

2.21 Acquisition of Assets and Goods/Services – Tenders for supply

Introduction	Generally, tenders must be called for – <ul style="list-style-type: none">- provision of goods or services valued over \$150,000 \$250,000 \$100,000 \$150,000,- disposal of goods over \$20,000 although there is no prohibition on calling tenders under these thresholds.
Objective	To allow the calling of tenders at an appropriate time.
Statutory context	Local Government Act – <ul style="list-style-type: none">- s.3.57 – Tenders for providing goods or services- s.3.58 – Disposing of property Functions and General Regulations – <ul style="list-style-type: none">- Part 4 – Provision of goods and services- r.11 (2) – exemption from calling tender for supply- r.12 – anti-avoidance provisions for acquisitions- r.30 – exemption from calling tenders for disposal- r.31 – anti-avoidance provisions for dispositions Council Policy – <ul style="list-style-type: none">- Purchasing and Tenders – Model Purchasing Policy
Formal record	Officer's report to Council
Delegation by CEO	N/A
History	Former part 1(1)(d) and 1(2) Adopted – 16 June 2010 Amended- 24-19 September-October 2016

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Delegation Statement

1. The CEO is authorised to call tenders for supply of goods or services where the consideration (price plus trade-in etc) is more than the ~~\$150,000~~ ~~\$250,000~~ ~~\$150,000~~ threshold, at the appropriate time, subject to the intended transaction being disclosed in the Budget.
2. The CEO be authorised to determine, in writing, the criteria for deciding which tender should be accepted.
3. Where an item or service exceeds ~~\$150,000~~ ~~\$250,000~~ ~~\$150,000~~ and is able to be obtained through Council Purchasing Service of WALGA (Preferred Supplier list), a formal tender process is not required, subject to compliance with the Act and Council's delegation 2.3 Disposal of Assets.
4. Rather than obtain quotes in accordance with Council Policy, the CEO may exercise their discretion and call tenders for supply of an item or service less than the ~~\$150,000~~ ~~\$250,000~~ ~~\$150,000~~ threshold.
5. All tenders called are to be dealt with according to the Act and Regulations, and referred to Council for decision, unless prior specific delegation has been given.
6. All matters dealing with purchase of land are to have the specific authorisation of Council.

– End of Delegation

COMMENT

~~Purchasing policy adopted by Council applies to all non-tender acquisitions.~~

~~While the Act stipulates \$150,000 as the maximum purchase before tendering, Council may resolve a lesser limit.~~

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~~The Department of Local Government confirmed on 8 June 2010 that –~~

- ~~1. Changeover of plant and vehicles etc, is two transactions – one for supply and one for disposal. Therefore, simply trading in a vehicle to a preferred supplier, for a new vehicle from that preferred supplier, may not comply with the LG Act or Regulations, due to being above the prescribed values.~~
- ~~2. Use of WALGA Preferred Suppliers constitutes compliance with the requirements for acquisition under the LG Act, but not for disposal of an asset.~~
- ~~3. The limits imposed by Regulation that must be complied with, if the disposal is not publicly advertised are that both –
– the asset being acquired is less than \$75,000, and
– the asset being disposed of is less than \$20,000~~