

Central Coast Council

Procurement Policy

Date Adopted: 27/05/2025
Revision: 7



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1. Policy Objectives

- 1.1. Central Coast Council (**Council**) procures goods, services, and works to effectively deliver services and infrastructure to the community. This Policy outlines the key principles, objectives and requirements that must be adhered to by all those conducting the procurement activities of Council.
 - 1.2. The Central Coast community should have confidence that Council will procure goods, services and works in a cost effective and appropriate manner. Central Coast Council suppliers should understand the processes by which goods and services are procured and have confidence that procurement processes of Council are applied fairly and consistently.
 - 1.3. Council is required to undertake procurement in accordance with:
 - 1.3.1. the *Local Government Act 1993* (**LGA**) (in particular section 55); and
 - 1.3.2. the *Local Government (General) Regulation 2021* (**Regulation**) (in particular Part 7 – Tendering).

This legislation applies to all contracts for goods, services and works unless a relevant exemption in accordance with the LGA applies. One exemption is where the estimated expenditure for a contract is less than \$250,000 (excluding GST).
 - 1.4. Section 23A of the LGA requires that Council consider the Tendering Guidelines for NSW Local Government (October 2009) as part of any tendering process, whether that process is mandated by the LGA or not.
 - 1.5. This Policy supports the Council's Statement of Business Ethics that outlines the Council's ethical standards and expectation that suppliers and Council staff will comply with.
 - 1.6. Staff undertaking procurement activities are required to comply with Council procedures, including but not limited to the Procurement Procedures and Contract Management Procedures that have been developed to support this policy.
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2. Policy Scope

- 2.1. This Policy covers all types of Procurement for all spend categories that include but are not limited to:
 - 2.1.1. Goods and materials, supplies, parts, plant and equipment, information communications and technology hardware and systems.
 - 2.1.2. Services, consultants, labour hire, contractors, information, and communication technology services.
 - 2.1.3. Works, asset and facilities construction, repairs and maintenance, and infrastructure, minor and major capital works.
 - 2.1.4. Disposal of goods and materials.

- 2.2.** All Council staff, contractors, consultants, temporary (labour hire) staff, Councillors and Council committees responsible for the procurement or sale of goods, services and works on behalf of Council must comply with this policy and all associated procedures.
- 2.3.** This Policy does not confer any delegations of authority upon any person. All delegations to staff are issued by the Chief Executive Officer (CEO).
- 2.4.** Applications for exemption from this Policy must be approved in writing by the Chief Executive Officer. Exemptions are only available in limited circumstances consistent with the provisions of the LGA and the Regulation.
- 2.5.** This Policy does not apply to employment contracts, real estate property acquisition or sales, sponsorship, grants, re-imbursments, statutory fees and charges, donations or sponsorships.
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3. Policy Statement

- 3.1.** This Policy should be read in conjunction with the Code of Conduct adopted by Council.
- 3.2.** It is the personal responsibility of all Council employees and agents thereof to have knowledge of, and to ensure compliance with this policy.
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4. General

- 4.1.** Council will:
- 4.1.1. Apply best practice procurement processes that comply with all legislative requirements and consider the Tendering Guidelines for NSW Local Government.
 - 4.1.2. Be open, honest, transparent, ethical, and accountable in all dealings.
 - 4.1.3. Ensure that appropriate protections are afforded to commercially sensitive and confidential material that is provided to Council by suppliers.
 - 4.1.4. Utilise whole of government and Prescribed Agency Contracts when considered the most beneficial outcome for Council.
 - 4.1.5. Ensure the promotion of fairness and competition.
 - 4.1.6. Obtain value for money.
 - 4.1.7. Promote sustainable procurement principles by:
 - Facilitating the achievement of value for money by incorporating total cost of ownership into procurement decisions.
 - Minimise our ecological footprint through the Procurement of goods and services that can demonstrate zero or reduced

environmental impact including but not limited to the use of products made of recycled materials and the avoidance of single use plastic products where alternatives are available and appropriate.

- Contribute to economic growth in the local economy by supporting local business to compete for Procurement contracts.
 - Encourage ethical trading and protect human rights through dealing with organisations that can demonstrate ethical supply chain practices.
 - Support within legislative requirements, Disability Organisations, Indigenous Businesses and Social Enterprises for the provision of goods, services and works when available and cost effective.
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5. Local Supplier Support

5.1. Council recognises the economic and social benefits that are derived through supporting local businesses to compete and be successful in being awarded contracts for the provision of goods, services and works by Council. Council will support local suppliers by:

- 5.1.1. Only sourcing goods, services and works for contracts with a value less than \$250,000 (excluding GST) from suppliers outside of the Central Coast Region, when the goods, services or works are either not available from Central Coast suppliers or Central Coast Suppliers cannot meet quality, time, or cost requirements.
- 5.1.2. Supporting suppliers to understand the requirements for competing for Council procurement contracts.
- 5.1.3. Providing all (local and non-local) suppliers with increased visibility of Council's forward works program.
- 5.1.4. When contracts are awarded to non-local suppliers, where practical, encourage them to sub-contract local suppliers and contractors in the delivery of services.
- 5.1.5. Providing constructive feedback regarding supplier's tender and quotation submissions, and detail how they can improve.
- 5.1.6. Report on procurement activity with local suppliers.
- 5.1.7. Applying a Local Preference weighting for Tenders. The weighting will be applied to demonstrated local supplier content of all tenders and will be capped so the total financial impact per tender does not exceed \$150,000 Excluding GST. A discount will be applied to the total value of Tender content demonstrated as being sourced by local suppliers in accordance with the below table:

% Discount (weighting) applied to local Price Component of Tenders	
20%	Local Supplier

6. Modern Slavery Prevention

6.1. Council is committed to ensuring:

- 6.1.1. Its operations and supply chains do not cause, involve, or contribute to modern slavery; and
- 6.1.2. Its suppliers, relevant stakeholders, and others with whom we do business respect and share our commitment regarding minimising the risk of modern slavery.

6.2. Statement of Intent

Council is committed to combating modern slavery by:

- 6.2.1. Identifying where our modern slavery risks are in our supply chain and assessing the degree of those risks.
- 6.2.2. Engaging with our suppliers to identify which are committed to minimising the risk of modern slavery in their own supply chains and operations.
- 6.2.3. Including modern slavery clauses in Request for Anything RFX documents and contracts.
- 6.2.4. Providing adequate training for all staff to ensure they are aware of what modern slavery is, what Council's modern slavery risks are and how to raise any identified or potential concerns.
- 6.2.5. Working with and supporting our suppliers to reduce the risk of modern slavery, where appropriate.
- 6.2.6. Establishing a complaint process enabling staff and others to raise concerns about modern slavery.

6.3. Application

This policy applies to all persons employed by Central Coast Council's or on Council's behalf in any capacity. The prevention, detection, and reporting of modern slavery in any part of Central Coast Council's operations or supply chain is the employee's responsibility.

7. Responsibilities

Compliance, monitoring and review

- 7.1.** The Unit Manager Procurement & Project Management will ensure compliance, monitoring and review of the Procurement Policy.

Records management

- 7.2.** Staff must maintain all records relevant to administering this protocol in accordance with Council's [Information and Records Management Policy](#).

8. Policy Definitions

Act	means the <i>Local Government Act 1993</i> (NSW)
Council	means Central Coast Council
Best Practice	means a methodology, technique, set of guidelines, ethics, or ideas that has consistently shown results superior to those achieved with other means, and that is used as a benchmark that represent the most efficient or prudent course of action
Disability Organisation	means an organisation where the majority of the members as well as the Governing body (Board of Directors) are persons with disability.
Indigenous Business	means an eligible Aboriginal and Torres Strait Islander owned business that is at least 50 per cent owned by an Aboriginal person(s) and/or a Torres Strait Islander person(s); and be either a sole trader, partnership, incorporated entity or trading through a trust; and has a current Australian Business Number (ABN)
Local Supplier	<p>To be classed as a 'Local Supplier', suppliers must have either:</p> <p>Registered business address within the Central Coast Local Government Area and permanently employ at least one (1) Full Time Equivalent (FTE) staff member, or</p> <p>A local business premises or facility such as: distribution centre, depot, warehouse, quarry, office, or manufacturing plant located within the Central Coast Local Government Area that employs more than one (1) FTE staff member.</p> <p>To be eligible for the discount the entity must have been in continual operation for a minimum of six (6) months regardless of the registered business location prior to the Tender being advertised.</p>
Prescribed Agency Contract	means an entity prescribed under section 163 (1A) of the Local Government Regulation (General) Regulation 2021.
Procurement	means all activities involved in acquiring goods or services either outright or by lease (including disposal and lease termination). Procurement includes acquiring consumables, capital equipment, real property, infrastructure, and services under consultancies, professional services, facilities management, and construction.
RFx	means a Request For Anything, it encompasses various procurement-related documents, including Request For Proposal

	(RFP), Request For Quote (RFQ), Request For Tender (RFT), and other similar requests.
Social Enterprise	means a business that trades to intentionally tackle social problems, improve communities, provide people access to employment and training, or help the environment.
Sustainable Procurement	means takes a wider view and incorporates the net benefits for both the buying organisation and the wider world. Sustainable Procurement considers the total purchase cost and economic, environmental, and social impacts within a wider framework of good governance, when acquiring goods and services. These four factors together called the quadruple bottom line
Tender	means an offer, lodged in response to a public invitation from Council for amounts above \$250K ex GST that are subject to requirements of section 55 of the Local Government Act 1993 and related regulation.
Tendering Guidelines	means the Tendering Guidelines for NSW Local Government issued by the (then) Director General of the Division of Local Government, NSW Department of Premier and Cabinet in October 2009.
Value For Money	<p>means selecting the supply of goods, services or works, considering both cost and non-cost factors including:</p> <ul style="list-style-type: none"> • Contribution to the Council Strategic Plan and objectives • Fitness for purpose, quality, service and support, risk, and environmental and sustainability factors • Whole-of-life costs, transaction costs associated with the purchase, utilisation, maintenance and disposal of the goods, materials, or assets.
Whole of Government Contract	means a contract or an adopted scheme administered by the NSW Procurement Board or the Department of Administrative Services of the Commonwealth

9. Policy Administration

Business Group	Infrastructure Services
Responsible Officer	Section Manager Procurement Operations
Associated Procedure (if any, reference document(s) number(s))	Nil
Policy Review Date	Four years from date of adoption unless legislated otherwise.
File Number / Document Number	D16234976
Relevant Legislation (reference specific sections)	<p>This Policy supports Council's compliance with the following legislation:</p> <ul style="list-style-type: none"> ▪ <i>Building and Construction Industry Security of Payment Act 1999</i> ▪ Chain of Responsibility (CoR) - Heavy Vehicle National Law (HVNL) ▪ <i>Competition and Consumer Act 2010 (Cth)</i> ▪ <i>Government Information (Public Access) Act</i> ▪ <i>Local Government (General) Regulation 2021</i> ▪ <i>Local Government Act 1993</i> ▪ <i>Modern Slavery Amendment Act 2021</i> ▪ <i>Protection of the Environment Operations Act 1997</i> ▪ <i>Work Health and Safety Act 2011</i> ▪ <i>Work Health and Safety Regulation 2017</i>
Link to Community Strategic Plan	<p>Theme 4: Responsible</p> <p>Goal G: Good governance and great partnerships</p> <p>R-G3: Provide leadership that is transparent and accountable, makes decisions in the best interest of the community, ensures Council is financially sustainable and adheres to a strong audit process.</p>
Related Policies / Protocols / Procedures / Documents (reference document numbers)	<ul style="list-style-type: none"> ▪ Information and Records Management Policy ▪ Delegations Register ▪ Statement of Business Ethics ▪ Code of Conduct

	<ul style="list-style-type: none"> ▪ Fraud and Corruption Control Framework ▪ Probity Advice Policy ▪ Sustainable and Plastic Free Events Policy ▪ Unsolicited Proposal Policy ▪ Legislative Compliance Policy ▪ Work Health and Safety Policy ▪ Procurement Manual ▪ Contract Management Manual ▪ Purchase Card Procedure
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10. Policy Authorisations

No.	Authorised Function	Authorised Business Unit / Role(s)
Nil	Nil	Nil

11. Policy History

Revision	Date Approved / Authority	Description Of Changes
1	9 August 2018	Draft
2	18 February 2019	Final for approval
3	11 March 2019	Approved, Gary Murphy, Chief Executive Officer. CM document number D13492858
4	30 January 2020	Amended to include Local Supplier Support, 30/1/2020. CM document number D13829120
5	9 March 2020	Approved, Central Coast Council Meeting, resolutions 218/20 to 221/20 Amended to reflect Council resolutions above and placed in accessible policy format. Updated Sustainable Procurement principles and references to refer to Single Use Plastic Policy. CM document number D13888146
6	21 September 2022	Amended to incorporate Modern Slavery Amended Act obligations
7	11 March 2025 Endorsed at Governance and Finance Committee 13 May 2025 GFC8/25; Recommended for Adoption Adopted at Ordinary Council Meeting 27 May 2025 Min. no. 683/25	Transferred policy into new template. Updated Modern Slavery section in response to the Anti-Slavery Commissioner Guidance on Reasonable Steps