



Council Policy 2.2 Purchasing

Policy Objectives

This Policy guides the procurement of goods and services for the City of Perth ('City') in accordance with regulation 11A of the *Local Government (Functions and General) Regulations 1996*. The objectives of this Policy are to:

- a) ensure that procurement processes deliver value for money for the City and/or offer commercial or community benefits;
- b) ensure best practice policies and procedures are followed in relation to procurement;
- c) ensure compliance with applicable legislation, codes, and standards;
- d) ensure goods and services procured are necessary and fit for purpose;
- e) ensure openness, transparency, fairness, and equity to all potential suppliers;
- f) ensure support for ethical decision making; and
- g) ensure efficient and consistent procurement processes are implemented and maintained.

Policy Scope

This Policy applies to all employees, appointed representatives or agents ('Officers') involved in the procurement of goods and services for the City. This Policy excludes the City's sponsorship and grants programs which are guided by Council Policy 4.3 Outgoing Sponsorship and Grants.

Definitions

'Agreement' means an understanding or arrangement between parties (whether written or verbal) to act in a specific manner when engaging in trade. The Agreement must be properly executed, lawful and current. Agreements must be established using a compliant approach to market (see Item 5 – Purchase Thresholds) and approved by an Officer with sufficient Financial Authority.

'Contract' means an Agreement which creates legally enforceable obligations between parties. A purchase order is a form of Contract.

'Open Market' means Officers are free to select suppliers from any source to participate in procurement activity. There is no obligation to issue a statewide public notice under Open Market conditions. The City may restrict which suppliers are invited to respond to such requests.

'Public Tender' means a Tender, Expression of Interest or Panel Request which must be conducted in accordance with Part 4 of the *Local Government (Functions and General) Regulations 1996*. Public Tenders require statewide public notice to be lodged. Suppliers may not be restricted from responding to the Tender request.

'Purchase Threshold' means the actual or estimated value of a commercial commitment (e.g. Agreement, Contract, or purchase order) over the full term and/or quantity of supply, including all options to extend time or increase volume.

'Risk Assessment' means determining the general risk profile of a particular procurement activity giving due consideration to the type of goods or service, nature of the supply market, contracting complexity, Agreement value, party type or quantity, community impact, probity concerns or public perception.

'Under Agreement' means that the City is purchasing goods and services through the formation of Contracts (e.g. issuing Purchase Orders), under established Agreements.

'Value for Money (VFM)' means the total benefit derived from a good or a service when compared to its total financial cost, assessed over the term of the Agreement, Contract, or expected lifespan of the asset.

'WALGA' means the Western Australian Local Government Association.



Policy Statement

1. General Principles

Governed by applicable legislative requirements, procurement decisions will align with the City's vision and principles and support its Strategic Pillars (Liveable, Sustainable and Prosperous). Procurement at the City will be conducted in a manner which maintains compliance with legislative requirements and upholds the following:

- a) Maximizing value for money: The financial cost of procuring the good or service is not the only factor in determining VFM. Factors such as fitness for purpose, quality, delivery on time, after sales service, warranty, research and development support, reputation, inclusivity, and sustainability may be important criteria in making procurement decisions.
- b) Thinking commercially: Approaching procurement in a way that makes efficient and effective use of City resources to maximize direct and indirect value created. This can be achieved through smart inventory management, productive negotiation, proactive supplier management, flexible contracting and consideration for the total cost of ownership (including initial purchase price, operating costs, maintenance cost, cost of change, exchange rates, rise & fall, interest payments and outgoings, etc.).
- c) Acting with integrity: City Officers should approach all procurement activity with appropriate transparency, objectivity, and fairness to ensure that the City's values are upheld (Teamwork, Commitment, Courage and Respect). Procurement decisions should be made without personal bias, based on consistent, thorough and collaborative evaluation to ensure objective outcomes are achieved and participants are treated fairly.
- d) Sourcing sustainably: The City endorses procurement practices which seek to improve the lives of minority, marginalized or at-risk groups through equitable participation in procurement opportunities. Procurement decisions should strive to achieve the most positive economic, environmental, and social impacts possible over the life cycle of a good or service, while minimising adverse impacts.
- e) Mitigating Risk: Officers will engage suppliers on commercial terms favourable to the City with the aim of reducing risk (per Council Policy 2.14 Risk Management). Goods and services will be preferred from suppliers who agree to and can demonstrate appropriate levels of indemnity, insurance, health and safety, compliance, financial stability, service delivery, confidentiality and conformance with applicable laws.

2. Legislative Requirements

All procurement activities will comply with the following:

- a) *Local Government Act 1995 ('Act')*
- b) *Part 4 of the Local Government (Functions and General) Regulations 1996, ('Regulations')*
- c) *Competition and Consumer Act 2010 (Cth)*
- d) *State Records Act 2000*

3. Relevant Delegations

As per the City's Register of Delegations and Authorisations (Register), the following delegations are primarily applicable to City procurement:

- a) 2.8 – Initiating an expression of interest, tender or panel of pre-qualified suppliers;
- b) 2.9 – Tender exempt procurement;
- c) 2.10 – Deciding on an expression of interest, tender or a panel of pre-qualified suppliers; and
- d) 2.11 – Varying and extending tender contracts.

The purpose of delegated authority is to improve operational efficiency by reducing the time taken to make decisions, within the constraints of the relevant legislation, and to ensure decisions are made lawfully by the delegate. The Register details where the power to delegate is derived from, including the relevant legislation and Council policies applicable to the exercise of delegated power.



Delegations should be read in conjunction with this Policy, the relevant legislation and City procedures. The hierarchy of compliance for City procurement is as follows:

- a) the Act
- b) the Regulations
- c) the Register
- d) this Policy
- e) any City handbooks or procedures

4. Financial Authority

Financial Authority has been granted to specific roles within the City to support review and approval of financial requests or supplier commitments. Financial limits are allocated to roles (not individuals) and are based on seniority, daily task requirement and role function. Financial Authority applies (but is not limited) to;

- a) approving goods requisitions;
- b) goods receipt;
- c) paying invoices;
- d) approving or signing Agreements, Contracts or other commercial instruments; or
- e) various other financial transactions as noted in the Register.

Financial Authority is structured to ensure appropriate escalation of approvals within an organisational hierarchy depending on the approval value. Roles may be allocated to different Financial Authority limits on exception basis as requested by the Line Manager and approved by the Procurement Manager or CFO. The Chief Executive Officer's limit is reflective of the Financial Authority conferred by Council as a function of 5.43(b) of the Act.

The exercise of any Financial Authority by any Officer is at all times subject to compliance with legislative requirements and the terms of this Policy.

Table 1 - Financial Authority Limits by Role

Role	Total Approval Value (AUD ex GST)
Officer	\$5,000
Supervisor/Team Leader	\$10,000
Project Officer	\$20,000
Senior Officer, Coordinator, Function Lead, Project Manager	\$50,000
Alliance Manager, Business Unit Manager	\$250,000
General Manager (Group 1)*	\$500,000
General Manager (Group 2)**	\$5,000,000
Chief Executive Officer	up to \$10,000,000
Council	greater than \$10,000,000

Group 1 – GM Community Development, GM Planning & Economic Development, Chief Financial Officer, Executive Director Governance and Strategy

Group 2 – GM Corporate Services, GM Infrastructure and Operations, GM Commercial Services.

Total Approval Value – Means the total actual or projected cost (ex GST) of the financial commitment (i.e. Agreement value or purchase order).



5. Purchase Thresholds

The following table prescribes the purchasing request process to be applied based on the potential Purchase Threshold (value) of the procurement:

Table 2 – Purchase Thresholds		
Purchase Threshold (Excluding GST)	Open Market - Requirements	Pre-Qualified Suppliers
Up to \$5,000	Direct purchase from open market. A minimum of one (1) quotation is required. When a verbal quote is received the Officer must provide a written record of the quote details.	Direct purchase from a WALGA preferred supplier program (WPS) or State Government Common User Arrangement (CUA). A minimum of one (1) quotation is required. When a verbal quote is received the Officer must provide a written record of the quote details.
\$5,000 - up to \$20,000	Seek a minimum of two (2) written quotations from open market.	Direct purchase from a WPS or CUA. A minimum of one (1) written quotation is required.
\$20,000 - up to \$75,000	Seek a minimum of three (3) written quotations from open market. A basic scope of work/specification, evaluation criteria and risk assessment should be considered by City Officers. Consider use of the Authority to Procure form.	A minimum of two (2) written quotations from a WPS or CUA are required. A basic scope of work/specification, evaluation criteria and risk assessment should be considered by City Officers. Consider use of the Authority to Procure form.
\$75,000 - up to \$250,000	Seek a minimum of three (3) written quotations from open market. A suitable scope of work/specification, evaluation criteria and risk assessment are required to be documented and recorded prior to engaging the market. An Authority to Procure form is mandatory and a Category Specialist should be consulted.	A minimum of three (3) written quotations from a WPS or CUA are required. A suitable scope of work/specification, evaluation criteria and risk assessment are required to be documented and recorded prior to engaging the market. An Authority to Procure form is mandatory and a Category Specialist should be consulted.
Over \$250,000	Conduct a public tender process in accordance with Part 4, Divisions 2 and 3 of the Regulations, and this Policy.	Conduct a tender process in accordance with Part 4, Divisions 2 and 3 of the Regulations, and this Policy, utilising applicable exemptions (Part 4, Div 2, reg 11(2)). Refer also Item 6 – Procurement Exceptions and Exemptions.

Where a Risk Assessment (written or otherwise) has identified an increased likelihood or consequence of potential risk from a procurement activity, assistance must be sought from Procurement regardless of the Purchase Threshold.



6. Procurement Exception and Exemption

Specific types of procurement may qualify for various exceptions/exemptions in accordance with this Policy or the Regulations. Authority to undertake tender exempt procurement is found in Delegation 2.9 of the Register and the use of these exemptions is subject to this Policy.

Table 3 – Procurement Exceptions and Exemption		
Description	Details	Exemption Reference
On Contract Spend	<p>Goods or services procured Under Agreement do not require quotes to be obtained prior to purchase where:</p> <ul style="list-style-type: none"> - The purchase is within the general Scope of Work; and/or - There is an agreed price. <p>Where ad-hoc goods or services are procured, or where new items are required Under Agreement, the Officer should:</p> <ul style="list-style-type: none"> - Ensure the purchase is reasonably within the general scope of work; and - Obtain a quote from the supplier which may be permanently added to the Agreement by way of variation (or similar). 	<ul style="list-style-type: none"> - This Policy, Item 5 Purchase Thresholds - Regulations, Part 4, Division 2, clause 11(2)
Public Tender Exempt	<p>Tenders over \$250,000 (ex GST) <u>do not</u> have to be publicly invited where qualified for exemption under Part 4, Division 2, reg 11(2) of the Regulations. These qualifications are:</p> <ul style="list-style-type: none"> - State of Emergency (2)(a) - WALGA Preferred Supplier (2)(b) - Lack of prior public tender/EOI response (six months) (2)(c) - Auction, with Council resolution (2)(d) - State or Commonwealth procurement (CUA) (2)(e) - Related to incorporation of new land (2)(ea) - Sole supplier due to unique nature of goods or services required (2)(f) - Petrol or Oil or Liquid or Gas used in internal combustion engines (2)(g) - Indigenous Minority Supplier or Aboriginal Business (2)(h) - Australian Disability Enterprise (2)(i) - Contract renewal or Extension (where prior public tender for initial contract was invited) (2)(j) - Supplier is part of pre-qualified panel under Division 3 (2)(k) 	<ul style="list-style-type: none"> - Regulations, Part 4, Division 2, reg 11(2) - See the Regulations for specific details and exemption requirements
Indigenous Minority Supplier or Aboriginal Business	<p>Officers may obtain one less quote (with a minimum of 1) than required under the ‘Open Market’ section of Table 2, Item 5 – Purchase Thresholds or consider the exemption under Part 4, Division 2, reg 11(2)(h) of the Regulations.</p>	<ul style="list-style-type: none"> - This Policy, Item 5 Purchase Thresholds - Regulations, Part 4, Division 2, reg 11(2)



Australian Disability Enterprises	Officers may obtain one less quote (with a minimum of 1) than required under the 'Open Market' section of Table 2, Item 5 – Purchase Thresholds or consider the Exemption under Division 2, 11(2)(i) of the Regulations.	- This Policy, Item 5 Purchase Thresholds - Regulations, Part 4, Division 2, clause 11(2)
Sole Supplier Justification	Officers must obtain a minimum of one quote. Specific Purchase Thresholds are as follows: <ul style="list-style-type: none">- Purchase Threshold of less than \$75,000 (ex GST) requires General Manager approval.- Purchase Threshold of \$75,000 (ex GST) or more requires CEO approval.	- This Policy, Item 5 Purchase Thresholds - See this Policy Item 8 – Sole Supplier Justification specific details and exemption requirements
Warranty Conditions or Insurance Claims	Officers must obtain a minimum of one quote from the nominated warranty or insurance supplier (e.g. Original Equipment Manufacturer). Where multiple warranty or insurance suppliers are nominated, Officers must comply (as much as practicable) with requirements of Table 2, Item 5 - Purchase Thresholds. Exceptions may be granted by the Procurement Manager in respect to the need for Evaluations and Scopes of Work for higher value claims.	- This Policy, Item 5 Purchase Thresholds
Artwork	The acquisition of Artwork is exempt from quotation/tender requirements of Table 2, Item 5 - Purchase Thresholds. Acquisition is subject to CEO approval.	- This Policy, Item 5 Purchase Thresholds - Council Policy 4.7 - Cultural Collections
Legal Services	General Counsel or the CEO may directly engage, or authorise engagement of, Legal Service Providers ('LSP') without the need for competitive quotations where: <ul style="list-style-type: none">- The LSP is a WALGA pre-qualified supplier or via a CUA; or- Any other LSP who offers a fixed fee, capped spend or hourly rates which do not exceed those offered by WALGA approved LSPs.	- This Policy, Item 5 Purchase Thresholds
External Recruitment (Fixed term/ Permanent)	Officers must obtain a minimum of one quote from a WPS when seeking support for external recruitment services. This exemption <u>does not</u> give Officers 'Authority to Recruit' and does not apply to labour hire services.	- This Policy, Item 5 Purchase Thresholds

Public tender exempt procurement is only applicable where the Purchase Threshold does not exceed \$250,000 (ex GST) or where other regulatory exemptions apply as per Part 4, Division 2, reg 11(2) of the Regulations.



7. Supplier Selection

When seeking quotes, selecting suppliers from market or evaluating tenders, Officers should consider suppliers who:

- a) offer Value for Money;
- b) are legal, reputable, and ethical participants in their respective markets;
- c) do not represent an actual or potential conflict of interest with the City or its Officers;
- d) can consistently and sustainably provide quality goods and services which meet the City's needs; and
- e) meet the selection criteria for the scope of work.

Selection of suppliers based on personal preference, without due consultation and consideration, or not in conformance with this Policy is expressly forbidden.

8. Sole Supplier Justification

Officers may consider using a Sole Supplier Justification ('SSJ') in lieu of obtaining the usual number of quotations as prescribed in Table 2, Item 5 – Purchase Thresholds where the Purchase Threshold does not exceed \$250,000 (ex GST) and any of the following conditions apply:

- a) the good or service is proven to be unique or exclusive to the particular supplier; or
- b) the subject matter is highly confidential; or
- c) the supplier has intrinsic, established knowledge of City practices, systems or other information, and engagement of alternative suppliers would substantially increase cost through additional effort; or
- d) the good or service forms a critical part of the City's normal operation and engagement of alternative suppliers may result in materially increased cost, risk or reduced efficiency.

Where the Purchase Threshold is greater than \$250,000 (ex GST), a public tender is required unless an exemption applies per Part 4, Division 2, reg 11(2) of the Regulations.

The CEO, General Managers, or Procurement Manager are responsible for approval of all Sole Supplier Justification applications (see Delegation 2.9 of the Register). Supplier award (approval or execution) resulting from approved Sole Supplier Justification applications are subject to individual Financial Authority and Table 3, Item 6 – Procurement Exception and Exemption.

Prior to entering into any new Agreement, Officers will be required to re-validate or market test the SSJ qualification for ongoing supplier commitments to determine if the exception should endure (see Item 12 – Term of Engagement).

9. Variations

In general, Agreements and Contracts may be varied where:

- a) The variation is lawful and in accordance with the Agreement/Contract;
- b) The supplier is in good standing with the City;
- c) The revised value of the Agreement or Contract as a result of the variation does not exceed the Financial Authority of the Officer approving the variation; and
- d) The revised value (if applicable) of the Agreement or Contract as a result of the variation can be incorporated into approved City budgets and/or the City's Long-term Financial Plans.

In addition to the points noted above, Agreements or Contracts which were entered into by the City as a result of a public tender are further restricted by 2.11 of the Register and Part 4, Division 2, reg 21A of the Regulations.

Under reg 21A of the Regulations a Contract entered into subsequent to a public tender process must not be varied unless:

- a) the variation is necessary in order for the goods or services to be supplied and does not change the scope of the Contract; or



- b) the variation is a renewal or extension of the term of the Contract as described in reg 11(2)(j)

The revised value of an Agreement or Contract (for determination of correct Financial Authority) is calculated as the originally approved value plus the sum of the proposed variations. A variation which increases value above the presently approved value will require re-approval of the varied Agreement or Contract by a suitable Officer with applicable Financial Authority.

Exceptions:

- 1) Council Approved – Variations to Agreements or Contracts originally approved by Council may be approved by the CEO for an aggregate sum of not more than 10% of the original value without the need for further Council approval. Where the sum of variations exceeds 10% of the original value, re-approval will be required by Council.
- 2) Administrative variations or minor changes to the approved financial limits (up to 10% of original contract value, capped at \$10,000 ex GST) may be authorised by the Procurement Manager in consultation with the Officer, without the need for re-approval or market approach, where:
 - a. a variation is endorsed by the appropriate Officer;
 - b. a variation is in the best interests of the City;
 - c. the Agreement or Contract is able to be varied;
 - d. the scope is not materially altered;
 - e. the variation is mutually agreed in writing prior to expiry of the current Term; or
 - f. such changes are required to maintain Agreement or Contract integrity, procurement system accuracy or process efficiency.

10. Novation of Contracts

The City has the ability to novate Agreements or Contracts, as required, where the resulting 'new' Agreement or Contract would not qualify for public tender (per the Regulations, see also Table 3, Item 6 – Procurement Exception and Exemption). However, the City is not obliged to agree to an assignment or novation and must consider the particular details, risks and contractual obligations of such requests. Generally, the City may not novate Agreements or Contracts where the resulting 'new' contract would ordinarily qualify for a public tender under Part 4, Division 2, reg 11(1) of the Regulations.

11. Panel Contracts (Pre-qualified Suppliers)

The City may establish a Panel of pre-qualified suppliers in accordance with Part 4, Division 3 of the Regulations. In establishing and using a Panel, the City must:

- a) clearly articulate the goods or services to be provided by the Panel;
- b) 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;
- c) regularly performance manage and proactively engage Panel members;
- d) register all Agreements in the City's procurement system; and
- e) not enter into Contract with a Panel member (i.e. Purchase Order) for a scope of work which covers a period of more than 12 months or which contains options to extend past 12 months (Division 3, reg 24AJ(2) of the Regulations). For clarity, the Panel itself (supplier Agreements) can exist for a term longer than 12 months.

Panels must be structured in a way that encourages effective competitive tension amongst members ensuring the City sustains commercial value from the arrangement.

Individual Panel purchasing rules take precedence over the general quotation requirements noted in Item 5.



12. Term of Engagement

The length of an Agreement or Contract ('Term') should be based on actual or expected need for the goods or services regardless of the potential Purchase Threshold. Purposefully limiting the Term to minimise the Purchase Threshold (and therefore the level of Financial Authority required) is not allowed under this Policy. Longer Terms reduce recurring administration, re-approval requirements and the risk of Agreements or Contracts expiring where goods or services are still needed. Officers should consider:

Longer Terms where;

- a) the City has an ongoing requirement for the goods or service;
- b) the City wishes to aggregate expenditure to make the scope of work more attractive to market;
- c) the good or service requires significant fabrication, mobilisation, installation, resource acquisition or research and development;
- d) supplier relationship is critical to quality; or
- e) the market is (or may become) volatile or supply constrained.

Shorter Terms where;

- f) market competition is high, and suppliers are plentiful;
- g) supply of goods and services are expected to remain strong;
- h) supplier relationship is not materially important in sustaining quality; or
- i) the City does not have significant reliance on the goods or services for ongoing normal operation.

Perpetual services (e.g. annual subscriptions, memberships, software licences, etc) are those which the City regularly requires, without a defined period of supply. Agreements for such services should be considered over a minimum of three years for the purpose of calculating the Purchasing Threshold and therefore Financial Authority. Agreements with suppliers for perpetual services may be made on a non-guaranteed basis offering future flexibility for the City if needed.

The Term committed to suppliers must align with the Term and Purchase Threshold approved by the appropriate Financial Authority and be fully funded by approved operational budgets or the City's Long-term Financial Plan.

13. Anti-avoidance

The City should seek to maximise VFM from procurement activities through the aggregation and consolidation of like goods and services. Determining aggregated spend (expected or actual) of a particular good or service ensures the City remains compliant with the Register, the Regulations, this Policy and Financial Authorities, by ensuring the maximum value is used to determine Purchase Thresholds.

Requesting or approving multiple transactions for like goods or services without an Agreement, which results in avoidance (intentional or otherwise) of the correct level of Financial Authority or procurement process is not allowed under this Policy.

14. Probity

The City may consider engagement of Probity auditing or advisory services ('Probity Services') to support procurement activity. Probity Services should be considered where:

- a) the matter is highly contentious or complex;
- b) there is actual or perceived political sensitivity;
- c) the transaction represents a significant financial investment for the City;
- d) a material Conflict of Interest is anticipated;
- e) there is probability of significant public scrutiny; or
- f) a City service unit may be competing against external service providers.



Probity Advisors are used to offer pre-emptive advice to the City in an effort to identify and prevent probity issues which may occur during the procurement process. Typically engaged early in procurement planning, Probity Advisors will review proposed procedures and /or oversee the different stages of procurement. They may also be used to offer consultancy services in relation to embedding probity considerations into City policies and procedures.

Probity Auditors are engaged to provide independent scrutiny of completed procurement processes with the aim of identifying whether the process was compliant with the Regulations and this Policy and was conducted in a manner which displayed integrity, honesty, fairness and equity ('Probity').

15. Record Keeping

All procurement activities, communications and transactions, including verbal quotations and evaluations must be evidenced and retained as local government records in accordance with the *State Records Act 2000* and the City's policies and procedures.

16. Training

The City will offer procurement related training to its Officers with the aim of:

- a) ensuring best practice policies and procedures are followed;
- b) increasing awareness and understanding of procurement practices;
- c) improving consistency of decision making and procurement outcomes;
- d) avoiding commercial and legal risk;
- e) optimising use of City resources (people, equipment, property and funds) for the benefit of its constituents; and ensuring compliance with applicable legislation, codes, and standards.

Training modules will be made available as self-paced programs via CityLearn or delivered in person (individual or small group) by the Procurement Team. Certain modules will be mandatory before Officers will be allowed to perform certain functions. These modules include:

- 1) Purchase Orders and Requisitions (Theory)
- 2) Tender Evaluations

17. Conflict of Interest

A conflict of interest may occur when the work responsibilities of an Officer conflicts with their personal interests. A conflicting 'interest' is any interest that could, or could reasonably be perceived to, adversely affect a person's impartiality in procuring any goods or services. Procurement activities must be undertaken by Officers in the absence of personal bias and interest to ensure Probity is maintained. Officers must:

- a) always act in accordance with the City's Code of Conduct for Employees;
- b) identify and declare (in writing) any actual or perceived conflict of interest in the procurement activity immediately upon identification; and
- c) maintain confidentiality and honour supplier communication protocols (per Tender Evaluation Workbook F0387).

All Officers prior to participating in a panel must complete a Declaration of Confidentiality and Considerations of Interest form (F0405) and complete an Employee Disclosure of Interest – Decision Making form (F0427) if required.

Where an interest is declared, it will be recorded with the City's Corporate Governance Service Unit and an appropriate management plan will be established and agreed between Procurement, Corporate Governance and the applicable City business unit to limit risk associated with the interest. Declaring a conflict of interest will not automatically prevent an Officer from participating in the procurement process, however where a suitable management plan is not agreed or the conflict is not able to be practically overcome, the Officer may be withdrawn from further participation in the process.



18. Sustainability

The City may consider sustainable procurement criteria as part of its evaluations to ensure respondents contribute to enhancement of economic, environmental and social outcomes for the benefit of all. Elements for consideration may include:

- a) Supporting the local economy (buy Local).
- b) Identifying, encouraging, and supporting participation of Indigenous Businesses and Australian Disability Enterprises in City procurement opportunities.
- c) Inclusivity and equality by encouraging and proactively supporting equal access to opportunities and resources for people or groups who might otherwise be excluded or marginalized.
- d) Working with suppliers (and supply chains) who actively seek to reduce instances of modern slavery.
- e) Seeking designs, goods and services which reduce energy consumption, waste and adverse environmental impacts from manufacture, use or disposal.
- f) Purchasing goods or services from suppliers, who consider the impacts those goods or services have on the people and communities who create them (e.g. Ethical Sourcing).

Officers should proactively consider opportunities to address sustainability with each procurement activity. Specific evaluation criteria related to sustainability may be incorporated with other VFM criteria (and appropriately weighted) to ensure that sustainable elements are considered in supplier selections.

19. Policy Non-Compliance

Failure to comply with the requirements of this Policy will be subject to investigation, with findings to be considered in context of the responsible person's training, experience, seniority, and reasonable expectations for performance of their role. While an investigation is being undertaken, engagement in procurement activity may be suspended. Where a breach is substantiated it may be treated as:

- a) an opportunity for additional training to be provided;
- b) a requirement to terminate or suspend procurement activities;
- c) a disciplinary matter, which may or may not be subject to reporting requirements under the *Public Sector Management Act 1994*; and/or
- d) misconduct in accordance with the *Corruption, Crime and Misconduct Act 2003*.



Document Control

Other relevant/related documents

Legislation:	<i>Local Government Act 1995 (WA)</i> <i>Part 4 of the Local Government (Functions and General) Regulations 1996 (WA)</i> <i>State Records Act 2000 (WA)</i> <i>Competition and Consumer Act 2010</i>
City Policies:	Register of Delegations and Authorisations Integrity at the City of Perth: Code of Conduct for Employees Policy 2.14 Risk Management
City Procedures and Processes:	

Document responsibilities

Custodian:	Procurement Manager	Custodian Unit:	Procurement	Decision Maker:	Council
-------------------	---------------------	------------------------	-------------	------------------------	---------

Review management

Next review due:	September 2024	Document Management Ref:	EDRMS-1336483316-610
-------------------------	----------------	---------------------------------	----------------------

Document management

Version	Decision reference	Synopsis of changes
1.0	OCM 23 February 2021	Initial policy submitted for approval
2.0	OCM 24 May 2021	Policy amended
3.0	OCM 27 September 2022	Comprehensive review and amendments