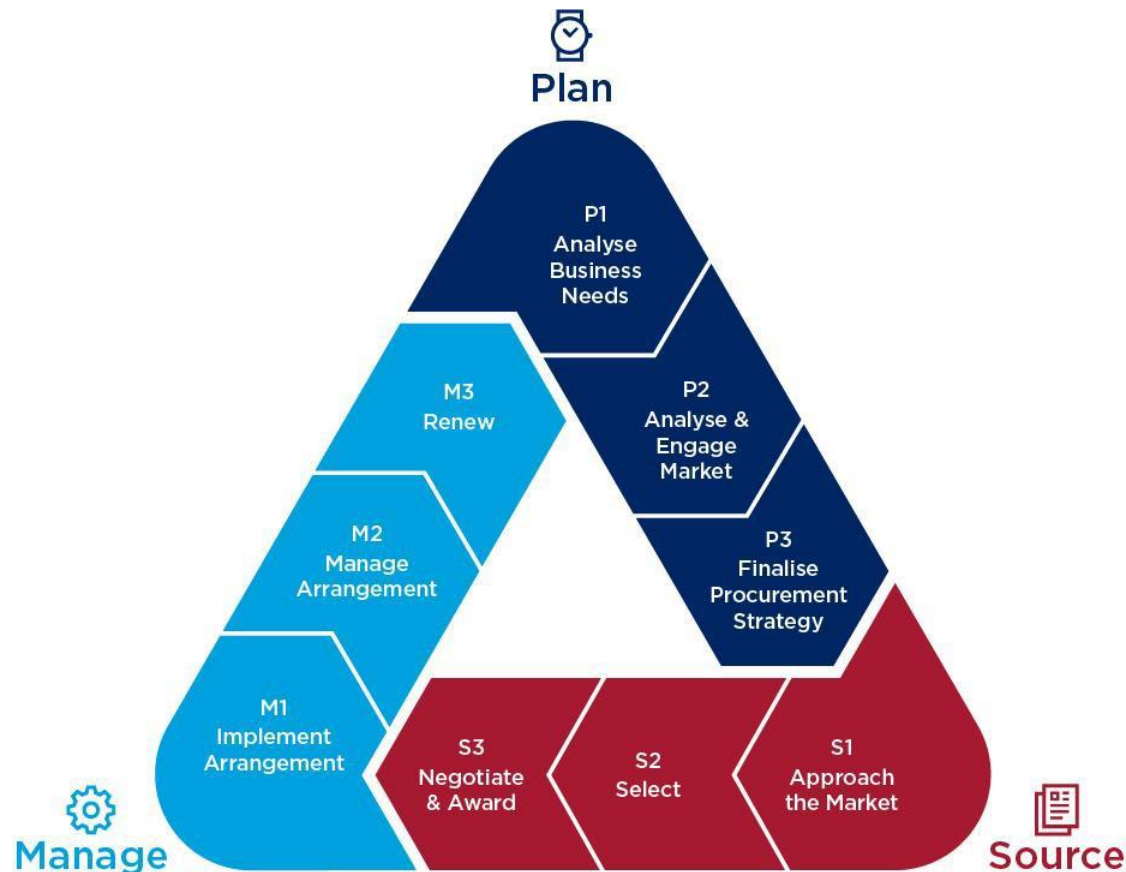
- Contract compliances / variations
- Threshold compliance



- PO spend
- PO spend by category
- PO raised compliance

## 5. The Procurement Process

### Overview



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Engaging with Procurement early during the planning process will ensure the development of a procurement strategy that complies with legislation and mitigates any procurement risk.

## 6. Procedure

This procedure section is broken into 3 parts. 1 – Quick view using the Expenditure Thresholds, 2 – Step by step referencing the expenditure thresholds and 3 – Full procedure with reasons and explanations of each step.

### 6.1 Procurement Expenditure Thresholds

Spend Threshold Table						
Total Cost \$ Range (Incl. GST)	Minimum No. of Quotes obtained from Approved Supplier Panels <i>Approved Supplier Panels listings include Waverley Council, SSROC, LGP, NSW Procurement, Procurement Australasia.</i>	Minimum No. of Quotes Obtained (Non-Panel Suppliers/Open Market) <i>NOTE: It is <b>recommended</b> to use VendorPanel to source a written quote</i>	Procurement Process / Record Keeping	Procurement Team Involvement	Agreement Type	Approval Required
< \$5,000	<b>Minimum 1 x written quote</b> - formal document or email.	<b>Minimum 1 x written quote</b> - formal document or email.	Written evidence of quotes requested / received TRIM (A24/0579)	Support / Advisory / Probity as Required	PO General T&C	Delegated Authority (TRIM Ref <b>SF23/12</b> )
\$5,001 - \$75,000	<b>Minimum 2 x written quotes</b> - formal document or email.	<b>Minimum 3 x written quotes</b> - formal document or email.	Written evidence of quotes requested/received TRIM (A24/0578)			
\$75,001 - \$249,999	<b>Minimum 3 x written quotes.</b> Documented process resulting in 3 or more written quotes.	<b>Minimum 3 x written quotes.</b> <u>RFQ Process</u> Documented process resulting in 3 or more written quotes.	Written evidence of quotes requested/received TRIM (A24/0577)	Support / Advisory / Probity as Required or	PO General T&C plus Contract (where applicable)	
> \$250,000	Competitive Tender process via Request for Quotation (RFQ) <b>or</b> Request for Tender (RFT) process Tender may be Open or Closed / Invited with min. 3 quotes/submissions obtained.  Note: It is <b>recommended</b> to use Vendor Panel to source the written quotes.	Competitive <b>Open</b> Tender via Request for Tender (RFT) process Request for Public Tender process in accordance with legislation and tender procedures.  Note: It is <b>mandated</b> to use Vendor Panel to source the written quotes.	New TRIM folder to be created for all supporting RFQ / RFT documents (as applicable)	Full support / Probity / End to End Management  Depending on the market approach	Contract Conditions (where applicable)	

### 6.1.1. Estimated Expenditure or Receipt Value up to \$5,000 – Level 1.

Step	Description	Responsibility	Further information
<b>Step 1</b>	Following the identification of a need for procurement by a business unit, with an associated budget and estimated value, the Responsible Officer should seek approval to undertake the procurement.	Responsible Officer/Manager	<a href="#">Delegations Register on CM</a> TRIM Ref SF23/12
<b>Step 2</b>	<p><b>Written Quotations (non-RFQ /RFT Process)</b></p> <p><u>Must obtain min 1 written quote</u></p> <p>Suppliers must be treated fairly, with equal opportunity to quote for the supply of goods and/or services. Each department should be able to demonstrate this has been applied in obtaining quotations. Suppliers must not be requested to quote if there is no intention to procure. When obtaining quotations, each supplier should be given exactly the same information on which to base their quotes. All correspondence should be in writing (email is acceptable) and filed in TRIM.</p> <p>For quotes <b>under \$75,000 the following statement</b> on Council's commitment to circularity and environmentally and socially positive outcomes is required in relevant documents:</p> <p><i>Waverley Council has a strong commitment to circularity and positive environmental and social outcomes. Through its procurement processes, Council aims to procure products and services that advance positive environmental and social impact, eliminate waste and pollution, circulate products and materials (at their highest value), and regenerate nature on these, in line with the principles of ISO 20400:2017 – Sustainable Procurement–Guidance and circular economy principles.</i></p>	Responsible Officer Environmental & Sustainability Procurement Team	<a href="#">Sustainable, Circular and Resilient Council</a> <a href="#">Waverley Corporate Sustainability program</a> <a href="#">Procurement on the Junction</a>

<b>Step 3</b>	<p>A large range of approved suppliers are available to staff, whether through council panels, SSROC, LGP, NSW or Procurement Australia. Staff are to use council's contracted suppliers wherever practical and considering best value for money, prior to sourcing from the open market. The category lists of suppliers for SSROC and LGP are available on council's Vendor Panel portal.</p> <p>Contact Procurement <a href="mailto:procurement@waverley.nsw.gov.au">procurement@waverley.nsw.gov.au</a> to gain access to the Vendor Panel portal, or alternatively seek advice from the Procurement Team.</p>	<p>Responsible Officer</p> <p>Procurement Team</p>	<p><a href="#">Vendor Panel</a></p> <p><a href="#">Procurement Australia</a></p> <p><a href="#">NSW Government</a></p> <p><a href="#">SSROC</a></p> <p><a href="#">LGP</a></p>
<b>Step 4</b>	Once Steps 1 to 3 have been undertaken and available options considered, staff can source goods and services.	Responsible Officer	
<b>Step 5</b>	Once a Supplier is sourced – check TechOne to ensure supplier is set up in the system. If the supplier is new to Council, you will need to complete a New Supplier form. The completed NSF is to be submitted to <a href="mailto:procurement@waverley.nsw.gov.au">procurement@waverley.nsw.gov.au</a> for set up in TechOne.	<p>Responsible Service</p> <p>Procurement Team</p>	<a href="#">New supplier form</a>
<b>Step 6</b>	<p>For the financial commitment to be established between the Council and the Supplier, a PO needs to be raised in TechOne and approved by the appropriate Manager.</p> <p>The <a href="#">PO T&amp;C</a> will form the agreement.</p> <p>Approval- The PO must be approved by a person with relevant delegation</p>	<p>Responsible Officer/Manager</p> <p>Procurement Team</p>	<p>Purchase Requisitions (POs) and Receiving Goods (<a href="#">Finance One</a>)</p> <p><a href="#">Delegations Register on CM</a></p>
<b>Step 7</b>	File all the procurement evidence in Content Manager (TRIM) A24/0579	Responsible Officer	TRIM Ref A24/0579

### 6.1.2. Estimated Expenditure or Receipt Value between \$5,001 and \$75,000 – Level 2

Step	Description	Responsibility	Intranet and website links
Step 1	Following the identification of a need for procurement by a service area, with an associated budget and estimated value, the Responsible Officer should seek approval to undertake the procurement.	Responsible Officer	<a href="#">Delegations Register on CM</a> TRIM Ref SF23/12
Step 2	<p><b>Written Quotations (non-RFQ / RFT Process)</b></p> <p><u>Must obtain min 2 quotes from approved Supplier Panel list or</u> <u>Obtain min 3 quotes from Non-Panel suppliers.</u></p> <p>Suppliers must be treated fairly, with equal opportunity to quote for the supply of goods and/or services. Each department should be able to demonstrate this has been applied in obtaining quotations. Suppliers must not be requested to quote if there is no intention to procure. When obtaining quotations, each supplier should be given exactly the same information on which to base their quotes. All correspondence should be in writing (email is acceptable) and filed in TRIM.</p> <p>For quotes <b>under \$75,000 the following statement</b> on Council's commitment to circularity and environmentally and socially positive outcomes is required in relevant documents:</p> <p><i>Waverley Council has a strong commitment to circularity and positive environmental and social outcomes. Through its procurement processes, Council aims to procure products and services that advance positive environmental and social impact, eliminate waste and pollution, circulate products and materials (at their highest value), and regenerate nature on these, in line with the principles of ISO 20400:2017 – Sustainable Procurement–Guidance and circular economy principles.</i></p>	<p>Responsible Officer</p> <p>Environmental &amp; Sustainability</p> <p>Procurement Team</p>	<p><a href="#">Sustainable, Circular and Resilient Council</a></p> <p><a href="#">Waverley Corporate Sustainability program</a></p> <p><a href="#">Procurement on the Junction</a></p>

<b>Step 3</b>	<p>A large range of approved suppliers are available to staff, whether through council panels, SSROC, LGP, NSW or Procurement Australia. Staff are to use council's contracted suppliers wherever practical and considering best value for money, prior to sourcing from the open market. The category lists of suppliers for SSROC and LGP are available on council's Vendor Panel portal.</p> <p>Contact Procurement <a href="mailto:procurement@waverley.nsw.gov.au">procurement@waverley.nsw.gov.au</a> to gain access to the Vendor Panel portal, or alternatively seek advice from the Procurement Team.</p>	<p>Responsible Officer</p> <p>Procurement Team</p>	<p><a href="#">Vendor Panel</a></p> <p><a href="#">Procurement Australia</a></p> <p><a href="#">NSW Government</a></p> <p><a href="#">SSROC</a></p> <p><a href="#">LGP</a></p>
<b>Step 4</b>	<p>Once Steps 1 to 3 have been undertaken and available options considered, staff can source goods and services.</p> <p>Consideration should be given to whether a council's General PO conditions are appropriate for the procurement (that is, generally low complexity / low risk / low value where only a PO is issued to the supplier). If a contract is more suitable, please contact <a href="mailto:procurement@waverley.nsw.gov.au">procurement@waverley.nsw.gov.au</a></p>	<p>Responsible Officer</p> <p>Procurement Team</p>	
<b>Step 5</b>	<p>Once a Supplier is sourced – check TechOne to ensure supplier is set up in the system. If the supplier is new to Council, you will need to complete a New Supplier form. The completed NSF is to be submitted to <a href="mailto:procurement@waverley.nsw.gov.au">procurement@waverley.nsw.gov.au</a> for set up in TechOne.</p>	<p>Responsible Service</p> <p>Procurement Team</p>	<p><a href="#">New supplier form</a></p>
<b>Step 6</b>	<p>In order for the financial commitment to be established between the Council and the Supplier, a PO needs to be raised in TechOne and approved by the appropriate Manager. The <a href="#">PO T&amp;C</a> will form the agreement (or contract where applicable).</p> <p>Approval: The PO must be approved by a person with relevant delegation</p>	<p>Responsible Officer</p> <p>Procurement Team</p>	<p>Purchase Requisitions (POs) and Receiving Goods (<a href="#">Finance One</a>)</p> <p><a href="#">Delegations Register on CM</a></p>
<b>Step 7</b>	<p>File all the procurement evidence in Content Manager (TRIM) A24/0578</p>	<p>Responsible Officer</p>	<p>TRIM Ref A24/0578</p>

### 6.1.3. Estimated Expenditure or Receipt Value between \$75,001 and \$249,999 – Level 3

Step	Description	Responsibility	Intranet and website links
<b>Step 1</b>	Following the identification of a need for procurement by a service area, with an associated budget and estimated value, the Responsible Officer should seek approval to undertake the procurement.	Responsible Officer	<a href="#">Delegations Register on CM</a> TRIM Ref SF23/12
<b>Step 2</b>	<p><b>Written Quotations (non-RFQ/RFT Process)</b></p> <p><u>Must obtain min 3 quotes from approved Supplier Panel list</u></p> <p>Suppliers must be treated fairly, with equal opportunity to quote for the supply of goods and/or services. Each department should be able to demonstrate this has been applied in obtaining quotations. Suppliers must not be requested to quote if there is no intention to procure. When obtaining quotations, each supplier should be given exactly the same information on which to base their quotes. All correspondence should be in writing (email is acceptable) and filed in TRIM.</p>	<p>Responsible Officer</p> <p>Environmental &amp; Sustainability</p> <p>Procurement Team</p>	<p><a href="#">Sustainable, Circular and Resilient Council</a></p> <p><a href="#">Waverley Corporate Sustainability program</a></p> <p><a href="#">Procurement on the Junction</a></p>
<b>Step 3</b>	<p>A large range of approved suppliers are available to staff, whether through council panels, SSROC, LGP, NSW or Procurement Australia. <b>Staff are to use council's contracted suppliers</b> wherever practical and considering best value for money, <b>prior</b> to sourcing from the open market. The category lists of suppliers for SSROC and LGP are available on council's Vendor Panel portal.</p> <p><u>If no quotes are obtained, go to Step 4.</u></p>	<p>Responsible Officer</p> <p>Procurement Team</p>	<p><a href="#">Vendor Panel</a></p> <p><a href="#">Procurement Australia</a></p> <p><a href="#">NSW Government</a></p> <p><a href="#">SSROC</a></p> <p><a href="#">LGP</a></p>

<b>Step 4</b>	<p>Written Quotations - Request For Quotation (RFQ) Process</p> <p>The Procurement team will provide you with full support/probity/end to end management.</p> <p>Start the RFQ process, contact <a href="mailto:procurement@waverley.nsw.gov.au">procurement@waverley.nsw.gov.au</a></p> <p>Must obtain min 3 quotes from non-Panel Supplier list</p> <p>If the contract value exceeds \$150,000 a GIPA form needs to be completed by the Responsible Officer and submitted to <a href="mailto:procurement@waverley.nsw.gov.au">procurement@waverley.nsw.gov.au</a></p>	<p>Responsible Officer</p> <p>Procurement Team</p>	<a href="#">Procurement on the Junction</a>
<b>Step 5</b>	<p>Once a Supplier is sourced – check TechOne to ensure supplier is set up in the system. If the supplier is new to Council, you will need to complete a New Supplier form. The completed NSF is to be submitted to <a href="mailto:procurement@waverley.nsw.gov.au">procurement@waverley.nsw.gov.au</a> for set up in TechOne.</p>	<p>Responsible Officer</p> <p>Procurement Team</p> <p>Evaluation Panel members</p>	<a href="#">New supplier form</a>
<b>Step 6</b>	<p>In order for the financial commitment to be established between the Council and the Supplier, a PO needs to be raised in TechOne and approved by the appropriate Manager.</p> <p>The <a href="#">PO T&amp;C</a> will form the agreement (or contract where applicable).</p> <p>Approval: The PO must be approved by a person with relevant delegation</p>	<p>Responsible Officer</p> <p>Procurement Team</p>	<p>Purchase Requisitions (POs) and Receiving Goods (<a href="#">Finance One</a>)</p> <p><a href="#">Delegations Register on CM</a></p>
<b>Step 7</b>	<p>File all the procurement evidence in Content Manager (TRIM) A24/0577</p>	<p>Responsible Officer</p>	TRIM Ref A24/0577



#### 6.1.4. Estimated Expenditure or Receipt Value from \$250,000 onwards – Level 4

Step	Description	Responsibility	Intranet and website links
<b>Step 1</b>	Following the identification of a need for procurement by a service area, with an associated budget and estimated value, the Responsible Officer should seek approval to undertake the procurement.	Responsible Officer/Manager	<a href="#">Delegations Register on CM</a>
<b>Step 2</b>	Please contact the Procurement team who need to be engaged to provide you with full support/probity/end to end management.  Start EOI/RFP/RFT	Responsible Officer/Manager  Environmental & Sustainability  Procurement Team	<a href="#">Sustainable, Circular and Resilient Council</a>  <a href="#">Waverley Corporate Sustainability program</a>  <a href="#">Procurement on the Junction</a>
<b>Step 3</b>	Staff are to use council's contracted suppliers wherever practical and considering best value for money, prior to sourcing from the open market. The category lists of suppliers for SSROC and LGP are available on council's Vendor Panel portal.  A large range of approved suppliers are available to staff, whether through council panels, SSROC, LGP, NSW or Procurement Australia.  The procurement team will assist with notifying suppliers through VendorPanel and publicly advertise through Council website.	Responsible Officer  Procurement Team	<a href="#">Vendor Panel</a>  <a href="#">Procurement Australia</a>  <a href="#">NSW Government</a>  <a href="#">SSROC</a>  <a href="#">LGP</a>

<b>Step 4</b>	<p>Once the tender period has ended for submissions, an evaluation will be conducted to select an appropriate supplier. A letter of award will be sent containing the contract to the successful supplier to accept and engage.</p> <p>Must obtain min 3 quotes from non-Panel Supplier list</p> <p>A GIPA form needs to be completed by the Responsible Officer and submitted to <a href="mailto:procurement@waverley.nsw.gov.au">procurement@waverley.nsw.gov.au</a></p>	<p>Responsible Officer</p> <p>Procurement Team</p> <p>Evaluation Panel members Governance (dependent of contract value)</p>	
<b>Step 5</b>	<p>Once a Supplier is selected – check TechOne to ensure supplier is set up in the system. If the supplier is new to Council, you will need to complete a New Supplier form. The completed NSF is submitted to the Procurement Team. Procurement team will set up the supplier in TechOne.</p>	<p>Responsible Officer</p> <p>Procurement Team</p>	<a href="#">New supplier form</a>
<b>Step 6</b>	<p>In order for the financial commitment to be established between the Council and the Supplier, a PO needs to be raised in TechOne and approved by the appropriate Manager.</p> <p>The PO T&amp;C will form the agreement.</p> <p>When engaging consultants, the Service order conditions for low risk /low value consultants are appropriate (a 3-page document) and will form the agreement.</p>	<p>Responsible Officer</p> <p>Procurement Team</p>	<p>Purchase Requisitions (POs) and Receiving Goods (<a href="#">Finance One</a>)</p> <p><a href="#">Delegations Register on CM</a></p>
<b>Step 7</b>	<p>File all the procurement evidence in Content Manager (TRIM). The project must have a dedicated TRIM container under Procurement.</p>	<p>Responsible Officer</p>	

## 6.2 Important Considerations

### 6.2.1 Obtaining Written Quotations

#### Written Quotations (non-RFQ / RFT Process)

Suppliers must be treated fairly, with equal opportunity to quote for the supply of goods and/or services. Each department should be able to demonstrate this has been applied in obtaining quotations. Suppliers must not be requested to quote if there is no intention to procure. When obtaining quotations, each supplier should be given exactly the same information on which to base their quotes. All correspondence should be in writing (email is acceptable) and filed in TRIM.

For quotes under \$75,000, incorporating environmental, circular and social sustainability evaluation criteria is optional, however the following statement on Council's commitment to circularity and environmentally and socially positive outcomes is required in relevant documents: Waverley Council has a strong commitment to circularity and positive environmental and social outcomes. Through its procurement processes, Council aims to procure products and services that advance positive environmental and social impact, eliminate waste and pollution, circulate products and materials (at their highest value), and regenerate nature in line with the principles of ISO 20400:2017 – Sustainable Procurement– Guidance and circular economy principles.

### 6.2.2 Procurement Exemptions

#### Exemptions from Obtaining the Required Number of Quotes

In cases where the required number of quotes have been **requested from the market but not** received, then this may be deemed as having "tested the market" and therefore compliant with policy, once written approval from the respective departmental Director has been provided. This situation occasionally arises where;

- There are a relatively small number of competitors in the market.
- The good or service being procured is unique or complex in nature and not often procured.

Evidence of quotes that have been requested and subsequent approval from a Director must be kept on file in TRIM for audit trail purposes (A24/0576).

In the situation where an insufficient number of quotes were received, it may be beneficial to contact suppliers who did not submit a response (if they were invited and it was not an Open Tender process) to inquire as to why they did not submit a response. Such feedback from suppliers in this case may be of benefit to Council for future reference.

In circumstances where the required number of quotes have **not been requested** (including where no quotes have been requested and a specific supplier needs to be engaged directly without an approach to market),

the procurement exemption must be approved as follows;

Value of expenditure or receipt of income (Incl. GST)	Approval Required
Up to \$50,000	Director
Between \$50,000 and \$250,000	General Manager
Over \$250,000	Council

The Procurement Exemption Template is to be completed in this circumstance. All Exemptions of this nature are to be recorded on TRIM. The General Manager must report to Councillors on a monthly basis by email all exemptions approved by the General Manager. Exemptions exceeding \$250,000 are reported to the ELT on a monthly basis.

Fees relating to the provision of **Legal Services and Advice** from external providers are exempt from the Spend Thresholds. This is due primarily to the urgent and critical nature of the Legal advice required, which due to time constraints, makes the process of obtaining quotes impractical. Where the advice is not urgent quotes must be obtained from the Legal Panel.

### **Emergency Procurement**

It is recognised that emergency procurement is sometimes unavoidable. In an emergency, the General Manager may authorise the acquisition of goods and / or services to a value sufficient to meet that particular emergency only.

In these circumstances, the spend threshold requirements will not apply. The PO must still be raised but it may be after the invoice date. A file note is to be created in TRIM and attached to the PO explaining the nature of the emergency, reasons as to why normal procurement procedures were not followed and the General Manager's authorisation of the emergency expenditure.

Emergency situations can include, but are not limited to:

- breakdown or damage to Council infrastructure, which exposes Council staff and / or the public to a public health, security, or environmental safety risk
- breakdown of major plant with no suitable temporary replacement available
- goods and / or services as reasonably required by Emergency Services in an emergency situation arising from either natural or other unforeseen circumstances.

### **Staff Reimbursement Procedure**

Refer to the Staff Reimbursement Procedure located at TRIM Ref D22/57833 for procedures and guidance relating to the reimbursement of staff expenses.

### **Credit Cards**

The use of Corporate Credit Cards should only be used where an invoice payment via PO is not accepted, or where the expense is incidental in nature and / or one-off. (refer [Credit Card Usage Procedure](#)).

### **Other Exemptions**

The following table contains a list of expenses where obtaining quotes is deemed impractical and / or inefficient and are therefore exempt from requiring quotes. The exemption will only apply to contracts under \$250k. If the contract will be over \$250k and not from a panel then Council must approve the exemption as per section 55 (3) (i) of the Local Government Act.

Description of Services	Need to obtain Quotes	PO required
Cab Charge	No	No
Genuine Spare Parts – where only genuine parts can be fitted to vehicles & plant	No	No
Insurance Excess Payments	No	No
Motor Vehicle/Plant Registrations	No	No
Office of State Revenue – Fine Processing Fees	No	No
Payment to Government Authorities (where no service typically involved e.g. companion animals, fire service levy etc.)	No	No
General Insurance, Insurance Premiums & Workers Compensation Premiums, Settlements and Related Expenses	No	No
Gift Cards for Recognition & reward e.g. Staff Awards (Westfield Gift cards)	No	No
Payments Related to Employment Costs (e.g. superannuation, workers compensation, confidential consultants, Employee Assistance Program, pre-employment checks and health checks)	No	No
Courier	No	No
Postage (Australia Post)	No	No
All Grants, Contributions and Subsidy Payments	No	No
Affordable Housing, rental expenses (Strata fees, Levies, management fees and running costs)	No	No
Employee/Travel Reimbursements	No	No
Direct Purchase/Online Purchases via Bunnings/Coles Card or Bunnings/Coles Online	No	No
Roadside assistance (e.g. NRMA)	No	Yes
Emergency works	No	No
Software Licences for established software requiring annual licences and maintenance fees.	No	Yes

## 6.3 Pre-qualified Supplier Agreements

### 6.3.1 Approved Supplier Panels

Utilising an existing agreement minimises the need to tender to the market. This can dramatically cut the time, cost, and risk in procuring goods and/or services.

Where there is an approved supplier panel that includes a schedule of pricing that has been determined via a competitive tender, direct engagement of a supplier from that list may be made up to \$75,000 (Incl. GST) and only one quote is required.

Council has the opportunity to utilise the following contracts and preferred supplier agreements:

- [Waverley Council Panel Contracts](#)
- [Southern Sydney Regional Organisation of Councils \(SSROC\) Panel Contracts](#)
- [Local Government Procurement \(LGP\) Contracts](#)
- [NSW Procurement \(NSWP\) Contracts & Schemes](#)
- [Procurement Australia \(PA\) Contracts](#)

Advantages of using supplier panels:

- the credentials of suppliers on panels need only be established at the commencement of the contract, thereby simplifying the process of obtaining quotations / tenders
- the quality of work provided can be monitored over time
- by establishing panels through competitive processes and regularly reviewing the list, other suppliers have the opportunity to compete, and Council can demonstrate it is not favouring any particular supplier
- enables Council to demonstrate that it is practicing best value for money principles in its Procurement processes.

### 6.3.2 Available Panels

#### Waverley Council Panels

Council is continually looking for opportunities for achieving better value for money by setting up preferred supplier agreements for goods and / or services that are procured frequently, are of high risk, or of high value. Panel contracts should be formed where similar sorts of services are procured on a regular basis.

Council panels, where established, must be used unless the spend of a particular project, or the highly specialised nature of the work needed, requires an external arrangement. The current list of Council's panels can be accessed on [VendorPanel](#).

#### Southern Sydney Regional Organisation of Councils (SSROC)

SSROC is the Southern Sydney Regional Organisation of Councils. It is comprised of a number of councils in the southern Sydney region. SSROC hosts a supply group made up of procurement representatives from member councils. This supply group identifies opportunities for setting up contracts on a regional basis that will benefit member councils.

As with Council panels, SSROC preferred supplier agreements must be used unless the spend of a particular project, or the highly specialised nature of the work needed, requires an external arrangement.

A full list of SSROC preferred supplier agreements is available on their [website](#) and on [VendorPanel](#).

### Local Government Procurement (LGP)

Local Government Procurement (LGP) is a not-for-profit organisation and has been prescribed under [Section 163\(1A\) of the Local Government \(General\) Regulation 2021](#) to provide Procurement services to councils. This includes establishing panels of preferred suppliers for local government authorities to utilise, and these supplier panels are established specifically for the local government market.

As LGP are a prescribed entity, suppliers on LGP contracts can be utilised without the need for an RFQ / RFT. However, it is generally good practice in these situations to seek quotations from panel members in order to ensure competitive pricing. A full list of LGP preferred supplier agreements can be found on their [website](#) and on [VendorPanel](#).

### NSW Procurement (NSWP) Contracts & Schemes

NSW Procurement is part of the NSW State Government and has been given the authority to establish preferred supplier agreements for the whole of NSW government, including the local government sector. NSW Procurement has a wide range of goods and services available under various preferred supplier agreements. Details of all the NSW Procurement preferred supplier agreements can be found on their [website](#).

### Procurement Australia (PA) Contracts

Procurement Australia (PA) is another organisation that has been prescribed [under Section 163\(1A\) of the Local Government \(General\) Regulation 2021](#) to establish preferred supplier agreements for use by government authorities, including local councils.

As PA are a prescribed entity, suppliers on PA agreements can be utilised without the need for an RFQ / RFT. However, it is generally good practice in these situations to seek quotations from panel members in order to ensure competitive pricing. Details of all PA preferred supplier agreements can be found on their [website](#).

#### 6.3.3 Agreement Terms and Conditions

Considerations such as WHS, insurances, etc. should have already been covered in the relevant agreement. Therefore, it should not be necessary to ask the supplier to respond to such issues unless you have very specific requirements unique to Council that have not been covered by the agreement.

Pre-existing agreements are established under various terms and conditions which may or may not suit your particular situation. Prior to using an agreement for the first time it is recommended that you familiarise yourself with the applicable terms and conditions.

Completion of contract annexures may or may not be required, depending on the agreement utilised. The Procurement team will assist and advise.

#### 6.3.4 VendorPanel

For Approved Supplier Panel RFQs utilising a Council, LGP or SSROC panel, [VendorPanel](#) must be used. To create an account please contact the Procurement team.

Details about panels are located under *Supplier Lists*. If you have not used VendorPanel previously, it is recommended that you create a practice RFx (*My requests > Create a practice request*) to familiarise yourself with the site. There are also video tutorials found under *Training Tools*, which cover creating and managing requests.

For any questions, please utilise the *Live Help* function, present in the bottom right corner on each screen.

When seeking a quotation from a supplier on an existing Agreement, ensure you quote the reference number of the Agreement. This ensures you obtain the price applicable under the Agreement as well as the correct terms and conditions of contract.

Once the contract is fully executed, send a copy or a TRIM link to the Procurement team so it can be entered into the Contracts Register. This **must be done for all contracts**, regardless of Procurement team involvement.

## **6.4 Request for Quotation/Tender**

### *6.4.1 Introduction*

The Spend Threshold Table sets out when an RFQ or RFT is required. Where you are given the option of either an RFQ or RFT, the decision must be made in consideration of the specific requirements of the request. Generally, RFTs are more appropriate if the request is of a high value, involves a high level of complexity or risk, there are complex probity issues, or there is significant public interest and scrutiny.

Notify the Procurement team as soon as possible about your upcoming procurement if it is a Non-Panel Supplier procurement. The Procurement team will create a tendering TRIM record and assign an RFQ / RFT number.

### *6.4.2 Initial Planning*

The following should be considered during the initial planning phase of an RFQ:

- timetable: consider relevant reporting dates, availability of project staff, and the urgency of the requirement
- needs analysis
- market analysis
- risk assessment
- Circularity and environmentally and socially positive outcomes
- potential suppliers (for a closed / invited RFQ / RFT)

#### **Obtain Approvals**

The RFQ / RFT is not to be advertised unless adequate funds are available in the budget to cover the procurement and the RFQ / RFT Request for Approval form is signed by the relevant financial delegate. It is the responsibility of the Project Manager to check that sufficient funds are available in the budget and obtain the necessary approvals. The signed Request for Approval form must be provided to the Procurement team before the RFQ / RFT can be advertised on VendorPanel.

A Tender Evaluation and Probity Plan may be required, if the request is of a high value, has a high risk, or is of particular public interest and additional probity measures are required.

#### **Use of Probity Advisor / Auditor**

For RFTs, a probity advisor and / or probity auditor may be engaged to verify the transparency and fairness of the procurement process. Examples of RFTs that may benefit from a probity advisor and / or auditor are where the integrity of Council may be questioned; where the services / goods are politically sensitive and / or are vulnerable to controversy; where there is significant cost or resources required or the tender is complex and high risk.



**The following guidance is provided in relation to Probity;****Minor Probity Risk - Transactional**

Typically, a procurement process with a MINOR probity risk categorised as Transactional, may not require a dedicated Probity Advisor. For example, project costs below \$5,000.

**Medium Probity Risk (Routine)**

A procurement process with a MEDIUM probity risk categorised as Routine will have a Procurement Probity Observer appointed to the Evaluation Panel. The Probity Observer is accountable for probity and conducting fair and transparent procurement activities.

**Medium Probity Risk (Complex)**

For projects above the tender threshold (\$250,000 including GST), a procurement officer will be appointed as a Probity Observer of the Evaluation Panel and the Manager Procurement as the Probity Advisor.

**Major Probity Risk - Strategic**

If a procurement process is assessed as Strategic or a HIGH probity risk, a Probity Adviser must be appointed for the project.

The decision on whether to engage an external probity specialist should weigh the benefits of receiving advice independent of the process and include consideration of whether or not skills exist within the Council to fulfil the role. Factors that will influence the appointment of an external probity specialist include reputation risk, political sensitivity, level of legal risks and if conflicts of interest are present.

**Evaluation panel**

The Evaluation panel is to be approved by the relevant financial delegate using the relevant Request for Approval form.

An Evaluation panel must contain at least three people and must comprise the following:

- The Project Manager (Chair of the Evaluation panel), and
- Two representatives from the operational area with the relevant skills.

A member of the Procurement team will oversee the tender evaluation process and if requested, will provide guidance on the process and facilitate any requests for clarification. The Procurement team member will not be involved in evaluating and scoring submissions. Inclusion of an internal or external technical specialist is optional.

The Evaluation panel must be, and be seen to be, independent and free of influence from:

- any prospective and actual suppliers
- councillors, management and staff
- the general public and community groups
- industry, professional and trade associations
- any other person or group not appointed to the Evaluation panel or engaged by the Panel to provide advice or assistance.

Prior to the RFQ / RFT document being issued, the Evaluation panel should declare any conflict of interest and sign the relevant form, review the specification, evaluation criteria, and weightings, and sign the Request for Approval form.

### Evaluation Criteria

The purpose of evaluations is to conduct a value for money assessment on quotations / tenders to determine the preferred supplier.

Evaluation criteria may include:

- price
- financial viability
- compliance with the specifications
- methodology / project plan
- past experiences on similar projects
- Circular, environmental and social outcomes
- appropriate insurance (e.g. Workers Compensation, Public / Products Liability, Professional Indemnity)
- WHS policies and guidelines

Certain evaluation criteria may be made mandatory. These are criteria that must be met by the supplier, and any response that does not fully comply may be excluded without further consideration. Therefore, care must be taken to ensure that the list of mandatory criteria is not onerous on suppliers and must be comparable to the value and risk of the request.

The total weighting of the criteria is 100%, assigned in proportion to the relative importance of each criterion to the successful completion of the project. Selection criteria should always be clearly communicated to all potential suppliers via the RFQ / RFT documents, however the criteria weightings must not be disclosed.

Weightings can be changed after the Request for Approval form has been signed, but it must be approved by the financial delegate again. If there has been a change in criteria rather than weightings, the change must be communicated to the suppliers. Criteria and weightings must be finalised prior to the submission deadline.

### Circular, Environmental and Social Considerations

The following considerations must be considered when procuring product, services or work:

- **Minimise Waste**— Avoid unnecessary procurement or when needed, procure products that can be leased, shared, reused, repaired, refurbished, remanufactured, and, as a last resort, recycled
- **Circulate Products and materials**- procure goods that include recycled content where possible, and eliminate single use plastics.
- **Greenhouse gas emissions and climate resilience**— Procure products that reduce greenhouse gas emission and save energy and or enhance climate resilience
- **Minimise Pollution and toxicity** – Avoid procurement of products that pollute soils, air or waterways or that may be harmful to human health or ecosystems.
- **Biodiversity and Habitat Protection** – Procure in accordance with biodiversity conservation and environmental enhancement objectives.

For requests over \$75,000, it is **mandatory** to include a criterion for Environmental and Social outcomes of with at least 10% of the weighting. Environmental and social KPIs should also be incorporated in the contracts for

reporting purposes. Requests for consultancies and professional services are exempt from this requirement. However, Council Officers are encouraged to include these criteria as part of the procuring process.

Environmental and Social Sustainability criteria specific to the category of goods or services being procured, which are to be included in RFQs / RFTs / EOIs when released to the market, are located under TRIM Ref **D19/113773**. These are also incorporated into the request templates. If the requirement is not covered by existing text, the Procurement team and Environmental Sustainability team can help draft the relevant text.

### **Use of Contractors Supporting Adani**

When deciding on the award of a contract, where all other factors are equal, Council prefers entering into arrangements with suppliers not identified as supplying goods or services to the Adani Coal Project (Use of Contractors Supporting Adani, TRIM Ref D21/71488).

### **Modern Slavery Act 2018**

Council must ensure that the expenditure or receipt of its goods and services are carried out in an ethical, fair and socially responsible manner in accordance with the Modern Slavery Act 2018. The Act requires reasonable steps to be taken to ensure that goods and services procured by and for government agencies are not the product of modern slavery. In this context, Modern Slavery includes;

- slavery, servitude, forced labour, deceptive recruiting for labour or services, forced marriage
- trafficking in persons, trafficking in children
- debt bondage
- sexual servitude
- forced child marriage
- the use of a child in the production of child abuse material and related offences
- the slavery, servitude or forced labour of a child.

It is important that Council's suppliers clearly understand the significance of complying with the Modern Slavery Act. To support this, Council's market approach documents including RFQ RFT and Expression of Interest (EOI), each contain detailed references to the Modern Slavery Act.

Furthermore, in order to be accepted as a pre-qualified supplier on any of the external vendor panels Council frequently utilises, suppliers must agree to comply with the legislative requirements of the Modern Slavery Act and provide any relevant information their respective vendor panel manager upon request. This provides Council with an additional level of assurance that when dealing with suppliers that have each gone through a comprehensive application process in order to become a pre-qualified supplier on these vendor panels, we can be certain that these suppliers are providing their goods and services in accordance with the relevant Modern Slavery legislative requirements.

#### **6.4.3 Request Documentation**

Standard RFQ/RFT and contract templates are available and contain detailed guidance on what is required for the specific request. The templates are located at this [link](#) on the Procurement page of The Junction. To ensure that the most suitable RFQ/RFT and contract templates are used for the procurement being undertaken, please contact your procurement team member or email [procurement@waverley.nsw.gov.au](mailto:procurement@waverley.nsw.gov.au) for assistance. *Please note that these templates should always be sourced from The Junction to ensure that the current versions are being used. Please avoid using templates you may have saved from previous procurement activities as they may not contain the most up to date details.*

**Specification**

All request documentation must contain a specification that details Council's requirements. The following minimum information must be included:

- a description of the required good / service
- duration or delivery dates
- required meetings, reporting requirements, and performance indicators, if applicable
- insurances, WHS requirements, and licences, if applicable
- any special conditions.

The level of detail in the specification should reflect the risk and value of the procurement. Basic specifications are adequate for low risk or low value requests, principally goods or basic one-off services, whereas higher risk or higher value or consulting / advisory type requests will require more detailed specifications.

**6.4.4 Approach to Market**

The Procurement team will review the request documentation and release it on VendorPanel. Once released, the Procurement team will forward any clarification questions to the Project Manager to answer and then upload responses as an addenda item on the VendorPanel portal.

**Extending the RFQ / RFT Period**

From time to time it may be necessary to extend the RFQ / RFT period. Any extension must be approved by the relevant financial delegate and must not disadvantage any potential supplier. The Procurement team will notify all potential suppliers of the extended deadline. A record of the decision and the justification should be kept and filed in TRIM.

**Shortening the RFT Period**

An RFT must be in the market for at least twenty-one (21) calendar days after the date of first publication of the advertisement. If a shortened tender period is deemed necessary, Council must resolve to change that period. The tender period can only be shortened prior to the tender being advertised. A record of the decision and the justification should be kept and filed in TRIM.

**Amendments to Tender Documents (Addenda)**

All addenda to the request documentation during the approach to market period will be distributed to all potential suppliers via VendorPanel simultaneously.

When amending the request documentation, the Project Manager must consider extending the RFQ / RFT period to enable suppliers sufficient time to consider the addendum properly and fully before the deadline. Each addendum must clearly state that it is meant to be incorporated into the request documentation. The suppliers are also required to state that they have given due consideration to addenda in their responses.

**Lodgement of Submissions**

Suppliers are solely responsible for ensuring that submissions are lodged electronically via the chosen platform no later than the closing date and time.

**Opening the Tender Box**

At the advertised closing time and day, the Procurement team member overseeing the procurement and at least one witness will meet to open the electronic tender box and download all submissions. Submissions are then registered and uploaded to TRIM and access will be granted to the evaluation panel.

Once all tenders have been opened, a list of tenders received is prepared by the Procurement team and signed by all the representatives involved in opening the tender. The Procurement team will prepare a list of all tenders received and publish it on the [Council website](#) for at least one month after the advertisement closes.

**Late Submissions**

Late submissions will not be accepted unless there are extenuating circumstances. Acceptance of late submissions is determined on a case by case basis by the evaluation panel in consultation with the Manager, Procurement. All decisions must be clearly documented and filed in TRIM.

**Conflicts of Interest**

The Evaluation panel will be notified of the suppliers who responded to the RFQ / RFT and must complete an RFQ / RFT Declaration of Conflict of Interest & Confidentiality form before they can evaluate the responses. This form must be emailed to the Procurement team and filed in TRIM.

**6.4.5 Evaluation****Objective**

The objective of the evaluation is to determine the supplier(s) that offer the best value for money, lowest risk to Council and alignment with Council Strategic Circular Environmental and Social commitments. Submissions are only to be evaluated against the criteria from the RFQ/RFT documentation and not against other submissions.

The Evaluation Panel is to evaluate tenders objectively, fairly and consistently using the following items;

- substantiated information submitted by suppliers in their submissions
- supplementary information provided by suppliers in response to addenda items
- clarifications
- information provided by referees on the performance of the supplier directly relevant to the required services and / or contractual requirements

**Methodology**

The evaluation panel initially examines all submissions received for compliance with the Conditions of Responding in the request documentation. Submissions that do not satisfy this are to be ruled non-compliant and set aside from further evaluation. Submissions that do not comply with the mandatory criteria will also be ruled non-compliant and set aside. Alternative (or non-conforming) submissions must not be accepted unless the supplier has also submitted a compliant submission and the request documentation provide for alternative submissions to be submitted.

The evaluation panel must evaluate and score all submissions separately first. Submissions must not be divided up among the evaluation panel members for separate evaluation in part or whole. The RFQ / RFT Evaluation Scoresheet – Individual should be used to record scores and comments.

Once individual evaluations are complete, the Project Manager must organise an evaluation meeting with the rest of the evaluation panel, overseen by a Procurement team member, to discuss the submissions, any required clarifications, and finalise the scores. The financial aspects of the submissions can be discussed. The RFQ / RFT Evaluation Scoresheet should be used to record the scores and calculate the ranking.

If there is a Tender Evaluation and Probity Plan, the evaluation methodology should be clearly articulated and should be finalised by the evaluation panel prior to tender closing.

## Evaluation Considerations

The evaluation panel should be aware of the following:

- claims that suppliers clearly cannot fully and consistently substantiate
- claims on which the supplier has put conditions, as these could actually conceal non-compliance or lack of capability to provide the required services
- where the work is to be delivered by consortium members or subcontractors, check that the prime supplier has adequate control over circumstances
- if a supplier is found to be providing misleading information across a number of the services and / or evaluation criteria, the submission is deemed non-compliant and the justification must be documented
- the evaluation panel must be alert to significant differences among submissions because it can indicate an ambiguous or biased requirement – if this is the case, the suppliers concerned need to be given the opportunity to clarify any points of concern
- where one or more suppliers have inside information about the services and/or tendering requirements, it usually shows up in differences among the submissions, in their price and/or responses to the schedules – if a possibility exists that one or more suppliers have an unfair advantage the evaluation panel must seek advice from the Procurement team.

## Financial Evaluation

The evaluation panel is responsible for the calculation of total costs, the evaluation of the prices and the financial viability evaluation. The financial evaluation involves:

- calculating the total cost to Council of each submission over the period of the contract
- ensuring all prices, estimated quantities of goods / services are incorporated in the calculation of the cost
- ensuring that like with like cost comparisons are made between submissions
- if necessary, and for requests of higher value (>\$1m) and risk, an external financial viability assessment can be requested by the Procurement team with Corporate Scorecard. Undertaking independent external financial background checks of suppliers prior to them being contractually engaged can mitigate the risk of engaging suppliers that may be experiencing financial difficulty, potentially resulting in adverse impacts for Council's project deliveries.

## Communication with Suppliers

Communication with suppliers after the deadline and prior to the announcement of the preferred supplier must be transparent and fair to all parties and should only be through the supplier's nominated contact person. Due to probity concerns, all correspondence should be through the Procurement team.

The following applies to contact with suppliers:

- supplier initiated contact should not be allowed except for the notification of a mistake or anomaly in their submission – any changes that are requested by the supplier and are not a clarification sought by Council are to be ruled non-compliant
- if a supplier does initiate contact, they should be referred to the Procurement team who may inform them only that the evaluation is proceeding, and whether or not their submission was received on time
- no information regarding the evaluation process is to be given
- Council initiated contact should only be for the purpose of clarifications, presentations / interviews, or inspection of a supplier's work site, and the decision to do so should be made by all evaluation panel members
- where the evaluation panel decide to request clarification from a supplier, all suppliers should be given the same opportunity to provide clarification (should it be required)

- clarification can only be sought if information received in a submission is open to interpretation or is not clear and the submission cannot be evaluated properly
- Council initiated contact must not result in any supplier gaining an unfair advantage over the other suppliers (e.g. a supplier is not allowed to revise or enhance their original submission)
- if the evaluation process requires supplier interviews, the proceedings of the interview must be minuted.

With any clarifications, presentations / interviews, or inspection of a supplier' work site, the evaluation panel must:

- not allow suppliers to change their submission
- not enter into any form of contract negotiation with a supplier
- remain unbiased, objective and focused on the evaluation
- receive the information dispassionately and record without declaring judgement on the supplier's proposals
- restrict its discussions with supplier to pre-prepared questions
- formally seek supplier clarification in writing
- minute proceedings of any interviews with the supplier
- if necessary, an external probity advisor may be present at interviews.

The evaluation panel can accept a price change only if:

- it corrected an obvious and unintended error by the supplier
- the request documentation was unclear or ambiguous and all suppliers have the opportunity to amend their submissions.

The evaluation panel must keep a detailed record of all clarifications and changes.

### **Seeking Expert Advice**

To assist in the evaluation of technical issues, the Project Manager may obtain specialist advice from outside the evaluation panel. Advice of this nature may be provided by Council staff, internal contractors and / or consultants. It is essential that the Project Manager carefully controls the contribution of the experts so that:

- external advisors are selected based on an absence of conflict of interest and they declare accordingly by completing a Declaration of Conflict of Interest & Confidentiality form.
- the advice is targeted on the specific technical issue.
- the advisor provides advice only and does not participate in the evaluation.
- the information provided to the advisor does not compromise the confidentiality of the submissions.
- the required external advice and assistance is obtained in writing under the signature of the advisor.

### **Ranking Suppliers and Recommending a Preferred Supplier**

The Evaluation Scoresheet will automatically calculate the total weighted score and rank submissions. Council aims to contract with a supplier whose price and risk are low. Risk in this instance refers to the confidence the Evaluation panel has that the supplier will deliver on claims in its submission and is reflected in the weighted score. The higher the weighted score the lower the risk.

## Other Evaluation Methodologies

There are other appropriate evaluation methodologies that can be used for evaluating specific types of submissions. To use an evaluation methodology other than the method described in this section, consult with the Procurement team.

### 6.4.6 Supplier Selection

For RFQs, the “RFQ Record of Quotation Decision - Simple - Below \$75k” or the “RFQ Selection Report - or Recommendation or Approval memo - Over \$75k” can be used to record the results of the evaluation and seek approval from the financial delegate. All templates are available on The Junction – Procurement.

## Council Report

The Project Manager prepares a Council Report on the evaluation of the submissions with a recommendation to either to accept the submission that appears the most advantageous or decline to accept any submission.

The Council Report should contain the following information:

- where applicable, the expiry date of the previous contract and name of the previous contractor
- details of the sequence of events for the request process
- details of any change to the Conditions of Responding or advertising period, why the changes occurred and who authorised the changes
- details of the evaluation criteria, weightings, and the Tender Evaluation and Probity Plan (if required)
- details of all submissions received, including non-complying submissions
- financial viability of the recommended submission(s)
- details of the evaluation against the criteria, including a summary of experience of the suppliers in relation to the nature of the RFT
- details of any post submission contact, the reasons, and results
- summary of the submission considered the most suitable
- recommendation for acceptance of the submission, including any conditions or proposals to vary the contract conditions, or a recommendation not to accept any of the tenders.

## Report to the General Manager

The General Manager also has the authority to accept tenders. If this option has been predetermined, the recommendation report is to be submitted to the General Manager. The report contains the same information as detailed above.

The General Manager can decline to accept all tenders but is unable to decline to accept all tenders and enter into negotiations, in accordance with section 178 of the Local Government (General) Regulation 2021.

## Recommendation to Decline to Accept any Tenders

Where the report recommends, under section 178(1)(b) of the Regulation, Council decline to accept any Tender, the recommendation must provide one of the following options under section 178(3) of the Regulation:

- postpone or cancel the proposal for contract
- invite fresh tenders based on the same or different details, from persons interested in tendering for the proposed contract or contracts of the same kind as the proposed contract
- carry out the requirements of the proposed contract itself.
- enter into negotiations with one or more companies stating the reasons why fresh tenders were not called (these companies may or may not have made a tender submission). Entering into negotiations requires a resolution at a Council meeting.
- At the time of Council’s rejection of the tenders and entering into negotiations, the Council can delegate



its authority to enter into Contract to the General Manager. This alleviates the need for the report to be passed through Council again. However, if Council does not delegate authority to the General Manager, the final recommendation must be presented to Council.

- It is important to note that at no time during the post tender negotiations should any person involved on Council's behalf in the negotiations process unfairly seek to trade off different suppliers against others in an attempt to seek lower prices. This practice is known as bid shopping and is unacceptable.
- **Tender Negotiation After Council Decision**
- If, after the evaluation process, none of the tenders are accepted, Council may, under section 178(3)(e) of the Regulation, decide by resolution to enter into direct negotiations with any person(s) with the intention to enter into a contract. The resolution of Council must state the reasons for declining to advertise and invite fresh tenders.
- When the decision to undertake direct negotiation with one supplier has been made, Council should demonstrate commitment to a fair and accountable process by ensuring the following:
- Council officials conducting the negotiations have high level skills, training and experience in commercial negotiations
- a team approach is taken to negotiations, led by a suitably qualified, experienced senior person
- the negotiation process is adequately resourced
- preparation of a negotiation plan and strategy includes aims, objectives, constraints, risk management considerations, and agreed minimum bargaining positions
- Council officials conducting the negotiations do not have potential, perceived or actual conflicts of interest
- A formal communication protocol is adopted and agreed by both parties which covers regular meetings, written exchanges, document exchanges, dealing with urgent matters, 'critical issues' meetings, recording of meetings, and the roles and responsibilities of team members
- expert technical, legal and probity advisors are involved at appropriate times
- the General Manager is informed of the progress as appropriate
- appropriate confidentiality is maintained
- following completion of the negotiations, an evaluation is conducted by Procurement or an external advisor to assess whether the aims of the negotiations were achieved
- comprehensive documentation of the planning, process and results of the negotiation are recorded.

#### 6.4.7 *Notifications and Debriefing*

##### **Notification of Successful Supplier**

When the Procurement Team facilitates the procurement event, the Procurement team will notify the successful supplier in writing and advise that the Project Manager will contact them regarding contract execution. When the business unit facilitates the procurement event, the Project Manager will notify the suppliers.

##### **Unsuccessful Suppliers**

After the contract has been fully executed, the Procurement team will inform the unsuccessful suppliers via VendorPanel, that their submission has been unsuccessful. The unsuccessful suppliers may then request a debriefing session regarding their submission.

##### **Debriefing Session**

The objective of the debriefing session is to provide information and constructive feedback to the unsuccessful supplier in relation to their submission, with the hope of enhancing future performance. Debrief sessions are to

be attended by the respective Project Manager, as well as a representative from Procurement who is to provide probity oversight.

The Project Manager should not compare the unsuccessful submission to the other submissions and must only refer back to the evaluation criteria. Strengths of the submission should also be provided in addition to areas for improvement. The successful bidder's specific financial offer must not be disclosed, however it is appropriate to provide an indication of where the supplier's financial offer lies in the range of all submissions received.

## 6.5 Contracts

### 6.5.1 Contract Signing

The finalised contract should be sent to the supplier electronically in a format that does not allow editing. There is no requirement for hardcopy versions of contracts. The supplier should review the final contract and sign first before returning it to Council. After Council signs the contract, the Project Manager must send a copy of the fully executed contract to the supplier and file in TRIM.

#### Supplier Terms and Conditions

If the supplier has submitted their own terms and conditions as part of their submission, they are not to be accepted without consultation with the Procurement team.

#### Raising the PO

Refer to the [instructions for raising a PO](#) in Council's TechOne financial system.

#### Record Keeping

The Project Manager must ensure:

- all relevant documents are filed to the relevant TRIM folder
- a copy of the fully executed contract is forwarded to the Procurement team so it can be uploaded onto Council's Contracts Register.

#### Contract Disclosure

It is a requirement of the [Government Information \(Public Access\) Act 2009 \(GIPA Act\)](#) that all contracts with the private sector with a value over \$150,000 (GST inclusive) be recorded on Council's [GIPA Register](#) and remain on the Register for a minimum 6-month period after contract expiry. Variations to contract values must be disclosed on Council's GIPA register if the contract is over \$150k.

To add a contract to the Register, the [GIPA Government Contract Template](#) must be completed as soon as possible by the Project Manager and returned to the Procurement team, who will then disclose the relevant contract details on Council's website.

### 6.5.2 Contract Management

Guidance on best practice Supplier Relationship and Contract Management procedures may be accessed through these NSW Government links;

- [Supplier Relationship Management](#)
- [Contract Management Obligations](#)

If a contract variation or extension is required, complete the Contract Variation template and send it to the Procurement team for review. The variation or extension must be approved by the financial delegate, using the total value/amount (expenditure or receipt). For example, if the original contract was for \$20,000 and a variation is sought for \$10,000, the financial delegate must have a delegation for the full \$30,000. Contracts must not be varied or extended to avoid compliance with the Procurement Policy and Procedures.

## 7. Roles and Responsibilities

### Roles and Responsibilities of the General Manager

- The General Manager must report to Councillors on a monthly basis by email outlining all tenders accepted or declined by the General Manager. This function cannot be sub-delegated by the General Manager.
- The General Manager must report to Councillors on a monthly basis by email outlining all exemptions approved by the General Manager.

### Roles and Responsibilities of the Project Manager

- obtaining approvals
- finalising the RFQ / RFT packages for release
- responding to clarification questions from suppliers
- chairing all meetings of the evaluation panel, leading the review of the preliminary ranking of the submissions, collating the scores, and documenting any decisions made
- leading interviews of the suppliers and supplier site inspections (if applicable)
- consulting with the supplier's referees and providing a referees' report to the evaluation panel
- preparation of the Council Report
- notifying suppliers of the outcome (when the Business Unit facilitates the procurement event)
- ensuring compliance and reporting on KPIs as per contract
- ensuring all records are completed correctly and saved in TRIM
- security of submissions and related documentation.

### Roles and Responsibilities of the Procurement Team

- ensuring the procurement process is conducted in accordance with legislation, Council policies and procedures, and probity principles
- reviewing the RFQ / RFT documentation and releasing to potential suppliers (via the VendorPanel portal when public tender)
- communication with potential and actual suppliers (via the VendorPanel portal when public tender)
- opening the tender box and overseeing the evaluation process
- notifying suppliers of the outcome (when the Procurement team facilitates the procurement event)
- ensuring that reporting requirements are met
- security of submissions and related documentation.

### Roles and Responsibilities of Evaluation Panel Members

- notify the Project Manager and the Procurement team of any actual, potential or perceived conflicts of interest in the performance of their duties
- attending all meetings of the evaluation panel
- keeping confidential all information and documentation with which they come into contact during the

evaluation

- scoring submissions
- proposing issues for clarification by the suppliers and validation by referees
- assisting the Project Manager with the compilation of any reports
- endorsing reports before submission to the relevant Manager, Director, General Manager, or Council
- security of submissions and related documentation.

## 7.1 Further details

If you require assistance or further detail relating to any of the items covered by these procedures, please contact Procurement [procurement@waverley.nsw.gov.au](mailto:procurement@waverley.nsw.gov.au)

## 8. Definitions

<b>Council</b>	Waverley Council.
<b>Council Officer</b>	Employees (permanent/temporary) and contractors engaged by Waverley Council.
<b>Consultant</b>	A person or an entity engaged to provide advice and/or designs where Council relies on that advice and/or design in its decision-making process.
<b>Probity</b>	A process consistent with Council's policies and legislation that treats all potential suppliers fairly, equally and transparently.
<b>Procurement</b>	The acquisition of goods and services over the procurement lifecycle. Includes the development of strategies, issue of tenders, evaluation of suppliers, preparation of POs, receipt of goods / services, approval of payment.
<b>Environmentally and Socially Positive</b>	Aspects that result in a positive outcome for the environment and society and, in which the needs of the present are met without compromising the ability of future generations to meet their own needs (definition taken from <a href="#">ISO 24000:2017 Sustainable Procurement</a> ).
<b>Circular Economy</b>	Economic system where waste and pollution is eliminated, products and materials are circulated (at their highest value) and nature is regenerated
<b>Tender</b>	Includes a price, bid, offer, quotation, consultant proposal or expression of interest lodged in response to an invitation or request for tender.