

POLICY NO LG07 CODE FOR TENDERS AND CONTRACTS

DEPARTMENT:	Corporate Services
RESPONSIBLE OFFICER:	Business Services Manager
LINK TO STRATEGIC PLAN:	Maintain financial viability and accountability in budgeting and administration Ensure Council fulfils its legislative and governance responsibilities and its decision making, supported by sustainable policies and procedures
STATUTORY AUTHORITY:	Part 16, Division 2A, Section 333A and 333B Local Government Act 1993 Local Government (General) Regulations 2025 – Regulation 23 – 29 inclusive
OBJECTIVE:	The Code aims to: • ensure compliance with relevant legislation • enhance value for money through fair, competitive, non-discriminatory procurement • promote the use of resources in an efficient, effective and ethical manner • encourage probity, accountability and transparency in decision making • provide reasonable opportunity for competitive local businesses to supply to council • minimise the cost to suppliers of participating in the tendering process • allow council to appropriately manage risk • promote council's economic, social and environmental plans and policies
POLICY INFORMATION:	Adopted 19 March 2012 – Minute No. 03/12.15.4.069 Amended 18 February 2013 – Minute No. 02/13.15.8.63 Amended 16 September 2013 – Minute No. 09/13.15.6.263 Amended 20 April 2015 – Minute No. 04/15.11.7.90 Amended 14 December 2015 – Minute No. 12/15.11.4.318 Amended 21 November 2016 – Minute No. 11/16.12.4.254 Amended 16 December 2019 – Minute No. 12/19.12.5.294 Amended 15 February 2021 – Minute No. 02/21.12.5.35 Amended 15 September 2025 – Minute No 09/25.13.4.577

POLICY

1. INTRODUCTION

This Code for Tenders and Contracts (Code) provides a policy framework on procurement and tendering requirements for Council.

The framework is complemented by specific detail relating to procurement and purchasing procedures at an individual council level.

2. PROCUREMENT PRINCIPLES

Council will have regard to the following principles when acquiring goods and services:

Open and Effective Communication

Council will ensure that the purchasing process is impartial, open and encourages competitive offers.

In practice this means that Council will:

- use transparent and open purchasing processes so that suppliers and the public are able to have confidence in the outcomes;
- ensure suppliers have access to relevant Council procurement documents;
- adequately test the market through seeking quotations or via tender as appropriate;
- provide clear specifications;
- treat all suppliers consistently and equitably;
- ensure a prompt and courteous response to all reasonable requests for advice and information from suppliers.

Value for Money

Council will ensure that it is buying at the most competitive price available, but value for money does not mean buying at the lowest price.

In practice, this means that Council will consider:

- the contribution the good or service makes to achieving Council's strategic plans or policies;
- the value of the acquisition and potential benefits against the costs of that purchase;
- an assessment of risks associated with the purchase including the preferred procurement method;
- how well goods or services meet needs;
- maintenance and running costs over the lifetime of a product;
- disposal value;
- time constraints;
- the impact of the procurement decision on the local economy, such as through industry development and employment creation;
- the impact of the procurement decision on the environment, such as through minimising waste and reducing demand for goods and services which have a direct impact on the environment (such as printing, utilities and travel);
- the impact of the procurement decision on the society, (social value generated) such as through the elimination of discrimination and the promotion of equal opportunity, training, and other identified social objectives.

Enhancing local business and industry

Council will ensure that where local capacity exists, it will seek to engage the local market and encourage participation in tender and quotation processes.

In practice, this means that Council will:

- actively seek quotes from local businesses that are able to provide quality goods and or services;
- where local capability exists, ensure that discretionary elements of specifications do not prevent local business from competing;
- not give preferential treatment to local suppliers where it cannot be reasonably justified.

Ethical behaviour and fair dealing

Council will promote procurement practice that is legal, ethical, fair and unbiased.

In practice, this means that Council will:

- comply with legal requirements;
- conduct all business in the best interests of Council;
- treat all suppliers equally;
- avoid biased specifications;
- be as effective and efficient as possible when sourcing, ordering and paying for goods and services;
- expect individuals involved in procurement processes to declare and act upon any conflicts of interest that may be seen to influence impartiality;
- ensure that any supplier is not provided with information or clarification that is not provided equally to all suppliers;
- maintain confidentiality at all times in dealing with suppliers;
- ensure that conditions of contract are not excessively onerous;
- decline gifts or benefits offered by those involved in the procurement process, particularly from suppliers.

In practice, this means that Council expects suppliers to:

- ensure that they are well acquainted with Council requirements identified in this Code and additional related policies;
- are familiar with particulars relating to a specific tender and quotation process, including the relevant specifications;
- not submit a tender or quotation unless they have the financial, technical, physical, management resource or other capabilities to fulfil Council's requirements;
- not seek to influence a procurement process by improper means or collude with other suppliers;
- declare and act upon any conflicts of interest that may be seen to influence impartiality;
- comply with all applicable legislative, regulatory and statutory requirements, including Acts of the Commonwealth and State, regulations, by-laws and proclamations made or issued under such Acts and lawful requirements or directions of public and other authorities;
- not offer gifts or benefits to an Elected Member or Council Officer for the discharge of official business. As per Section 31-34 of the *Local Government (General) Regulations 2025* if in the instance gifts or benefits are received by Elected Members or Council Officer's they must be notified in writing to the General Manager and listed on Councils Gifts and Benefits register.

3. DEFINITIONS

TERM	DEFINITION
Building Construction	The Construction and refurbishment of buildings and residential properties, and associated maintenance (services and residential) and professional services (e.g. Architects).
Code	Refers to this Code for Tenders and Contracts, which has been developed in accordance with the requirements of the <i>Local Government Act 1993</i> and the <i>Local Government (General) Regulations 2025</i> and subsequent amendments.

TERM	DEFINITION
Consultant	A person or organisation, external to a Council, engaged under a contract on a temporary basis to provide recommendations or high-level specialist or professional advice to assist decision-making by Council. The consultant will be expected to exercise his or her own skills and judgement independently of the Council. It is the advisory nature of the work that distinguishes a consultant from a contractor.
Contractor	A person or organisation, external to the council, engaged under a contract for service (other than as an employee) to provide specified services to a Council.
Contract	A contract is an obligation, such as an accepted offer, between competent parties upon a legal consideration, to do, or abstain from doing, some act.
Conditions of Contract	The terms and conditions that a service provider will be required to substantially agree to if their Tender or Quotation is accepted.
e-Procurement portal	An e-procurement portal is an online platform that streamlines and automates the purchasing process for businesses and organisations.
Evaluation Panel	A panel established to evaluate submitted quotations and tenders.
Expression of Interest (EOI)	An Expression of Interest may be used as a means of exploring the market or to pre-qualify businesses to reduce the cost of tendering by restricting the issue of formal tenders.
Industry Capability Network Tasmania (ICNTAS)	Promotes Tasmanian industry through import replacement and opportunities for participation in major projects, government procurement and commercial developments. For more information go to www.icntas.org.au .
Local Business and Industry	All businesses operating in the State and more specifically, the municipal area, which have a permanent office or presence in Tasmania and employ Tasmanian workers.
Local Government Association of Tasmania (LGAT)	The peak body for Tasmania's 29 Councils, existing to support, promote, advocate for, and represent the local government sector, working collaboratively with members to support councils and the communities they serve and represent.
LGAT Procurement	The Local Government Association of Tasmania's (LGAT) Procurement arm, which helps Tasmanian Councils undertake best practice procurement and deliver value for money for their communities by leveraging the combined purchasing power of Councils around the country whilst buying locally.
Multiple-Use Register (MUR)	A register of suppliers who meet criteria established by Council in respect of the supply of particular categories of goods and services.
Multiple-stage purchasing	A process which allows for a preliminary assessment of the market to be made in terms of the capabilities of potential suppliers and the goods and services that are available to satisfy the requirement, before a final purchasing stage is undertaken.
National Procurement Network (NPN)	The National Procurement Network (NPN), which LGAT is a member of, connects procurement services offered by Local Government Associations in other states and territories to provide national programs where it is beneficial to combine the purchasing power of councils Australia-wide.
Panel	A panel of providers established as a result of an open tender, each of whom signs a Contract (on terms substantially similar to the Standing Contract) with the council.
Procurement	The entire process by which all resources are obtained by an entity, including planning, design, standards determination, specification writing, selection of suppliers, financing, contract administration, disposals and other related functions.
Procurement Principles	The procurement principles prescribed under Regulation 29(a) of the <i>Local Government (General) Regulations 2025</i> .
Probity	Probity is a risk management approach to ensuring procedural integrity.
Probity Advisor	A Probity Adviser provides advice on probity issues before and during the process of tendering and contracting to ensure the process is fair and in accordance with the Council's guidelines.

TERM	DEFINITION
Public Tender	A tender where any business that can meet the requirements of the Request for Tender has the opportunity to bid.
Purchasing	The acquisition of goods or services.
Quotation	An offer from a prospective Service Provider in response to an Invitation issued by the council to a selected number of prospective suppliers.
Request for Quotation (RFQ)	Either a verbal or written request for offers from businesses capable of providing a specified work, good or service.
Request for Tender (RFT)	A document soliciting offers from businesses capable of providing a specified work, good or service. Requests for Tender are usually advertised.
Specifications	The documents prepared for the purpose of describing the extent and the manner of the performance of the Councils requirements, including preliminary and general requirements, directions, schedules, programs and drawings, and other documents included with or referenced in an RFT/RFQ.
Standing Contract	A tender from which a single tenderer or multiple tenderers may be contracted for a specified period to provide specified goods or services during that period without the need for a further tender process.
Tender	A proposal, bid or offer that is submitted in response to a Request for Tender from the Council.
Tenderer	Contractor, Supplier or other bidder who is submitting a tender.
Tenderlink	Online e-procurement portal, commonly used by Councils to facilitate the tender process.
The Act	Local Government Act 1993
The Regulations	Local Government (General) Regulations 2025
Value for Money	Achieving the desired outcomes at the best possible price, noting that value for money considers a range of factors and doesn't necessarily mean lowest price.
Vendor Panel	An online e-procurement system that allows Councils to prepare, issue, receive and evaluate RFQs from LGAT Procurement's suite of preferred provider panels.
Verbal Quotation	A verbal Request for Quotation. A verbal response may be adequate for low value purchases.
Written Quotation	A written Request for Quotation to undertake specific works or supply goods and services.

4. PRESCRIBED AMOUNT

The Act and Regulations require that Council invite Tenders for any Contract it intends to enter into for the supply or provision of goods or services valued at or above a prescribed amount. The prescribed amount is currently \$250,000 (GST exclusive).

There are, however, a number of conditions where Council is exempt from inviting tenders – see Regulations, Part 3, Division 1 (28) – Non - Application of the Public Tender process.

Council may also determine that tenders should be called in certain circumstances as appropriate, where the estimated value of the purchase is less than the prescribed amount (for example, if the procurement is high risk, complex, likely to involve public scrutiny or if the procurement is in a market that Council is not familiar with).

There are a number of tendering and procurement thresholds that require different levels of involvement in planning and executing the purchase. The following table refers to the thresholds and summarises what purchasing method Council utilises based on the total dollar value of the purchase.

In all procurement, Council will allow “local businesses” a preferential procurement advantage of 7.5%. This means that, in considering verbal quotes and written quotes, those of a local business can be accepted if it is no more than 7.5% more than that of a competing quote. For consideration in tenders, this should be factored into that portion of the evaluation of the tender, where price is considered. For the purposes of this Policy, a local business is defined as one which is operating from within the boundaries of the Break O’Day municipality.

Procurement Value (ex GST)	Procurement Method	Notes / Requirements
Up to \$5,000	Direct Purchase	Obtain at least one (1) verbal or written quote. Apply local preference where possible.
\$5,001 – \$25,000	Informal Quote Process	Obtain at least two (2) written quotes. Apply at least one (1) local preference where possible. Document selection rationale.
\$25,001 – \$100,000	Formal Written Quote Process	Seek at least three (3) written quotes. Apply at least one (1) local preference where possible. Maintain documented evaluation process.
\$100,001 – \$250,000	Public Request for Quotation (RFQ)	Advertise RFQ. Apply at least one (1) local preference where possible. Minimum 14 days open period. Use standard evaluation criteria.
Over \$250,000	Public Tender	Advertise in accordance with Local Government Act & Local Government (General) Regulations 2025 – Saturday Examiner and Council’s Website. Apply at least one (1) local preference where possible. Minimum 14 days open period. Council approval required.

However, where procurement is undertaken with a value greater than \$50,000 or through an advertised process, and the officer or evaluation panel have determined to progress other than with the cheapest quote/tender, the matter will be referred for review by the Tender Committee. It is noted that the requirement for tender is set at \$250,000.

5. EXEMPTION FROM REQUIREMENT TO TENDER

The Regulations (Regulation 28 – Non application of the public tender process) identify circumstances where Council is not required to issue a public tender process.

The exemption circumstances identified are:

- (a) an emergency, if, in the opinion of the general manager, there is insufficient time to invite tenders for the goods or services required in that emergency;
- (b) a contract for goods or services supplied or provided by, or obtained through, an agency of a State or of the Commonwealth;
- (c) a contract for goods or services supplied or provided by another council, a single authority, a joint authority or the Local Government Association of Tasmania;
- (d) a contract for goods or services obtained as a result of a tender process conducted by –
 - (i) another Council; or
 - (ii) a single authority or a joint authority; or
 - (iii) the Local Government Association of Tasmania; or
 - (iv) any other local government association in this State or in another State or a Territory; or
 - (v) any organisation, or entity, established by any other local government association in this State or in another State or a Territory;

- (e) a contract for goods or services in respect of which a council is exempted under another Act from the requirement to invite a tender;
- (f) a contract for goods or services that is entered into at public auction;
- (g) a contract for insurance entered into through a broker;
- (h) a contract arising when a Council is directed to acquire goods or services due to a claim made under a contract of insurance;
- (i) a contract for goods or services, if the council resolves by absolute majority and states the reasons for the decision, being that a satisfactory result would not be achieved by inviting tenders because of –
 - (i) extenuating circumstances; or
 - (ii) the remoteness of the locality; or
 - (iii) the unavailability of competitive or reliable tenderers;
- (j) a contract of employment with a person as an employee of the Council.

6. STRATEGIC ALLIANCES

Pursuant to Regulation 28, Tasmanian Councils may access contracts for goods or services obtained as a result of a tender process conducted by the Local Government Association of Tasmania (LGAT Procurement) or an entity established by another State's local government association. Councils may also access contracts for goods or services supplied or provided by the State and/or Commonwealth Government.

LGAT Procurement

LGAT Procurement helps Tasmanian Councils undertake best practice procurement and deliver value for money for their communities by leveraging the combined purchasing power of Councils around the country whilst buying locally. LGAT Procurement makes available a large range of contemporary goods and services panels for Councils use.

Councils are not obligated to buy through LGAT's established panels, but there are significant benefits for them and suppliers if they do, such as saving time and money, reducing risk, reducing duplication, buying local and streamlining procurement processes.

National Procurement Network (NPN)

An extension of the localised contracts for goods and services that LGAT Procurement offers is the National Procurement Network (NPN), of which LGAT is a member. The NPN connects procurement services offered by Local Government Associations in States and Territories to provide national programs where it is beneficial to combine the purchasing power of councils Australia wide.

The NPN comprises the following member organisations and their business units:

- Local Government Association of Tasmania (LGAT)
- Local Buy Pty Ltd - a wholly owned company of the Local Government Association of Queensland
- MAV Procurement - the business arm of the Municipal Association of Victoria
- Local Government Procurement Pty Ltd - a wholly owned company of the Local Government Association of New South Wales
- Western Australian Local Government Association
- Local Government Association of Northern Territory
- Local Government Procurement South Australia

Where this applies, Council may purchase through these contracts/panel arrangements for purchases at any amount, including above the prescribed limit, avoiding the requirement to tender.

Similar contractual arrangements established and administered by State Government may also be used by Councils.

7. CALCULATING THE VALUE OF A PURCHASE

Price

The dollar value of the purchase may be calculated as follows:

- single one-off purchase – the total amount, or estimated amount, of the purchase (excluding GST); or
- multiple purchases – the gross value, or the estimated gross value, of the purchases (excluding GST); or
- ongoing purchases over a period of time – the annual gross value, or the estimated annual gross value, of the purchases (excluding GST).

Importantly, Council will calculate the value of a purchase to include any potential variations and options.

As per Regulation 24, Council will not split a single procurement activity into two (2) or more separate contracts for the primary purpose of avoiding the requirement to publicly invite tenders.

Non-price considerations

Council will ensure that it is buying at the most competitive price available but quantifying the value of a purchase does not simply mean buying at the lowest price. Specific issues that will be taken into account by Council that relate to non-price related matters are identified in the Procurement Principles section but may include consideration of quality and delivery timeframes.

8. GOODS AND SERVICES TAX (GST)

All procurement thresholds are GST exclusive.

Tenders and quotations must be sought on a GST exclusive basis.

9. EXTENSION OF CONTRACTS ENTERED INTO BY TENDER

Consistent with Regulation 24, Council may extend a contract entered into as specified in the contract or if the contract does not specify extensions, by an absolute majority of Council.

10. PROCUREMENT / PURCHASING METHODS

While open and fair competition may often be best achieved by undertaking a public tender process, where all interested parties have an opportunity to bid, there are times when this practice is unnecessarily burdensome and will not deliver the most advantageous outcome for the Council. In such instances, other market approaches may be more appropriate.

Council will, having regard to the procurement principles, regulatory framework and any other factors considered relevant by Council, in its absolute discretion, determine the appropriate method that will be employed to procure goods and services at any particular time.

11. ENGAGING A THIRD PARTY TO MANAGE A PROCUREMENT PROCESS

Council may engage third parties to manage the procurement process for individual projects. The use of a third party as an agent or consultant to advise on, arrange or manage a procurement process does not exempt Council from complying with Council procurement framework, policy and procedures.

Should Council engage a third party to manage a procurement process, it must be ensured that material is included in the contractual arrangements with the third party that requires the third party to comply with Council procurement framework, policy and procedures.

12. NON-TENDER PROCUREMENT METHODS

Direct Purchasing

This is where Council purchases from a single source, without first obtaining competitive bids.

This method will be used only for very low value, low risk goods and services.

Purchase Orders

Purchase Orders have limited terms and conditions and detail specific items that are to be purchased. Purchase Order terms and conditions should routinely be included or referenced within each Purchase Order.

This method may be used for low value, low risk goods and services and will not be used for non-routine, high value and high-risk goods and services.

Quotations (Informal)

This is where Council will only enter into a contract where three (3) quotations from suitable suppliers able to provide the goods or services have been sought.

Records must be kept of quotations received and quotations approved. If written quotations cannot be obtained, Council must keep detailed written records of the oral quotation obtained including details of the commercial terms of the quotation.

This method may be used for low value, low risk goods and services.

Request for Quotations (RFQ) (Formal)

This is a more formal quotation process. Council will enter into a contract where three (3) written (including email) quotations from suitable suppliers able to provide the goods and or services have been sought. Where less than three (3) suitable suppliers are reasonably available, records outlining this circumstance will be kept.

Council must keep detailed written records of the quotations obtained, including details of the commercial terms of the quotation.

Goods and/or services (at any amount – including above the prescribed amount) may be purchased through standing contracts established in accordance with Regulation 27 of the Local Government (General) Regulations 2025 – such as those put in place for Councils by LGAT, using a simple RFQ.

Use of LGAT panel arrangements as a purchasing option for Councils is justified under the Regulations – refer to the Exemptions section.

13. OPEN PROCUREMENT

These methods encourage competition in the marketplace and are useful in the absence of market knowledge.

Expression of Interest

Council may use an “expression of interest” process before it invites tenders. If so, it will advertise publicly the purpose and nature of the contract or project and the date by which it will invite tenders. The aim at the expression of interest stage is not to elicit tenders, but rather to assess the capacity of the respondents to undertake the work or project, and to refine the specifications. The Council will make the evaluation criteria for registration available to all respondents.

Council may invite tenders from some, all or none of the registrants, by the advertised date. If the Council does not invite tenders by that date, it will write to all registrants advising when tenders are to be invited. Respondents who are not invited to tender will be advising in writing. Council will use this list of registrants to invite tenders for the advertised contract or project only.

Tender – Open tender

An open tender process is an invitation to tender by public advertisement. There are generally no restrictions regarding who can submit a tender; however, suppliers are required to submit all required information and will be evaluated against stated selection criteria.

Council Responsibilities

Consistent with Regulation 25, Council will ensure that when open tenders are used as a method of procurement; the General Manager will invite tenders and will offer the same tender documents to all those who respond to the invitation to tender. A copy of this Code will be attached to all tender documents.

Council has responsibility to its residents and ratepayers to ensure services are properly delivered. It will therefore develop specifications that clearly set out the Council’s expectations. Most specifications will focus on outcomes and quality requirements, rather than particular ways of delivering a service. Some specifications may include both input and output requirements for a service.

The General Manager will advertise the tender locally via the daily newspaper circulating in the municipal area (Examiner) and on Council’s website – making the tender available to all qualified and interested bidders. Where possible, the tender should also be circulated via an approved electronic platform (e.g. Tenderlink) to maximise reach and streamline the process for both the Council and interested parties.

The public notice will identify:

- clearly the nature of the goods and/or services the Council requires
- any identification details allocated to the contract
- the period within which the tender must be lodged (must be at least 14 days after the date on which the notice is published) however tenderers will generally be given a minimum of 21 days from the date on which tenders were invited in which to submit. The submission period is determined by the nature of the tender and the advertisement as well as tender documentation will clearly state the relevant timeframe.
- where the tender must be lodged (e.g. in physical tender box, email or online via an electronic platform, etc)
- details of a person from whom more detailed information relating to the tender may be obtained

The General Manager will ensure that prospective tenderers are provided with details regarding:

- the specifications of the goods and/or services required
- the duration of the contract, including any extensions that are specified in the contract
- any mandatory tender specifications and contract conditions
- objective criteria for evaluating the contract and identify the order of importance accorded to the criteria
- the method of evaluating tenders against the evaluation criteria
- a reference to Council’s Code for Tenders and Contracts

Council will:

- Identify in the specifications any Council assets to be made available to tenderers, whether in-house or external, and may set costs, terms and conditions for the use of the assets.
- If Council gives advice, written or verbal, to a respondent clarifying the meaning of the tender documentation, it will give the same information to all respondents in writing. Council will keep a written record of any such verbal advice. Council will respect the confidentiality of a respondent who discloses information which has commercial or intellectual property value. Council will consider conducting a pre-tender briefing and may determine not to give additional information apart from the briefing.
- Acknowledge receipt of all tenders in writing.
- Ensure no potential tenderer, in-house or external will have access to the final specifications prior to their formal approval and public release by the Council.

Supplier – responsibilities

- A person submitting a response in relation to a Council public tender must do so in writing and in Council's required format, if stated, including through approved electronic means.
- The Supplier must specify the goods and/or services tendered for, provide details of the goods and/or services being offered, and must lodge the tender within the period specified in the public notice.
- The tender documents will require tender proposals to indicate how the performance standards will be met, and how the tenderer would measure the satisfaction levels of service users.
- The tender documents will require the tenderers compliance with Council's Occupational Health and Safety Policy.

Tender – Multiple Staged Tender

There are occasions – although usually limited because the process can be resource intensive - where Council may use a multiple-stage tender process. Reference is made to this process at Regulation 27 of the Regulations 2025. This usually involves Council issuing a request for expressions of interest as stage 1 and a request for tenders as stage 2.

This tender method will be used by Council to gain knowledge about the market, obtain industry input (where it is unclear what goods and services are available), or to shortlist appropriate suppliers before seeking offers.

At each stage in this process, suppliers who are most suited to the specific contract requirements may be shortlisted. Suppliers will be evaluated against criteria determined by Council.

Once a short list of potential suppliers is developed, these suppliers may be invited to participate in a closed tender process.

Council Responsibilities

As a first stage in this process, the General Manager will request expressions of interest from prospective tenderers.

The General Manager will advertise the expression of interest locally via the daily newspaper circulating in the municipal area (Examiner) and via Council's website.

The public notice will identify:

- clearly the nature of the goods and/or services the Council requires
- any identification details allocated to the contract
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the period within which the Expression of Interest must be lodged (must be at least 14 days after the date on which the notice is published) however suppliers will generally be given a minimum of 21 days from the date on which the Expression of Interest was invited in which to submit. The submission period is determined by the nature of the Expression of Interest and the notification as well as documentation will clearly state the relevant timeframe.

- where the Expressions of Interest must be lodged (e.g. in physical tender box, email or online via an electronic platform, etc)
- details of a person from whom more detailed information relating to the Expression of Interest may be obtained

The General Manager will ensure that prospective tenderers are provided with details regarding:

- the specifications of the goods and/or services required
- any mandatory tender specifications and contract conditions
- the duration of the contract, including any extensions that are specified in the contract
- objective criteria for evaluating the contract and identify the order of importance accorded to the criteria
- the method of evaluating expressions of interest against the criteria
- details of any further stages in the tender process
- a reference to the council's Code for Tenders and Contracts

Council will:

- Identify in the specifications any Council assets to be made available to tenderers, whether in-house or external, and may set costs, terms and conditions for the use of the assets.
- If Council gives advice, written or verbal, to a respondent clarifying the meaning of the tender documentation, it will give the same information to all respondents in writing. Council will keep a written record of any such verbal advice. Council will respect the confidentiality of a respondent who discloses information which has commercial or intellectual property value. Council will consider conducting a pre-tender briefing and may determine not to give additional information apart from the briefing.
- Acknowledge receipt of all tenders in writing.
- Ensure no potential tenderer, in-house or external will have access to the final specifications prior to their formal approval and public release by the Council.

At the final stage of a multiple-stage tender process, the General Manager will invite all suppliers who have met the criteria determined by the Council to tender for the supply of goods and/or services.

If only one (1) supplier meets the criteria determined by Council, Council may contract with that supplier after:

- a tender from that Supplier or
- a decision by the absolute majority of the Council to do so.

The General Manager is to ensure the consistency of the criteria used at each stage of the multiple-stage tender process.

Supplier – responsibilities

- A person submitting a response in relation to a Council Expression of Interest must do so in writing and in Council's required format, if stated, including through approved electronic means.
- The Supplier must specify the goods and/or services the Expression of Interest relates to, provide details of the goods and/or services being offered, and must lodge the Expression of Interest within the period specified in the public notice.
- The Expression of Interest documents will require proposals to indicate how the performance standards will be met, and how the supplier would measure the satisfaction levels of service users.

- The Expression of Interest documents will require the compliance with Council's Work Health and Safety Policy.

In-house Tenders

As an employer, Council will assist its staff to become more competitive. At the same time, Council is aware that competition must be fair, and be seen to be fair, to all parties.

Accordingly, Council will treat an in-house tenderer on the same terms as an external tenderer. Council will ensure there is a clear separation between the in-house tenderers and those who have responsibility for evaluating the tenders.

In-house tenders will be prepared on the basis that all direct costs and indirect or overhead costs attributable to the tender are included.

In allocating overhead costs to in-house tenders, a Council will only exclude those costs which it would continue to incur even if all its services were contracted out. The excluded overhead costs are limited to:

- **Governance Costs:** conduct of elections; administrative support for Councillors; Council meetings; making and enforcing local laws; property valuations; making and levying rates and charges; other statutory duties not related to the tender;
- **Strategic Management of Services Costs:** long term planning and supervision of all services, including tendering and contract administration costs;
- **Core Corporate Costs:** administrative support for the governance and strategic management of services functions.

All late tenders will be treated as a non-conforming tender.

Any proposal that does not conform to the tender conditions may be rejected as non-conforming. The General Manager will ensure the notification of any tenderer of the rejection and the reasons for the rejection.

14. CLOSED / SELECTIVE PROCUREMENT

For the procurement of goods and services that are required on a regular basis, testing of the market may only be required no less than every two (2) years. This may be by quotation as per this policy (eg cleaning products or contracted roadside slashing) or a tender process eg casual plant hire for a register of pre-approved contractors. Any such process should be able to take into account changes to the market (eg cleaning products reviewed if new products become available) or a new contractor to the municipality being allowed to tender inclusion on the register.

Price may not necessarily be the only factor in any procurement decision but any decision should be justifiable and, if necessary, documented.

Each Council employee has an authorised limit as to procurement expenditure. These limits are reviewed from time to time.

Ongoing Supply Arrangement - Standing Contract

Council may make use of goods and/or services panels that have been established in accordance with Regulation 28 of the Regulations 2025 (eg, through tender processes conducted by the Local Government Association of Tasmania (LGAT), another Local Government Association in Tasmania or another State or Territory, or an entity established by a Local Government Association or via similar arrangements through State Government).

If an appropriate standing contract is not already available, Council may implement its own standing contract arrangements.

Council, through an open public tender process, may establish a standing contract under which a single tenderer or multiple tenderers may be contracted for a specified period to provide identified goods or services during that timeframe without the need for a further tender process. Reference is made to this process in the Regulations at Regulation 24.

Suppliers to be included on a standing contract panel will be selected following an evaluation process.

Contract terms and conditions are agreed in the establishment of the panel, so there is no need for a further tender process to engage panel members to provide specific goods or services as set out in the standing contract. Purchases can be made even if above the current prescribed limit (\$250,000). Council may legitimately purchase directly from a supplier included on a standing contract panel which has been established through a public tender process.

Ongoing Supply Arrangement – Multiple Use Register (MUR)

A multiple use register, commonly referred to as an MUR, is a list intended for use in more than one procurement process of pre-qualified providers who have satisfied the conditions for participation or inclusion on the register. Reference is made to the multiple use register process in the Regulations at Regulation 26.

Council may establish a multiple use register of suppliers who meet criteria established by Council in respect to the supply of particular categories of goods or services.

Inclusion on a multiple use register provides certainty for potential suppliers that they have been recognised as meeting conditions for participation.

Council will invite tenders for a contract for the supply of goods and/or services from all Suppliers included on a multiple use register for a particular category of goods and/or services.

General Manager - responsibilities

As per the Regulations - Regulation 29, Council will establish and maintain procedures for the use of multiple use registers for contracts valued at under the current prescribed amount (\$250,000), excluding GST.

Essential procedural requirements include that Council will invite applications from suppliers for inclusion on a multiple use register by advertising locally via the daily newspaper (Examiner) circulating in the municipal area and via Council's website. Where possible, the tender should also be circulated via an approved electronic platform (e.g. Tenderlink) to maximise reach and streamline the process for both the Council and interested parties.

The public notice will identify:

- clearly the nature of the goods and/or services the council requires
- any identification details associated with the register
- the period within which the tender must be lodged (must be at least 14 days after the date on which the notice is published) however tenderers will generally be given a minimum of 21 days from the date on which tenders were invited in which to submit. The submission period is determined by the nature of the tender and the advertisement as well as tender documentation will clearly state the relevant timeframe.
- where the tender must be lodged (e.g. in physical tender box, email or online via an electronic platform, etc)

- details of a person from whom more detailed information relating to the multiple use register may be obtained

The General Manager will ensure that applicants are provided with information regarding:

- the specifications of the goods and/or services required
- the duration of the contract, including any extensions that are specified in the contract
- any mandatory tender specifications and contract conditions
- objective criteria for evaluating the contract and identify the order of importance accorded to the criteria
- a reference to the council's Code for Tenders and Contracts

Council may accept an application for inclusion on the multiple use register or reject an application.

If Council rejects the application, the General Manager will advise the applicant of the reasons for rejection.

If Council accepts the application the General Manager will advise the applicant of the category their application will be included in on the multiple use register.

The multiple use register will be reviewed by Council at least every two (2) years.

Council will allow a supplier to apply for inclusion on the multiple use register at any time unless the supplier has made an application in the previous 12 months and the application has not been accepted.

15. VARIATIONS TO A TENDER

Where Council seeks to amend or extend the closing date for a tender it will advertise the variation/s in the Examiner newspaper and on its website. If tender documents have been issued or a written tender has already been received then the General Manager will ensure the notification of recipients of the tender documentation and any tenderer in writing of the variation/s to the tender.

16. TENDER EVALUATION

Council will establish a Tender Committee and Tender Evaluation Panel. The Tender Committee will consist of at least two (2) elected members, appointed by Council, The Tender Evaluation Panel will consist of management/staff appropriate to the consideration of each specific tender. As a matter of good practice, where there is an in-house tender, at least one (1) member of the Panel will be a person who is independent of Council and who has expertise relevant to the tender. The tender evaluation report will disclose the names of the panel members. No member of a panel will be involved in preparing the in-house tender, be responsible for direct supervision of the in-house tenderer if it is successful, or have any interest in an external tender.

The Tender Committee will officially oversee the opening of Tenders. The Evaluation Panel will evaluate tenders according to the tender evaluation criteria which may or may not be outlined in the tender documentation.

The Panel will provide a written tender evaluation report on its reasoning behind awarding/recommending a particular tender, to the Committee and consider any recommendations of the Committee.

17. AWARD OF CONTRACT

Council may negotiate with tenderers to determine the awarding of the contract but must have regard to the scope of the invitation to tender at all times. Council will not trade the process of one tenderer against that of another tenderer. Council will exhaust negotiations with one tenderer before beginning negotiations with another tenderer.

The decision to award a contract will be made by Council or its delegated officer. If there is an in-house tender, the written report on the awarding of the contract prepared by the tender evaluation panel will be presented to a meeting of Council. Council will award the contract on the basis of the best quality and value for money for the community, keeping in mind the recommendations of the Panel and Committee, based on the criteria for evaluation.

Council will promptly notify the successful tenderer by telephone and in writing, and unsuccessful tenderers will be notified in writing. It will advise them of:

- The successful contractor.
- The tender outcome, although tender price will not generally be disclosed due to Commercial in Confidence considerations.

Reasons for the awarding of a contract

Unsuccessful tenderers may request feedback on their tender, if desired, including, but not limited to, general advice on price competitiveness.

18. MOTOR VEHICLES AND PLANT

Motor Vehicles and Plant may only be purchased where a specific budget has been allocated for their procurement or by a specific decision of Council.

As well as procurement through the quote/tender options identified in the guidelines, Motor Vehicles and Plant may have access to State or Local Government purchasing arrangements with pre-approved tendering processes.

Where a trade-in is potentially part of the procurement process (that is, a vehicle being purchased is replacing an existing vehicle or vehicles are being disposed of to fund a new vehicle):

- At least two (2) quotes must be obtained for purchase/trade-in
- The trade-in value is to be used as the undisclosed reserve in sale by tender process
- Disposal will be to the greater of tendered or traded-in price

19. COMPLAINTS PROCESS

Council will deal promptly with any complaints about its tendering process. Each complaint will be recorded in writing and the complainant given an opportunity to discuss his or her complaint with the General Manager or a delegated senior officer.

20. REPORTING PROCEDURES

Council is obliged to report at a minimum on a series of procurement matters. Linked to 72 (1) of the Local Government Act 1993.

Procurement at or above the prescribed amount, \$250,000 (excluding GST)

As per the Regulations - Regulation Division 3, 30 (1), Council will report in its Annual Report details of any contract for the supply or provision of goods and/or services valued at or above the legislated prescribed

amount of \$250,000 (excluding GST), that is entered into, or extended under Regulation 24(5) in the financial year to which the annual report relates.

Detail that will be reported at a minimum as required under the Regulations is:

- a description of the contract
- the period of the contract
- the periods of any options for extending the contract
- the value of any tender awarded, or if a tender was not required, the value of the contract (excluding GST)
- the business name of the successful contractor
- the business address of the successful contractor

Council may also, at its absolute discretion, report detail of instances of procurement below the prescribed amount identified in the Regulations.

Goods and Services exceeding \$100,000 (excluding GST) but less than \$250,000

Council is to report the following in its Annual Report in relation to any contract, for the supply or provision of goods or services valued at or exceeding \$100 000 (excluding GST) but less than \$250 000, that is entered into, or extended, in the financial year to which the annual report relates.

Detail that will be reported includes:

- a description of the contract
- the period of the contract
- the periods of any options for extending the contract
- the value of the contract (excluding GST)
- the business name of the successful contractor
- the business address of the successful contractor

Non-Application of the Public Tender Process

The General Manager is required, under the Local Government (General) Regulations 2025 (Regulation 28, sub regulation j), to report to Council any purchases in circumstances where a normally required public tender or quotation process is not used. Instances of non-application of the normally required quotation or public tender process will be reported at ordinary Council meetings as soon as possible after a contract is executed or a purchase order is issued. The information reported for each contract or purchase order will include:

- the contract or purchase order value (excluding GST)
- the circumstances for engaging the contractor or supplier without seeking the required number of quotes
- the date approval was given to engage the contractor or supplier
- the date of the contract or purchase order
- if the contract or purchase order was as a result of a prescribed situation or prescribed contract under Regulation 27 of the Local Government (General) Regulations, the sub regulation relied on for not calling for public tenders

As per Regulation 30(2) Council will report in its Annual Report, the details of all instances where non application of the public tender process has been applied because of application of Regulation 28.

Detail that will be reported at a minimum as required under the Regulations is:

- a brief description of the reason for not inviting public tenders
- a description of the goods or services acquired
- the value of the goods or services acquired
- the name of the supplier

22. CONFIDENTIALITY

Council treats information provided by suppliers as confidential and will not provide this information to unauthorised persons.

23. RESPONSIBILITIES

The responsibility for ensuring that this policy is adhered to rests with all staff involved in the procurement of goods and services, particularly Management.

24. RELATED DOCUMENTS

- Contractor Handbook
- Australian Standards on Contracts
- Grievance Policy
- Customer Service Charter
- Vehicle Policy
- Disposal of Assets Policy
- Official Purchase Orders Procedure

25. BREACH OF THE CODE

Council will comply with this Code.

If any employee of Council, or a body controlled by the Council breaches this Code, Council may take disciplinary action, if in its absolute discretion it considers it desirable to do so.

If a Supplier commits a breach of this Code, Council may, in its absolute discretion, take action against that Supplier.

26. MONITORING AND REVIEW

Consistent with the requirements identified in Section 333B of the Local Government Act 1993, Council will formally review this Code at least every four (4) years.

The Code may be modified on a needs basis from time to time by council to reflect changed operational requirements.