

## Procurement Delegations Framework

In accordance with Council's Procurement Policy, the Procurement Delegations Framework has been developed. The Procurement Delegations Framework is modelled from the Best Practice Procurement Guidelines, while also taking into account Bass Coast Shire Council's requirements.

This Framework allows for efficient decision-making at the appropriate level of Council, while also ensuring the continuity of business.

### Purchasing Decisions and Commitments

The following two (2) tables outline the Purchasing and Contract Award delegations. The delegated authorities ultimately make decisions and commitments for concerning Council expenditure.

#### 1.1 Purchasing Delegations

**Table 1**

Expenditure (GST inclusive)	Delegated Authority
<b>Up to \$25,000</b>	Coordinator
<b>\$25,000 to \$100,000</b>	Manager
<b>\$100,000 to \$150,000</b>	General Manager / Executive Manager
<b>\$150,000 to \$1,000,000</b>	Chief Executive Officer
<b>&gt; \$1,000,000</b>	Council

#### 1.2 Contract Award Delegations

**Table 2**

Expenditure (GST inclusive)	Delegated Authority
<b>Up to \$1M</b>	CEO
<b>&gt; \$1M</b>	Council

## Internal Controls

The following tables outline the internal controls Council has in place with regard to quotations and contracts that have been, or will be, authorised in accordance with that set out in Table 1 and Table 2.

### 2.1 Procurement Exemptions Delegations

Procurement Exemptions are utilised when Council's Procurement Requirements (as detailed in the Procurement Policy and Procurement Manual) cannot be met.

**Table 3**

Expenditure (GST inclusive)	Endorsed By	Delegated Authority
<b>Up to \$100,000</b>	Coordinator Procurement & Fleet or Chief Financial Officer	General Manager / Executive Manager
<b>\$100,000 to \$150,000</b>		CEO
<b>&gt; \$150,000 goods/services or &gt; \$200,000 works</b>		Council followed by Ministerial Exemption (Contact Procurement and Fleet Team)

### 2.2 Contract Extension Delegations

Contract Extensions are in accordance with the terms of the contract. A contract may only be extended in accordance with any extension options included within the terms of a contract as awarded by Council.

**Table 4**

Expenditure (GST inclusive)	Delegated Authority
<b>Up to \$1M</b>	General Manager / Executive Manager
<b>&gt; \$1M</b>	CEO
<b>Outside budget allocations</b>	Council

### 2.3 Contract Variations Delegations

Contract Variations are unanticipated, additional costs that are within the scope of the Contract. The below table is to be applied to the total accumulated value of variations for any contract.

**Table 5**

<b>Expenditure (GST inclusive)</b>	<b>Endorsed By</b>	<b>Delegated Authority</b>
<b>Up to 10% of contract value &amp; within budget allocations</b>	<b>Contract Superintendent</b>	<b>Manager</b>
<b>&gt; 10% of contract value &amp; within budget allocations</b>		<b>General Manager / Executive Manager</b>
<b>Outside budget allocations</b>		<b>Council</b>

#### **2.4 Purchases under Annual Supply Contracts and/ or MAV and Procurement Australia Contracts and Other Agency Appointment Arrangements**

Purchases under Council Annual Supply Contracts are in accordance with the awarded schedule of rates and are utilised on an as needs basis. These contracts are awarded as a result of a public tendering process.

Purchases under MAV, Procurement Australia and other Agency Appointment Arrangements are exempt from the Local Government Act 1989 (S.186(5A)), as they are awarded as the result of a public tendering process. All purchasing under these Contracts are in accordance with the awarded schedule of rates. All expenditure is within the allocated budget.

**Table 6**

<b>Expenditure (GST inclusive)</b>	<b>Delegated Authority</b>
<b>Up to \$25,000</b>	<b>Coordinator</b>
<b>\$25,000 to \$100,000</b>	<b>Manager</b>
<b>&gt; \$100,000</b>	<b>Chief Financial Officer</b>

#### **2.5 Contract Payment Delegations**

Contract Payments are in accordance with the awarded contracts bill of quantities, schedule of rates or lump sum amounts.

**Table 7**

<b>Expenditure (GST inclusive)</b>	<b>Delegated Authority</b>
<b>Within the allocated contract sum</b>	<b>Contract Supervisor &amp; Manager</b>
<b>Outside the allocated contract sum</b>	<b>See 2.3 Contract Variations Delegations</b>

## 2.6 Summary of Quotations

A Summary of Quotations describes the quotation process undertaken, the evaluation and the recommended supplier.

**Table 8**

Expenditure (GST inclusive)	Processes Approved By
Up to \$50,000	Coordinator Procurement & Fleet
\$50,000 to \$150,000	Chief Financial Officer
> \$150,000 goods/services or > \$200,000 works	NA

## 2.7 Initiation to Tender/Quote (ITQ) Delegations

The Initiation to Tender / Quote process is an internal control to ensure that the tender or quote meets certain requirements (i.e. allocated budget) before proceeding to advertisement or issue of the tender or quote.

**Table 9**

Estimated Expenditure (GST inclusive)	Delegated Authority
Up to \$50,000	Manager
> \$50,000	General Manager / Executive Manager

## Approval

Approved by Council at its meeting held on

Date 17 June 2020



Signed by the Mayor (Cr Brett Tessari)