

Procurement

Council Policy



Owner	Elected Members		
Responsible Officer	Chief Executive Officer		
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1 Purpose

This policy establishes a framework for the efficient, effective, compliant, and ethical procurement of goods and services by the Alice Springs Town Council (Council).

2 Definitions

For the purpose of this policy, the following definitions apply:

Term	Definition
Collective procurement	See Regulation 45.
Commercial in confidence	Information that, if released, may prejudice the business dealings of the party (e.g., discounts, rebates, profits, methodologies and process information). It is information provided for a specific purpose that is not to be used for any other purpose than set out in the initial document.
Delegate	A member of Council staff with delegated authority pursuant to either a resolution of Council or written instrument signed by the CEO.
Delegation	A council delegation is the formal transfer of power, duty, or function from a council to staff, committees, or the CEO, allowing them to make decisions on behalf of the council. This process streamlines operations, enabling faster, day-to-day decisions while ensuring legal compliance and accountability.
Direct procurement	Selecting a supplier without obtaining comparative quotation, public quotation or tender process.
Improper conduct	As per section 9(1) of the <i>Independent Commissioner Against Corruption Act 2017</i> , this refers to: a) Corrupt conduct b) Misconduct c) Unsatisfactory conduct d) Anti-democratic conduct e) Conduct constituting an offence against the Act f) Secondary conduct
Local Buy	A contractual arrangement in compliance with the <i>Local Government Act 2019</i> established by the Local Government Association of the Northern Territory.

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	Territory that enables Council to purchase a variety of goods and services from accredited suppliers, without public quotation or tendering.
Procurement	The process of acquiring supplies (goods, services, works, and consultancies).
Responsible Officer	The specific staff member tasked with managing the actual procurement process from start to finish. They are operationally accountable for ensuring the project follows the rules.
Select quotations process	A procurement method where a minimum of three written quotations is sought, with the Responsible Officer recommending the supplier that provides the best value for money.
Standing offer	An arrangement with Alice Springs Town Council that sets out the terms and conditions under which a supplier agrees to provide a range of goods or services for a specified period.
Sustainable procurement	As defined by ISO 20400 Sustainable Procurement Guidance standard, is procurement that has the most positive environmental, social and economic impact on a whole life basis.
Threshold	The value above which a procurement, unless exempt, is subject to the mandatory procurement process.
Value for money	Selection of a supply of goods, works and services based on a balance between quality, performance, locality, and cost, considered on a case-by-case basis.

3 Policy Statement

3.1 Principles

Council will conduct procurement in a manner that is compliant with the *Local Government Act 2019* (the Act) and Local Government (General) Regulations 2021 (the Regulations) and aligns with Council's values and strategic plans.

3.1.1 In accordance with the Regulations, Council's procurement activities are guided by the following principles:

- **Enhancement of capabilities of local enterprises and industries** – Council will make every effort to use Alice Springs suppliers, build local capacity, and ensure local businesses and industries are given the opportunity to participate in quotation and tender processes.
- **Environmental protection and sustainability** – Council will consider harm minimisation and sustainable practices in its procurement processes and assessments.
- **Ethical behaviour and fair dealings** – Council procurement processes will be conducted fairly and ethically and will be properly documented, defensible, and auditable.
- **Maximising value for money** – Council will balance price with quality, reliability, and the long-term benefits for our local economy and environment.
- **Open and effective competition** – Council's procurement practices will be open and transparent, in line with the Regulations, giving suppliers a fair opportunity to do business with Council.

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- **Support employment opportunities for Aboriginal people** – Council will support Aboriginal employment and participation through its procurement processes, including supporting Aboriginal-owned businesses, acknowledging that economic participation is a driver of community wellbeing.

3.1.2 All procurement activities must be authorised in accordance with both the Council's and the Chief Executive Officer's (CEO) delegations.

3.1.3 All Council officers must comply with this policy and are required to:

- Align procurement practices to the Act and Regulations
- Act appropriately, with integrity in all procurement dealings, and
- Adhere to their code of conduct, and all applicable policies and directions.

3.1.4 Where risks or concerns regarding modern slavery, human rights breaches, or unethical labour practices are identified, Council reserves the right to take these factors into account as part of its overall supplier suitability and risk assessment process.

3.1.5 Council will incorporate environmental, social, ethical and economic considerations into its procurement activities in accordance with the principles of ISO 20400:2017 Sustainable Procurement – Guidance and Council's Climate and Environment Policy.

3.1.6 Council is committed to integrating preventative controls into its procurement processes, and maintaining a safe environment for Council officers to report suspected improper conduct.

3.2 Procurement methods

Council will procure goods and services, in accordance with the Regulations, through the following methods:

Method	Threshold
Direct procurement	Below \$5,000 Over \$10,000 in limited circumstances as prescribed in Regs 38 and 39 (exemptions to quotations and tenders)
One quote	\$5,000-\$10,000
Select quotations	Over \$10,000 and less than \$100,000
Public quotations	Over \$100,000 and less than \$150,000
Tenders	Over \$150,000
Local Buy	Not applicable
Panel contracts	Not applicable
Collective procurement	Not applicable

All the amounts above and referred to in this policy are GST exclusive.

3.2.1 Procurement plans

An approved procurement plan is required to begin a procurement process exceeding \$10,000; approval must be obtained from the appropriate delegate prior to commencement. Procurement plans are to include the determined assessment criteria in line with 3.4.

3.2.2 Tenders

Tenders will be sought on either a fixed-price basis or a unit rate schedule, which will be specified in the tender documentation for each project.

Delegated officers can accept late tenders in limited circumstances where sufficient justification is provided by the tenderer in writing. These circumstances are:

- system/technical failure of the tender portal
- a significant internet or power outage or emergency event that prevents the submission
- administrative error by Council

A risk assessment will be conducted for each tender process, where any purchases assessed as having a medium risk or above will also require mitigating controls.

Council will consider facilitating pre-project briefings for certain tenders to support the capacity building of locally-owned business and Aboriginal businesses.

Council will provide written feedback on tender submissions if requested.

3.2.3 Procurement panels (standing offer)

Through a tender process, Council may establish panels of pre-qualified suppliers on standing offer contracts where there is a recurring, foreseeable need for specific goods, services, or works over a defined period. Once a panel is established, Council may purchase directly from panel members without the need to undertake a separate tender process for each procurement.

In establishing and using a panel, Council must:

- Set up a panel for an initial three-year period, with options for extension to a maximum of five years
- only add additional panel members following a new tender process to seek new panel members
- clearly articulate the goods or services to be provided by the panel
- provide instructions to panel members regarding how the panel will work, including advice on how quotes will be requested, work awarded, and supplier changes managed
- structure panel arrangements to promote effective competition, ensuring the arrangement remains commercially advantageous and continues to deliver measurable value to Council.

Council will not issue a purchase order with a panel member for goods, services or exceeding works which covers a period of more than 12 months.

3.3 Assessment

Responsible Officers must ensure all public quotations and tenders are formally assessed in line with 3.4, and that the evaluation is documented, and appropriately justifies the recommended supplier to the delegate for their approval.

Assessment criteria will be included in the procurement documentation. Submissions that fail to address a specific criterion will be assigned a score of zero for that component of the evaluation.

Council reserves the right to seek clarification from any tenderer regarding their submission. This includes requesting further information or the correction of unintentional clerical errors, provided such clarifications do not result in a material change to the original submission.

3.3.1 Tender Assessment Panel

Tender submissions will be assessed by a Tender Assessment Panel that includes at least three Council Officers, or staff of another council or local government subsidiary, in accordance with the Regulations. In addition to the above, Council may also choose to appoint suitably qualified external members to its Tender Assessment Panels.

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Reference checks will be conducted for the preferred tenderer. Should significant risks or adverse findings arise, the Tender Assessment Panel can choose to review the new information against the tenderer's suitability, and may elect to re-score the submission or move to the next-ranked tenderer, documenting the assessment.

Responsible Officers are to provide Tender Assessment Panel reports to the delegate for approval. Tenders with a total contract value greater than the CEO's delegated authority require Council approval before an award can be made.

3.4 Assessment criteria

The following cost and non-cost assessment criteria should, where appropriate, be applied to quotation, public quotation and tender processes:

1. Local supplier – assessment of the organisation's demonstrated operational presence within and direct economic contribution to the Alice Springs municipality.
2. Aboriginal employment – evaluation of the organisation's Aboriginal workforce participation and ownership.
3. Environmental sustainability practices – assessment of the organisation's adherence to sustainable practices and mitigation of environmental impacts throughout the contract lifecycle.
4. Proposed price – a quantitative assessment of the total contract price, including schedule of rates, lump sums, and any potential variations or hidden costs.
5. Technical capability – verification of the organisation's proven technical experience, qualifications, and past performance in delivering comparable goods or services.
6. Scope of works – evaluation of proposed timelines, capacity, contract departures, and understanding of the scope.

Additional project specific criteria, and 'pass/fail' mandatory compliance criteria can be added as required.

Each criterion will be assigned a specific percentage weighting based on its importance to the specific procurement, with the sum of all weightings totalling exactly 100%. Criterion used will be a minimum of 5%.

3.4.1 Local supplier criterion

In accordance with the Act, Council is committed to leveraging its procurement spend to stimulate the local economy and foster regional growth. A mandatory weighting of at least 10% of the total evaluation score shall be allocated to the local supplier criterion. Council will request relevant evidence from applicants to make this assessment.

3.5 Record keeping

All procurement activities, including communications, contracts, panel agreements, tender assessment panel reports, verbal quotations, and transactions, must be retained in Council's records management system in accordance with the *Information Act 2002* (NT), the Regulations, and Council policy.

3.6 Reporting

Tender reports will be provided to Council in accordance with the Act and Council's delegations.

3.7 Training

Training will be provided to relevant Council officers with the aim of:

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- ensuring best practice policies and procedures are followed
- increasing awareness and understanding of procurement practices
- improving consistency of decision making and procurement outcomes
- avoiding commercial and legal risk, and
- ensuring compliance with applicable legislation, codes, and standards.

3.8 Anti-avoidance

Responsible Officers must not deliberately split a single purchase into multiple smaller orders, or reduce order quantities, to bypass the financial thresholds and compliance requirements specified in this policy and the Regulations.

3.9 Confidentiality

All tender, quotation and purchasing information is to be considered confidential and is not to be released to others except to the extent of information issued by public notice, as required by the Regulations, or otherwise required by law.

Elected Members and Council officers are to maintain confidentiality of procurement information by not discussing or releasing:

- information disclosed by suppliers in submissions or during negotiations
- commercial-in-confidence information
- pre-contract information including but not limited to information provided in quotations, proposals, and tenders or subsequently provided in pre-contract negotiations.

Unauthorised disclosure of confidential information is a serious matter and may constitute a breach of the Act, this policy and the relevant Code of Conduct.

3.10 Complaints and reporting improper conduct

Council will maintain a fair and accountable process for handling procurement complaints by the public or tenderers, ensuring that any concerns raised are reviewed, responded to promptly, and used to improve future procurement practices.

Council officers must report any fraud or improper conduct as soon as practicable in accordance with Council's Fraud and Corruption Prevention Policy and when relevant, the *Independent Commissioner Against Corruption Act 2017* (ICAC Act). Reports and disclosures made under the *ICAC Act* are considered protected disclosures. Protections are subject to specific tests outlined in the *ICAC Act*. Council will not penalise or take retributory action for good faith reporting of any suspected or actual improper conduct.

3.11 Conflicts of interest

Elected Members and Council officers must not have any actual, potential or perceived conflicts of interest in the procurement process. Where such a conflict of interest exists, the individual must declare such conflicts and ensure that it is resolved or appropriately managed in line with Council's conflicts of interest policies. Failure to declare or appropriately manage a conflict of interest may constitute a breach of the Act, this policy, and the relevant Code of Conduct.

3.12 Breaches

Non-compliance with this policy constitutes a breach. Where a breach is substantiated, Council may respond by implementing one or more of the following measures:

- Provision of targeted training or professional development
- Suspension or termination of the affected procurement activity
- Initiation of disciplinary proceedings, or
- Report improper conduct in accordance with the *ICAC Act*.

4 Responsibilities

The CEO is responsible for implementing this policy.

5 Related Legislation and Documents

- *Local Government Act 2019* (NT)
- *Independent Commissioner Against Corruption Act 2017* (NT)
- *Information Act 2002* (NT)
- *Local Government (General) Regulations 2021*
- CEO Code of Conduct
- Code of Conduct (Council Members, Council committee and Audit Committee)
- Code of Conduct – Team Members
- Conflicts of Interest Policy
- Conflicts of Interest CEO and Employees Policy
- Delegations Registers
- Fraud and Corruption Prevention Policy
- Risk Management Policy
- Whistleblower Policy
- ISO 20400:2017 Sustainable Procurement - Guidance

6 Communication and Training

Will this policy be communicated through consultation to teams?	
Where will this policy be available?	
Will training needs arise from this policy? If yes, who will be responsible.	