



PARKES SHIRE COUNCIL

PROCUREMENT AND DISPOSAL POLICY

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CONTROLLED DOCUMENT INFORMATION

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0	Created	Sharon Ross	Policy Created
1	2018	Sue McGrath	Minor Amendments & Parkes Plus Branding
2	October 2019	Holding Redlich (external legal)	Amendments to financial thresholds and other modifications
3	March 2020	Holding Redlich (external legal)	Amendments re panels and disposal of land and assets
4	OCM 19.05.2020 20-118	Various	Amendments to financial thresholds and other modifications <i>(Endorsed by Council's Audit Risk & Improvement Committee 10.03.2020)</i>
5	October 2022	Josie Mill Anthony McGrath	Changes to procurement section - pre-procurement considerations Incorporate fleet and plant Removed statement of business ethics (included in a separate policy). Other formatting changes

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INTRODUCTION

Council is committed to ensuring a fair, transparent and accountable process in the purchase and disposal of goods, the contracting of services, and in the disposal of assets. This policy applies to all Councillors and Staff of Parkes Shire Council.

PURPOSE

The purpose of this policy is to:

- Provide clear guiding principles for the procurement and disposal of materials, equipment and services through quotations and tendering, to assist in ensuring best value for money, cost effectiveness, meeting the needs of the community, good management practices, transparency, probity and environmental performance.
- To comply with occupational health and safety good practice and the general employer's duties required under the WHS Act 2011 and the WHS Regulation 2017 about the purchasing of equipment, plant and material, including the WHS Procedures and Processes at Appendix H.
- To endeavour to participate in Sustainable Procurement to facilitate purchasing environmentally sustainable and socially responsible products and services whenever possible.

POLICY

Council's procurement and disposal related activities shall be conducted in a manner that complies with these general procurement policies:

- Obtaining value for money in the procurement and disposal of goods and services, using open and effective competition wherever practicable.
- Quality, price, delivery and service shall generally be considered the main criteria in assessing Council's procurement and disposal of goods and services together with experience, conformance with specifications (including environmental performance), local benefit, WHS record and systems and project specific matters.
- Council expects its contractors and suppliers to comply with ethical business standards and practices in its procurement activities.
- Council shall strictly implement its Code of Conduct, guidelines and other relevant policies on matters relating to its procurement activities.
- All staff are required to consistently apply and implement Council's procurement policies and procedures. Appropriate disciplinary action shall be taken for non-compliance.

DEFINITIONS

See Appendix B - Commonly used terms in Tendering and Procurement.



RESPONSIBILITY

General Manager and Directors

General Manager and Directors are responsible for providing policy, procedures and framework to facilitate transparent, ethical and value for money procurement.

Managers

Managers are responsible for ensuring the following procedures are implemented within their workgroup. Managers are to ensure a hazard identification and risk assessment is undertaken with regard to equipment, materials and supplies which they have responsibility for purchasing for workplace use.

Supervisors

Supervisors are responsible for ensuring procurement tasks are carried out according to procedures. Supervisors are to ensure there are in place procedures for identifying safety defects in equipment, material and supplies purchased and used at the workplace.

Employees

Employees are responsible for carrying out procurement activities in an appropriate manner with regard to any training undertaken.

Supplier

The Supplier is required to advise of the risks to WHS of employees of the purchase, and to supply appropriate information and instruction to ensure safe use at the workplace. Large procurements or procurements with elements outside Council's areas of expertise, will require the supplier to complete a risk assessment prior to Council accepting the item or service.

RELATED POLICIES

[Parkes Shire Council Code of Conduct](#)

[Parkes Shire Council Gifts and Benefits Policy](#)

[Parkes Shire Council Vehicle Policy](#)

[Parkes Shire Council Statement of Business Ethics Policy](#)

[Parkes Shire Council Local Preference Purchasing Policy](#)

[Parkes Shire Council Travel and Expenses Policy](#)

[Parkes Shire Council Credit Card Policy](#)

[Parkes Shire Council Purchase of Goods and Services Standard Terms and Conditions](#).

Parkes Shire Council Section 6 WHSMS Policy & Procedures WHS001 (Contractor Management)



PROCEDURE

Categories of Procurement

Petty Cash

Petty cash is used to meet the need for the procurement of small incidental goods and urgent situations for Council and is limited to \$70 per individual transaction. Splitting of purchases to circumvent the limit or the multiple purchases of the same items over a period of time is not permitted. Petty cash claims are to be approved by authorised officers and written records of claims and tax invoices maintained.

The General Manager is delegated authority to determine all matters relating to petty cash in order to allow the levels of the floats, and the limits placed on petty cash vouchers, to be amended administratively. In this regard, the petty cash limit may be varied from the \$70 limit in extenuating or emergency circumstances when a cash transaction is required.

Reimbursement of Expense Claims

On some occasions staff incur expenses on Council's behalf that exceed the petty cash limit of \$70. This may occur when employees are required to be out of the Shire on Council business. In this case, an Appenate form (Expenses Claim), should be completed.

For Council employees or Councillors who do have access to Appenate a reimbursement form should be completed. The form (set out in Appendix C) should be accompanied by a tax invoice to support the amounts claimed.

Reimbursement is made direct to the employee's bank account via the creditors system.

Purchase Order

A purchase order is Council's official document used to purchase goods or services from an external supplier. A purchase order confirms the contractual relationship between Council and the supplier, and **MUST** be issued before the procurement of **ALL** or **ANY** goods or services.

NOTE – The limitations below refer to the total cost of purchase, and not to individual line items. Order splitting - i.e. multiple orders – is not permitted to avoid quotation levels within the procurement process.

Any requests to Accounts Payable in relation to creating new suppliers, will require the Supplier Creation Form at Appendix F to be completed and returned to Accounts Payable via email to accounts@parkes.nsw.gov.au.

Council's has standard terms and conditions that apply with purchase orders. See [Purchase of Goods and Services Standard Terms and Conditions](#).



Different classes of contracts

The Act provides for three different classes of contracts, each with different information disclosure requirements.

Class 1 contracts are those that have, or are likely to have, a value of \$150,000

Class 2 contracts are class 1 contracts where:

- There has not been a public tender process and the terms and conditions of the contract have been negotiated directly with the contractor, or
- The contract was the subject of a tender (whether public or not) but the terms and conditions have been substantially negotiated with the contractor
- The obligations of one or more parties to maintain or operate infrastructure or assets
- It could continue for 10 years or more, and the contract involves a privately financed project (as defined by Treasury) or the exchange of significant assets.

If a class 2 contract has a value, or likely value of more than \$5 million, it becomes a class 3 contract. Agencies must publish a copy of a class 3 contract on the register of government contracts

\$1 up to \$19,999

A competitive process is not required, although it is recommended that at least one verbal or written quotation is obtained where possible. Verbal quotations are to be summarised and listed using the "Record of Verbal Quotations Received" form in Annexure D.

Contracts for \$1 up to \$4,999 require authorisation from a Supervisor. Contracts for \$5,000 to \$19,999 require authorisation from a Manager.

The use of 'Corporate Credit Cards' by authorised Council staff for minor, low risk purchases may be considered within this limit range.

\$20,000 up to \$199,999

A competitive process is required, with a minimum of three written quotations obtained via a Request for Quotation (RFQ).

Contracts valued between \$100,000 and \$199,999 require a Tender Evaluation Plan, Probity Plan assessment by an Evaluation Committee.

This will ensure that an open, fair and transparent process is carried out, resulting in the facilitation of a Value for Money assessment.

The process used for procurements in this price range should involve thorough assessment of the quotations against appropriate evaluation criteria with authorization to proceed approved by the procuring officer's senior supervisor.

Completion of Appendix E "Summary of Quotations between \$20,000 and \$199,999" to be attached to the order for record keeping with creditors.



In Excess of \$200,000

For contracts valued at \$200,000 and above, Council must comply with the tendering requirements in section 55 of the Local Government Act 1993 and Part 7 of the Local Government (General) Regulation 2005, including:

- Inviting tenders for any of the types of contracts set out in section 55(1) of the Local Government Act 1993, unless exempt under section 55(3)
- Inviting tenders by public notice in accordance with the requirements of the Local Government (General) Regulation 2005.

Where there are extenuating circumstances, remoteness of locality (noting the location of Parkes Shire does not of itself satisfy this exemption) or the unavailability of competitive or reliable tenderers, the provisions of section 55(3)(i) of the Local Government Act 1993 may be applied to justify not inviting tenders subject to a supporting resolution of Council.

It is essential that forward planning of all procurement processes occurs to allow time for both Council and potential suppliers to comply with policy and tendering requirements including the required 21-day advertisement period for open tenders.

If a government contract already exists for the Goods and Services in question, then it is at Council's discretion whether it wishes to tender separately, or simply use the Government LGP or Centroc contract already in place.

Other Instances That Encourage Tendering Include:

In addition to the specified contracts that require a tender in section 55 of the Local Government Act 1993, the OLG Tendering Guidelines for NSW Local Government - October 2009 state that Councils are encouraged to use the tendering process where:

- the estimated expenditure (including on-costs such as GST) is close to the tendering threshold specified in the Local Government Act 1993 (currently \$250,000)
- the aggregated or cumulative cost of a contract conducted over more than one accounting period is likely to exceed the tendering threshold specified in the Local Government Act 1993 (currently \$250,000)
- the sale or purchase of goods or services may be considered controversial, contentious or political
- the sale or purchase of land may be considered controversial, contentious or political
- there is a risk that "would be" tenders could claim that Council has "preferential" arrangements with a single supplier
- there is a risk that "would be" tenders could claim that they would have tendered for the work if a public tendering process had been undertaken.

To assist with the Tendering Process, refer to Appendix A for the Checklist. The checklist will help comply with the Office of Local Government's Guidelines.



Tendering Methods:

Open Tenders - where Council tenders by public advertisement with no restriction placed on who may tender. The advertisement must be published in the relevant newspapers inviting tenders for the proposed contract with a deadline that is at least 21 days after the date of publication, or first publication of the advertisement.

Selective Tenders - where invitations to tender for a particular proposed contract are made following a public advertisement asking for Expressions of Interest.

- If Council adopts the selective tendering method to form a panel of Pre-qualified Tenders, Council must **publicly** invite (using newspapers or online channels) applications from persons interested in being appointed to the relevant panel.
- Council must then consider all applications made in response to such an advertisement by taking into account:
 - the experience of the applicants in fulfilling the requirements of similar contracts; and
 - their capacity to undertake similar contracts.
- Council can then appoint successful applicants to the panel to be considered for the kinds of work, goods or services specified in the original expression of interest to market (i.e. panellists can only be engaged for the kinds of works or services originally contemplated by the panel).
- Once the panel is established, in seeking tenders for a particular proposed contract, Council may invite some or all of the recognised contractors listed by it to tender for that contract and may do so on the basis of:
 - their capacity to fulfil the requirements of that contract; and
 - the number of occasions on which each contractor has previously been invited to tender for similar proposed contracts.

Selected Tenders/Pre-qualified Tenders - whereby recognised contractors selected from a list prepared or adopted previously by the Council are invited to tender for proposed contracts of a particular kind.

Special Circumstances Orders

Provision is made for purchases of goods and services to be obtained without quotes if approved by an appropriately delegated officer of Council.

Extenuating circumstances and cases of emergency should be used as an exemption to the tendering requirements only after careful consideration with the reasons clearly documented.

The delegated officer would need to be satisfied that a legitimate emergency situation exists.



Disclosure/Document requirements for Tenders/Contracts/RFQ's

In accordance with Section 27 of the Government Information (Public Access) Act 2009 (GIPA), Council is required to maintain a register that records information about each government contract which has (or is likely to have) a value of \$150,000 or more

Parkes Shire Council will keep a register of **ALL** RFQ/Tenders/Contracts.

Templates to be used for Terms and Conditions of Contracts are held in Council's Document Management Systems and **MUST** be used for all contracts.

At the commencement of a RFQ/Tenders/Contract process an individual number (e.g. PSC2020/006) **MUST** be allocated. The number is to be generated from the next available number in Council's Contract Register (ECM1066230) and an individual folder created (e.g. PSC 2020/006 Solar Agreement for 2 Cecile Street and Parkes Pool).

Once successful Tender/Contract has been engaged and a purchase order created/issued the respective purchase order number **must be** referenced on all or any invoice associated with the Contract/Tender.

All documentation associated with a Tender/Contract/RFQ (*Successful or Unsuccessful*) must record that respective Tender/Contract/RFQ allocated number.

Communication with tenderers

All communications with potential tenderers should be conducted within strict probity and risk management frameworks to ensure accountability and transparency.

Councillors and staff are reminded of the key principles of the Code of Conduct, including:

- + Integrity
- + Leadership
- + Impartiality
- + Accountability
- + Openness
- + Honesty

Records should be kept of all communications with all tenderers. Council officers should ensure that:

- A register of all requests for tender documents, and a register of all requests for information regarding the tender, and requests for clarification are maintained.
- Communication with potential tenderers is only undertaken by the contact person who must be listed in the public advertisement of the tender and the tender documents.
- Unless impractical, all communication to tenderers be provided in writing and simultaneously to all tenderers in respect of a question asked of the tender. A copy of the question, but not details of the source of the question, should be circulated with the answer.
- Information or clarification provided to potential tenderers is consistent and documented. Where the information is not readily or immediately available, the contact person should obtain the relevant information and then follow up the request.



- Response to queries about a specific tenderer's innovative solution or commercial in confidence information should not be communicated to any other tenderer.
- Any amendment to the tender documents are made by way of addenda issued to all tenderers at the same time, and the steps taken to inform all potential tenderers of the amendments, are documented.
- Responses to tender enquiries should reference the relevant clause in the tender documents, or if there is no clause relevant to the query, provide the response as an addendum to the tender documents (if an amendment is made to the tender documents) or an information document (if the response is for the purposes of information only and not to be relied on by tenderers as amending the tender documents).
- Information or clarification provided to potential tenderers is consistent and documented.
- Where briefings or site visits are offered by the council in regard to a particular tender, an attendance register and minutes or notes of the proceedings, including questions asked and answers provided, is maintained and forwarded to all attendees following the briefing or site visit.
- During briefings or site visits, Council officials should avoid one to one communication. Requests for information by one potential tenderer should be repeated and the response provided to all in attendance.

Tender Evaluation

A tender evaluation committee will be formed to evaluate all tender responses.

General key areas to be taken into consideration when evaluating a tender include:

Value for money - Value for money is determined by considering all the factors that are relevant to the proposed contract and may include: price, experience, quality, reliability, timeliness, service, risk profiles and initial and ongoing costs. These are all factors that can make a significant impact on benefits and costs. Value for money does not automatically mean the 'lowest price'. The requirement is for the most commercially favourable and advantageous tender to be accepted. This may not necessarily be the cheapest tender.

Commercial Considerations - these might include the ability of the supplier to deliver the goods and/or services as and when required; the capacity of the supplier to meet environmental and WHS standards; and previous poor supply performances, inferior product quality; ability to meet appropriate quality standards as set by Council as suitability of the product being tendered.

Financial Considerations - the financial viability and stability of the supplier. If there are questions in this regard, then appropriate advice should be sought.

Risk - a formal risk assessment should be conducted for all major tenders over \$1,000,000. The resulting risk profile should be used in conjunction with the analysis of other evaluation criteria to determine the recommended tenderer to Council.



Post-Tender Submission Activities

Council must provide a secure tender box and ensure that all tenders are kept secure until after the closing date. At the time specified for the close of tenders, the appropriate person must open the tenders in the presence of at least 2 designated persons.

As soon as practicable after the tenders have been opened, the appropriate person must:

- record the names of the tenderers and the amounts that appear to have been tendered for the contract, and
- prepare a tender list specifying the names of the tenderers in alphabetical order and display the list in a place where it can be readily seen by members of the public.

As soon as practicable after the tenders for a proposed contract have been opened, Council must assess the tenders. Council must not consider a tender that is not submitted to Council by the deadline for the closing of tenders, unless permitted by regulation 177 of the Local Government (General) Regulation 2005.

Once a Confidential Report has been submitted to Council, Council must either:

- award the tender to the most advantageous tender, having regard to all the circumstances; or
- decline to accept any of the tenders.

In accordance with regulation 179 of the Local Government (General) Regulation 2005, as soon as practicable after entering into a contract or deciding not to accept any of the tenders for a proposed contract, Council must:

- send to all tenderers whose tenders were not accepted, notices to the effect that their tenders were unsuccessful or, as the case may be, that none of the tenders for the proposed contract were accepted, and
- display a public notice specifying the name of the tenderer whose tender was accepted and the amount of the successful tender or, if none of the tenders was accepted, a notice to that effect.

Pre-Procurement Considerations

Before procuring new equipment, materials or services (for purchases and contracts between \$1 and \$100,000) the following items should be considered when reviewing quotations:

- Does a capital bid form need to be completed and approved by the Director and Chief Financial Officer?
- What safety information is available from the supplier regarding the item/service to ensure the hazards and risks can be properly assessed? (Including Australian and International Standards, Equipment and Operations Manuals, SDS sheets, manufacturers safety procedures etc)
- Which employees and work processes are affected by the purchase? Will new SWMS or SOPS need to be created if the item is purchased?



- Have the affected employees been consulted? Staff will be able to provide input on the requirements of the plant, equipment and material and provide information on safety issues that need to be controlled.
- What must be done to ensure the use, storage and transport of the purchase is safe, including any specific risk control measures identified by the manufacturer/supplier, provision of any personal protective equipment recommended by the manufacturer/supplier, and provision of any special emergency equipment?
- Will staff members need extra training, verification of competency or health monitoring requirements for the item being purchased?
- Have environmental impacts from the purchase of the product or services been considered?



Sustainable Choice and Environmental Goals and Objectives

Goals

Wherever possible, Council employees and contractors will pursue the following goals and adhere to the specified objectives when purchasing products and services (nothing that these impacts should be considered during the entire life cycle of the product - ie the production, distribution, usage and end of life stages):

- **Minimise unnecessary purchasing** - only purchase when a product or service is necessary.
- **Minimise waste** - purchase in accordance with avoid, reduce, reuse and recycle strategies.
- **Save water and energy** - purchase products that save energy and/or water.
- **Minimise pollution** - avoid purchasing products that pollute soils, air or waterways.
- **Non-Toxic** - avoid purchasing hazardous chemicals that may be harmful to health or ecosystems.
- **Greenhouse Benefits** - purchase products that reduce greenhouse gas emissions.
- **Biodiversity and Habitat Protection** - purchase in accordance with biodiversity and conservation objective.
- **Value for Money** - purchase the best value for money in the long term.

Objectives

Council's objectives through sustainable purchasing are to:

- Eliminate unnecessary inefficiency, waste and expenditure.
- Contribute to the combined purchasing power of local government to further stimulate demand for sustainable products.
- Advance sustainability by participating in "closing the life-cycle loop".
- Increase awareness about the range and quality of products available.
- Deliver Council's commitments in relation to ecologically sustainable development (ESD) and other environmental and social objectives.
- Play a leadership role in advancing long-term social and environmental sustainability.

Training

Code of Conduct Workshop

Internal workshops to inform staff of this policy.

Reporting

Procurement reporting will be in accordance with the reporting provisions of the Local Government Regulation 2005 and Government Information (Public Access) Act 2009.



Sale Or Disposal of Land And Assets

Principles

Whilst the same principles and standards that apply to the procurement process equally apply to the process of selling or disposing of land or assets, the following have specific application to the sale or disposal of land and assets:

- Consideration of community access to an appropriate range of facilities and services within Parkes Shire, delivered through the physical assets.
- Recognition of the value of areas of native vegetation to biodiversity in Parkes Shire and the need for areas to be available for this purpose.
- Transparency and accountability in sale and disposal practices and procedures.
- Thorough community consultation on proposed sale or disposal of significant and important assets.
- The equitable distribution of and access to quality physical assets within Parkes Shire.
- Recognition of opportunities to enhance local economic development and growth.
- The benefits of quality physical asset management including better service delivery, optimising the utilisation of assets, higher return on investments and creating opportunities to facilitate new facilities and services.
- Compliance with all statutory obligations.
- Commercial confidentiality.
- Consideration of ecological impact.
- Equitable, efficient and defensible practices and decisions.

Criteria

The following criteria should be considered in deciding which method to use for the sale or disposal of land and assets:

- The number and type of known potential purchasers of the land or asset/s.
- The original intention for the use of the land or asset/s when purchased.
- The original method and intent of Council in obtaining ownership or custodianship of the asset/s.
- The current and possible preferred future use of the land or asset/s.
- Potential for development and local economic growth.
- Estimated value of the asset.
- The level of public interest in the disposal.



Methods of Disposal

The following general methods of sale or disposal of Council's assets are acceptable: Relocation of an asset which is surplus from one area within Council to another area within Council which can utilise the asset.

- (a) Trade-in on new assets.
- (b) Sale by public auction.
- (c) Open invitation to tender or quote to the public through advertisements in the media.
- (d) Direct approach to potential purchasers in specific circumstances, such as:
 - Prior ownership of the land or asset
 - The owners of land adjoining the parcel of land for sale
 - Direct relationship with an asset
 - Prior contractual arrangement.
- (e) Donation to charitable institutions or local community service organisations, such as the SES.
- (f) Disposal at a Registered Tip.

All disposals are to be without warranty of any kind and as much as practical and Parkes Shire Council identifying marks or logo's should be removed or obliterated. Spare parts held for a particular item should be disposed of in one parcel with the asset.

Sale to Staff/Councillors

As a general principle, sale of assets to staff is NOT to occur outside of a public process. The Independent Commission Against Corruption (ICAC) recommends that invitations to bid for the purchase of any surplus Council assets should not be limited to staff or to elected officials. Members of the public must also be allowed to compete for the purchase.

Sale of Information Technology (IT) /Computer Equipment

All information technology/computer equipment intended for disposal is to be approved by the Chief Operating Officer on recommendation from the IT Support Officer. All Parkes Shire Council data and software applications are to be removed from any hard drives as well as external asset tags and labels connecting a machine to Parkes Shire Council.

Documents required to be completed to support disposal

A disposal of Minor Assets Form to be completed

Tenders

Should Council determine to invite tenders or expressions of interest for the sale or disposal of land and assets, the same procedures that apply to the procurement process equally apply to the process of selling or disposing of land or assets.



Procurement and Disposal of Plant and Fleet assets

Principles

Council owns, controls, manages and maintains an extensive range of plant and vehicles.

- + Secure potential or future plant and vehicle requirements of Council to enable it to carry out its functions
- + To review plant and vehicle replacement program to ensure appropriate for Council's needs
- + To manage the assets of the fleet to ensure the asset value is maintained;
- + To optimise plant and vehicle replacement to ensure value for money whilst maintaining asset value.
- + Provide the desired level of service in the most cost effective manner, for Council's present and future needs.
- + Maintain a modern, efficient, and safe plant and vehicle fleet.

Responsibilities

To achieve this policy the following key roles and responsibilities are identified:

Council

- + To act as custodians for plant and vehicle assets
- + To approve Council's Plant and Vehicle Replacement Program
- + To approve the sale and acquisition of large plant and equipment
- + To ensure appropriate resources for plant and vehicle replacement activities are made available
- + To endorse the plant and vehicle replacement policy

General Manager

- + To present the plant and vehicle replacement policy to Council
- + To approve the sale and acquisition of light vehicle fleet and equipment
- + To ensure that accurate reliable information is presented to Council for decision making

Directors/ Fleet and Depot Coordinator

- + To develop plant and vehicle replacement program, using the principles of lifecycle analysis
- + To present information to the Council and General Manager in terms of lifecycle risks and costs.
- + To provide co-ordination for the implementation and communication of this policy and procedure across Council departments

Staff

- + To implement plant and vehicle replacement program within the boundaries of individual responsibilities.



Procurement of plant vehicle assets

All plant and vehicle assets are procured through the Fleet and Depot Coordinator based upon the 10-15 year Fleet Replacement Forecast. Leaseback vehicles are purchased from Council approve vehicle listing depending on level of staff member (i.e. Supervisor, Manager, Director etc). Plant and vehicle items are procured through the procedures outlined in this policy including RFQ or tender process through Vendor Panel. Plant items can also be purchased through various Local Government contracts including Buy.NSW Contract SCM0653M, LPG-419 Plant Contract or Truck Government Contract NPN 04-13.

The Plant Procurement Committee (comprising Councillors, Directors and Staff) will provide a common and consistent approach to plant replacement. The annual review process will accommodate the following activities:

- + Review of future plant requirements by staff
- + Incorporate feedback into a draft program from stakeholders and legislation into plant and vehicle replacement activities undertaken by Council. The draft program to include economic justification, potential alternatives (such as wet or dry plant hire), opportunities to resource share with Alliance Councils, funding arrangements (eg loaning, leasing), also analysis of hire rates and depreciation.
- + Review of the draft Plant and Vehicle Replacement Program by the Plant Procurement Committee
- + Reporting Plant and Vehicle Replacement Programs to Council for adoption via the Plant Procurement Committee.
- + Develop and review plant replacement programmes for Plant and Vehicle Replacement Programs annually.
- + Undertake regular reviews and recognise opportunities for plant and vehicle disposal and replacement.
- + Facilitate flexible vehicle selection for vehicles that are nominated within the staff lease back arrangements ensuring suitability for all purposes within budgetary constraints and Council's Vehicle Leaseback Policy.
- + Actively market test passenger vehicles to determine changeover costs trends and adjust replacement strategies accordingly.
- + Reference passenger fleet purchases against ANCAP (safety) and Green Vehicle Guide (environment) ratings.
- + Incorporate operator/driver input into the assessment of items.
- + Incorporate whole of life costings of items during assessment phase
- + Ensure quality assurance by adopting checklists to ensure that all relevant stakeholders are involved in the total process of plant and vehicle replacement.
- + Ensure Administration Officer and Finance Officer are aware of changes to plant and vehicle fleet for insurance purposes.
- + When purchasing plant and vehicles considerations should also be made regarding risk management, WHS legislation compliance, green fleet initiatives such as vehicle emission levels and fuel economy, roadside service availability, market trends including optimum



changeover, market preferences, warranty provisions, whole of life costings and operator input.

Disposal

Due to the current supply and demand issues disposal of plant and vehicles are completed through online auction sites (such as Grays and Pickles Auctions). Other methods of disposal, such as trade in, may be used with approval from Director of Operations.

Related Documents

Parkes Shire Council Vehicle Policy

Council's Fleet Replacement Program



REFERENCES

Work Health and Safety Act 2011

Work Health and Safety Regulation 2017

Office of Local Government Tendering Guidelines for NSW Local Government

Section 27 of the Government Information (Public Access) Act 2009 (GIPA)

Local Government Act 1993 Part 3 Division 1 – Tendering

Local Government (General) Regulation 2005 - Part 7 - Tendering



Appendix A - Tendering Checklist

4. Resources**4.1. Tendering Checklist**

Contract:		
Contract Sum:		
1. Evidence council selected open or selective tendering methods (clause 166), together with reasons, recorded on file?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
2. Copy advertisement for tenders is on file?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3. Copy of any other invitation to bid is on file?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4. Copy of all documents provided to tenders on file?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
5. Documents provided to tenderers include:		
❖ Details of work, facilities or services	Yes <input type="checkbox"/>	No <input type="checkbox"/>
❖ Compliance with <i>Regulation</i> cl.170(1)(e) (if appropriate)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
❖ Closing date and tender lodgement requirements	Yes <input type="checkbox"/>	No <input type="checkbox"/>
❖ Outline of policies applicable to the procurement	Yes <input type="checkbox"/>	No <input type="checkbox"/>
❖ Evaluation criteria and methodology	Yes <input type="checkbox"/>	No <input type="checkbox"/>
❖ Specify contact person	Yes <input type="checkbox"/>	No <input type="checkbox"/>
❖ Whether formal tender documents are required and how to obtain them	Yes <input type="checkbox"/>	No <input type="checkbox"/>
❖ Information on obtaining copies of relevant council policies		
❖ Proposed terms and conditions of contract	Yes <input type="checkbox"/>	No <input type="checkbox"/>
❖ Specify criteria on which tenders will be assessed	Yes <input type="checkbox"/>	No <input type="checkbox"/>
❖ Council's Statement of Business Ethics	Yes <input type="checkbox"/>	No <input type="checkbox"/>
❖ Council's Code of Conduct	Yes <input type="checkbox"/>	No <input type="checkbox"/>
❖ A statement that unethical or inappropriate conduct will result in the tender being disqualified	Yes <input type="checkbox"/>	No <input type="checkbox"/>
❖ Advice to tenderers of steps to take if they suspect corrupt and the action the council will take if it suspects corrupt conduct	Yes <input type="checkbox"/>	No <input type="checkbox"/>
❖ Include information on interaction between council and tenderers including prohibition on contacting councillors	Yes <input type="checkbox"/>	No <input type="checkbox"/>
6. Record of all requests for tender documents on file?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7. Record of staff involved in preparing and issuing tender	Yes <input type="checkbox"/>	No <input type="checkbox"/>



documents on file?		
8. Declaration of conflicts of interest for all staff involved on file?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
9. Written records of all communications between tenderers and council staff on file (including records of advertising, attendance and information provided at any briefing sessions)?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
10. Full documentation of any changes made to tender specifications (including who made the change and why)?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
11. Evidence any changes to tendering specifications communicated to all tenderers or potential tenderers and that no tenderer or potential tenderer was disadvantaged on file?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
12. Records of any variation to closing date (including reasons and identity of who made the decision)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
13. Evidence council took all reasonable steps to inform tenderers or potential tenderers of the later closing date?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
14. All tenders date and time stamped?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
15. Records of tender opening carried out in accordance with clause 175 of the <i>Regulation</i> (two persons also present/members of public able to attend)?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
16. Records of receipt for facsimile and electronic delivery with tenders submitted by fax or electronically?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
17. Documentation recording the acceptance of any late tenders, including when received and why accepted?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
18. Documented tender assessment criteria on file?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
19. Documented tender list in alphabetical order of amounts prepared and displayed at council as per clause 175 of the <i>Tendering Regulation</i>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
<i>Tender assessment documents</i>		
20. Details of any non-complying tenders and why they were assessed as non-complying?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
21. Documented tender assessment matrix completed for every member of assessment panel?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
22. Tender assessment panel members identified and include declaration of conflicts of interest?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
23. Records kept of all communication between potential tenderers and panel members on file?	Yes <input type="checkbox"/>	No <input type="checkbox"/>



24. Records of any variations to tenders under clause 176 including reasons why tender(s) varied and evidence all other tenders of same or similar characteristics were given the same opportunity?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
25. Recommendation for preferred tenderer is in line with assessment documents?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
26. Report to council on the tender includes: <ul style="list-style-type: none"> ❖ Background information on the calling of tenders including history of decision to go to tender ❖ Background information on the performance of the previous contractor, if any ❖ Advice on whether, for continuing contracts, the terms of the terms of the contract have been reviewed ❖ A summary of the tender process ❖ Details of tenders received and details of any non-complying tenders ❖ Financial analysis of the comparative tenders based on unit price/service price/annual cost/total contract cost ❖ Details of assessment criteria used together with weightings ❖ Details of post-tender communication with tenderers ❖ Compliance with <i>Regulation</i> cl.178(1A) (if appropriate) ❖ Conclusion and recommendation based on analysis of assessment criteria results ❖ If recommendation is not to accept any tender, the reasons for that recommendation 	Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/>	No <input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/>
27. Evidence contract entered by council is in accordance with the tender?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
28. Where council enters into negotiations with one or more unsuccessful tenderers, council resolution includes reasons for that decision, including the choice of tenders with whom it negotiates?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
29. Evidence council advised all tenderers of outcome of process and copy of notice displayed at council advising of outcome (clause 179 of the <i>Regulation</i>)?	Yes <input type="checkbox"/>	No <input type="checkbox"/>



Appendix B - Commonly Used Terms in Tendering and Procurement

4.4. Commonly Used Terms in Tendering and Procurement

Bid shopping: The practice of trading off one tenderer's prices against another's in order to obtain lower prices.

Client: Party calling for tenders and/or awarding a contract

Construction: All organised activities concerned with demolition, building, landscaping, maintenance, civil engineering, process engineering, mining and heavy engineering.

Employee: Person whose employment is governed by a contract of service, or a person deemed to be an employee under Australian or NSW industrial law.

Employer: Entity that employs a person or persons under a contract of service or a person deemed to be an employer under Australian or NSW industrial law.

Fair: Being unbiased, reasonable and even-handed. Being fair does not mean satisfying everyone or not reasonably pursuing one's legitimate interests. A fair decision may still adversely affect parties.

Infrastructure: Fixed assets that support economic and social development in a fundamental way.

Instalment contract: A contract under which the balance of the purchase price is payable by separate fixed amounts at successive fixed periods.

Intellectual property: Inventions, original designs, and practical applications of good ideas protected by law through copyright, patents, registered designs, circuit layout rights and trademarks. Also includes trade secrets, proprietary know-how and other confidential information protected against unlawful disclosure by law and through additional contractual obligations, such as confidentiality agreements, contracts and conditions of tendering.

Monitor: Regularly collect information to review performance against specified criteria.



Party: Client, tenderer or service provider. An entity's role in a procurement will determine whether it is a client, tenderer or service provider for that procurement.

Procurement: All activities involved in acquiring goods or services either outright or by lease (including disposal and lease termination). Includes acquiring consumables, capital equipment, real property, infrastructure, and services under consultancies, professional services, facilities management and construction.

Service provider: Includes contractors, subcontractors, suppliers and consultants that contract to provide goods or services.

Tender: Includes a price, bid, offer, quotation, consultant proposal or expression of interest lodged in response to an invitation or request for tender.

Tenderer: Entity submitting a tender.

Value for money: The benefits, compared to whole-of-life costs.



[illegible]

Appendix D - Record of Verbal Quotations Received.

VERBAL QUOTATIONS RECEIVED

ITEM/CONTRACT: _____

DATE: _____

CONTRACT NO: _____ (if appropriate)

NAME OF FIRM	DETAILS

Employee Name: _____



Appendix E - Summary of Quotations between \$20,000 up to \$199,999

**SUMMARY OF QUOTATIONS RECEIVED
BETWEEN \$20,000 UP TO \$199,999.**

ITEM/CONTRACT: _____

DATE: _____

CONTRACT NO: _____ (if appropriate)

NAME OF FIRM	DETAILS

Employee Name: _____

Quotation documents to be registered in Council's Document Management System.

This form to be attached to the Purchase Order.



Appendix F – Supplier Creation Form


**Parkes Shire Council
SUPPLIER CREATION FORM**
Mandatory*1. Internal Use**

Requested By*

Department*

☐ (Tick Box) I hereby declare that no actual or potential conflict of interest exists between I (council employee) and the requested supplier.

Business Case for Supplier Creation*

2. Account Details

Account Name*

Registered Trading Name *

ABN*

Are you registered for GST?

☐ YES ☐ NO

Note: If you do not have an ABN a Statement by Supplier Form must be attached.

Street Address*

Post Code*

Postal Address*

Post Code*

Telephone*

Email Address*

Contact Name*

Position Title*

3. Payment Details

Bank Account Name*

Bank Name *

Bank Branch*

BSB*

Bank Account Number*

Document Set ID: 1312950
Version: 1, Version Date: 06/05/2020

2 Cecile Street, PO Box 337 Parkes NSW 2870
P 02 6861 2333 F 02 6862 3946 E council@parkes.nsw.gov.au
www.parkes.nsw.gov.au

PARKES
It all adds up.





Parkes Shire Council SUPPLIER CREATION FORM

4. Document Transmission Methods

Purchase Orders

Postal Address*

Post Code*

Email Address*

Contact Name*

Telephone*

Remittance Advice

Postal Address*

Post Code*

Email Address*

Contact Name *

Telephone*

5. Signature of applicant & Authorisation

On behalf of the business nominated in this application, I certify that the information provided in this form is true and correct, in particular, that the registered trading name and ABN provided are strictly in accordance with relevant certificates of registration, and that the above financial/banking details are accurate and provided in good faith. I agree to indemnify Parkes Shire Council against any loss or damage suffered if any of the information provided is incorrect. I also declare that I am authorised to request the creation/amendment of an account with Parkes Shire Council.

Name*

Position Title*

Email*

Telephone*

Signature*

Date*

Fully completed and authorised forms must be emailed to Parkes Shire Council - Accounts Team via accounts@parkes.nsw.gov.au

6. Internal Use (Finance)

☐

Approved

☐

Not Approved

Date: _____

Signature of Approving Officer (Financial Accountant):



Appendix G – Disposal of Minor Assets Form



Disposal of Minor Assets Form

Parkes Shire Council - **DISPOSAL OF MINOR ASSETS FORM**

Approval is sought to dispose of the following:

Quantity Asset ID No.	Description	Net Value	Estimated Cost of Disposal	Estimated Market Value

Reasons for Disposal

- ☐ Obsolete
- ☐ Other (provide details)

Proposed Method of Disposal

- ☐ Auction
- ☐ Other (provide details)

Signature: Date:

Approval (relevant Director)

The above disposal is recommended/not recommended.

Signature: Date:

Approval (General Manager or delegated officer for disposals)

The above disposal is approved/not approved.

Signature: Date:

Disposal (delegated officer for disposals)

I,, certify that the above goods were disposed of on (Date):.....

Amount received on disposal: \$.....

Receipt No.: Date:

Date: Date:

Asset Registers

Finance Asset Register updated on

Signature: Date:

Upon completion this form must be saved in Council's Document Management System (ECM)

Appendix H – WHS Procedures and Process

The WHS procedures and processes set out in the following documents available on Council's Document Management System **G:\WHS SSS\WHSMS\WHS Documents and Templates\Forms**

(Section 6 of the Parkes Shire Council WHSMS WHS001 document on Contractor Management. Specifically provides a flowchart to easily determine which templates need to be included in the tender depending on the contractor category (Low, medium or high risk) (Attachment I)

WHS 018 Contractor H&S Requirements Category B Med Risk_addendum to RFT_RFQ V2 June 2019

WHS 018 Contractor H&S Requirements Category C High Risk_addendum to RFT_RFQ V2 June 2019

WHS 018 Contractor H&S Requirements Category D High Risk Work – Construction_addendum to RFT_RFQ V2 June 2019

WHS 023 Service Provider WHS Requirements Adequacy Checklist – B Medium Risk Work V3 June 2019

WHS 023 Service Provider WHS Requirements Adequacy Checklist – C High Risk Work V2 June 2019

WHS 023 Service Provider WHS Requirements Adequacy Checklist – D High Risk Construction V3 June 2019

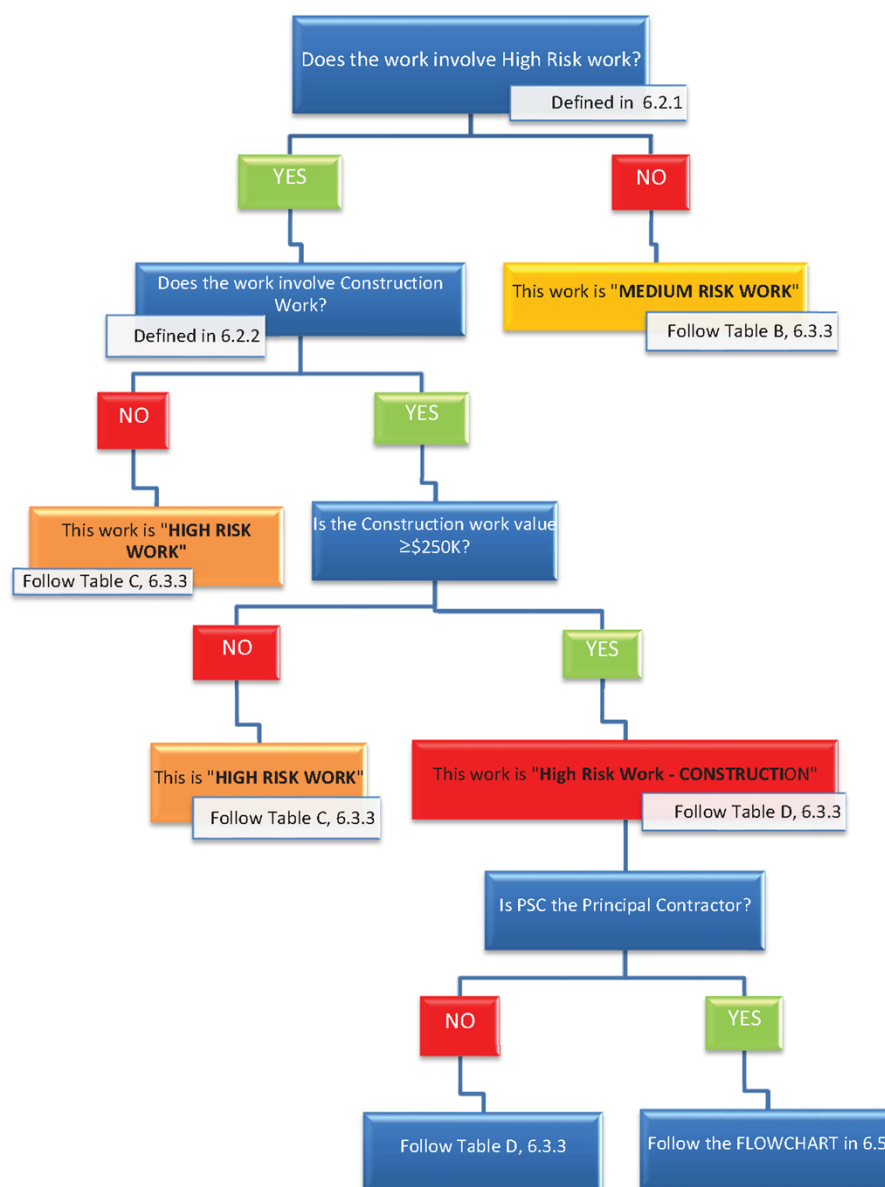


Appendix I – WHSMS WHS001 Section 6 Contractor and Construction Project Safety Management Workflow

Safe Safer Safest

SECTION 6 APPENDICES

APPENDIX A – CONTRACTOR & CONSTRUCTION PROJECT SAFETY MANAGEMENT DECISION TREE



WHS 001

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Printed versions of this document are not controlled.

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