

**PROCUREMENT POLICY****Lake Baroon Catchment Care Group Inc**

PO Box 567, Maleny Qld, 4552

Tel: 07 5494 3775

Email: info@lbccg.org.au

Policy Number	001	Responsible person	LBCCG Chair
Version	2024	Approved by Committee on	
Drafted by	Manager	Scheduled review date	As required

Policy adapted from <https://www.communitydirectors.com.au/icda/policybank/>

Purpose

The purpose of this policy is to provide guidance on the procurement function of Lake Baroon Catchment Care Group to help achieve objectives detailed in the Annual Investment Strategy and individual Project and Program Plans.

Scope

This policy applies to all procurement and contracting activities of the Lake Baroon Catchment Care Group, and is binding upon LBCCG staff, contractors and consultants while engaged by the Lake Baroon Catchment Care Group.

Policy

When purchasing goods, services, and works Lake Baroon Catchment Care Group will:

1. Be consistent in procurement activities
2. Comply with legal obligations
3. Ensure ethical and fair behaviour
4. Obtain value for money
5. Support local sustainability
6. Support environmental sustainability
7. Manage procurement risks
8. Incorporate continuous improvement processes.

1. Be consistent in procurement practices

LBCCG will follow internal control mechanisms that ensure consistency in procurement activities.

Internal control resources available include:

- A Level of Authority table (*see below*) that provides authorisation levels for staff to undertake a range of procurement functions
- A standard document for tendering and contract management

2. Comply with legal obligations

LBCCG will comply with all legal obligations.

Best Value Principles to be followed:

- (a) Quality and standards of services
- (b) Services to be responsive to the needs of the community
- (c) Services to be accessible to members of the community
- (d) Continuous improvement in the provision of services
- (e) Regular consultation with the community in relation to services
- (f) Regular reporting on achievements relating to the principles.

3. Ensure ethical and fair behaviour

LBCCG will undertake procurement activities ethically and transparently, and in a manner able to withstand the close scrutiny:

- LBCCG staff to refuse any 'gifts' in relation to contractor or supplier engagement (LBCCG staff must not receive any financial or otherwise gain in their course of employment with LBCCG)
- All contractors and suppliers invited to quote must be provided with the same opportunity and information

4. Obtain value for money

LBCCG will undertake procurement activities on the basis of obtaining value for money. Value for money includes minimising the cost of ownership over the life of goods, services, or works, while considering quality, reliability, availability, and delivery considerations. LBCCG accepts that lowest price does not necessarily constitute the best value for money.

Mechanisms to support value for money include:

- Previous experience engaging contractors or service providers
- Pre-approved budgets
- Clear understanding of what the service or work should cost based on officer's experience

5. Support local sustainability

LBCCG is committed to supporting local sustainability, and will purchase goods and services from local businesses where purchases can be justified on a value for money basis (less than 10% greater than a similar product), and provide local economic benefit.

6. Support environmental sustainability

LBCCG is committed to adopting an environmentally friendly procurement approach of supporting the principles of sustainable procurement within the context of purchasing on a value for money basis.

7. Manage procurement risk

LBCCG will manage the many risks associated with the procurement of goods, services, and works.

Mechanisms available include:

- Confidence in contractors to minimise environmental damage in the course of works
- Confidence in contractors to work safely
- LBCCG's tendering documentation which requires information about tenderers' occupational health and safety, insurance and indemnity, plant and equipment, subcontracting and assignment intentions, and termination clauses

8. Incorporate continuous improvement processes

LBCCG is committed to continually improving procurement activities.

Mechanisms available include:

- Regular review of this Procurement Policy
- Identification of contractor and supplier issues or shortfalls and communicating to fellow staff members
- Regularly inviting previously unused contractors and suppliers to quote to ensure all contractors and suppliers are providing value for money
- Where possible seek references when considering new contractors or suppliers

Contractor engagement thresholds

The following table is a minimum guide only. More quotes than specified can be sought if required.

Item cost	Level (minimum)	Approval required	Comments
<\$5,000	One verbal quote required	Nil (diary note recommended)	All purchases must be within Management Committee approved project budgets. Any deviation by more than 20% requires LBCCG Management Committee approval & Seqwater notified. Lowest quotes not necessarily accepted however justification to accept higher quote must be clear and compelling.
\$5-10,000	Two verbal quotes required	Diary entry required	
\$10-15,000	One written quote required	Approval from LBCCG Project Manager	
\$15-30,000	Two written quotes required	Approval from LBCCG Manager	
\$30-50,000	Three written quotes required	Approval from LBCCG Management Committee (Minuted)	
>\$50,000	Tender process to be confirmed by LBCCG Management Committee as required	Process designed by LBCCG Management Committee with Seqwater input	