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1. Statement

Ipswich City Council (**Council**) is committed to conducting procurement with integrity, accountability and transparency. All procurement activities must adhere to this policy and align with relevant manuals, policies, procedures, work instructions, and standards. Our approach prioritises the Ipswich community, ensuring that procurement efforts and decisions reflect principles that are meaningful to the region and contribute to effective service design and delivery.

2. Purpose and Principles

This policy is the overarching policy for the procurement of goods and services. Its purpose is to deliver excellence in procurement outcomes for the Ipswich community.

All purchases of goods and services must be carried out in strict compliance with the:

- [Local Government Act 2009](#) and amendments (**the Act**)
- [Local Government Regulation 2012](#) (**the Regulation**).

Council has resolved to apply Chapter 6 Contracting, Part 2 Strategic Contracting Procedures under the Regulation for entering into contracts for the supply of goods and/or services.

Disposal of non-current assets must be undertaken in accordance with Council's [Disposal of Council Assets and Goods Procedure](#).

Council will deal with the disposal of land under the:

- The Regulations, Chapter 6 Contracting, Part 3 Default Contracting Procedures;
- Property Acquisition and Disposal Policy;
- Disposal of Land or Interest in Land Procedure;
- Disposal of Council Owned Property Procedure;
- Tenure over Council Property Policy;
- Tenure over Council Property Procedure.

This Policy does not apply to:

- Council funded sponsorship or grants;

- Government fees, licensing, registrations, and levies;
- Employee expenses; or
- Commercial acquisitions

Council recognises that developing and adopting appropriate best practice contracting and procurement policies, processes, systems and procedures for all goods and services by Council, will enhance achievement of council objectives such as:

- sustainable procurement;
- bottom-line cost savings;
- supporting local economies;
- achieving innovation; and
- better services for communities.

Under section 237 of the Regulation Council will publish the awarded supplier, value, and purpose of contractual arrangements worth \$200,000 (excluding GST) or more on Council's website. In addition to its legislative obligation council will also publish the details on suppliers who tendered a response and publish basic contract details for all awarded contracts and procurements over \$10,000 (excluding GST).

3. Sound Procurement Principles

All procurement activities of council must have regard to the five 'sound contracting principles' contained in section 104(3) of the Act. Regard is to be had for each principle, although each principle may not receive equal consideration, depending on the particular procurement activity. The sound contracting principles are to be considered as follows:

1. Value for Money

Council will use public funds in such a manner that the best return and performance for the money spent is being obtained.

The achievement of value for money can be driven through each stage of the procurement process from procurement planning to contract management.

The benefits of the procurement are considered against the costs necessary for the optimum result for council and local community. Council is not required to accept the lowest tender. Instead, council is required to take into account issues such as but not limited to fitness of purpose, quality, price, service support and warranty and other factors relevant to the overall sound contracting principles of the *LGA*.

2. Open and Effective Competition

Council will give fair and equitable consideration to all prospective suppliers. Prospective suppliers wishing to do business with council will be given a reasonable opportunity to do so. All suppliers will be treated fairly in an open and transparent manner and have access to the same information.

3. Development of Competitive Local Business and Industry

Council is committed to developing competitive and thriving local businesses and industries. Investing in the Ipswich economy will yield social and economic benefits for the community as a whole, including greater opportunities for employment, skills, education and business development. The development of competitive local business and industry will be a priority in the procurement planning stage and form part of the supplier selection and in some cases the evaluation process for procurement.

Council has developed a Buy Ipswich approach to procurement and will work with key stakeholders and local businesses and industries to support and enable them to compete effectively in the market. The Buy Ipswich approach is documented in the Procurement and Contracts Manual (Appendix C).

4. Environmental Protection

Council is committed to environmental protection and achieving long-term sustainability through its procurement activities. In alignment with this commitment, council integrates environmental, social and economic considerations into all procurement processes.

Council will prioritise the purchase of sustainable resources, promoting a shift towards a more sustainable and regenerative economy. This includes evaluating the potential for acquiring goods and services that minimise waste and emissions, maximise resource efficiency, and support the principles of reduce, reuse, and recycle.

Council will seek to reduce carbon emissions through the procurement of low-carbon and energy-efficient products and services. Procurement decisions will take into account the full life cycle impact of goods and services, including their environmental footprint, energy consumption, and potential for waste generation. Council will also actively engage with suppliers who support sustainability initiatives and demonstrate a commitment to emission reduction practices. Furthermore, procurement activities will be aligned with the specific environmental targets outlined in the Sustainable Strategy which aim to mitigate the environmental impacts of council's operations.

By embedding these principles into procurement activities, council will contribute to reducing its overall environmental footprint while fostering a more sustainable and circular economy for the community.

5. Ethical Behaviour and Fair Dealing

Council's procurement activities (methods, practices, and procedures) must be performed with integrity and be beyond reproach.

All council employees and councillors when purchasing goods and services will advance the interests of council and conduct themselves in ways that are, and are seen to be, impartial, fair and in an ethical manner.

All council employees and councillors must:

- treat potential and existing suppliers with equality and fairness;
- not seek or receive personal gain;
- maintain confidentiality of commercial in confidence information such as contract prices and other sensitive information;
- present the highest standards of professionalism and probity;

- deal with suppliers in an honest and impartial manner that does not allow conflicts of interest;
- provide all suppliers and tenderers with the same information and equal opportunity; and
- be able to account for all decisions and provide feedback on them.

4. Strategic Plan Links

This policy relates to each of the four themes of iFuture as listed below:

- Vibrant and Growing
- Safe, Inclusive and Creative
- Natural and Sustainable
- A Trusted and Leading Organisation

5. Regulatory Authority

- *Local Government Act 2009*
- *Local Government Regulation 2012.*

6. Human Rights Commitment

Council has considered the human rights protected under the *Human Rights Act 2019 (Qld)* (**HRA**) when adopting and/or amending this policy. When applying this policy, council will act and make decisions in a way that is compatible with human rights and give proper consideration to a human right relevant to the decision in accordance with the HRA.

7. Scope

This Procurement Policy is made under section.198 of the Regulation. The Regulation and the Act are the key legislative frameworks that regulate the process of local government procurement in Queensland. Section 198 of the Regulation requires council to prepare and adopt a procurement policy encompassing the principles that apply to all purchases of goods and services by council and review this policy annually.

This policy applies to all contracting and procurement activities at council and is binding upon councillors, all council employees (regardless of their employment status, role or position – e.g. permanent, temporary, casual or part-time employees, managers, supervisors, team leaders, team members or individuals), contractors, consultants, agency casuals, contingent workers and volunteers.

8. Roles and Responsibilities

Table 8.1 – Roles and Responsibilities

ROLE	RESPONSIBILITIES
Chief Executive Officer (CEO)	is responsible for organisation wide procurement outcomes.
Executive Leadership Team (ELT)	is responsible for promoting consistency in procurement practice across the organisation.
Manager Procurement	is responsible for creating and maintaining an appropriate procurement control framework, and for ensuring this policy and the Procurement and Contracts Manual, are appropriate, reflect better practice and facilitate a high standard of procurement performance.

General Managers	are responsible for ensuring this policy is followed within their departments.
Managers and supervisors	are responsible for ensuring that employees are aware of, and comply with, this policy.
Anyone approving	any procurement activities must ensure compliance prior to exercising their legislative sub-delegation.
All council employees and Councillors	are required to be aware of and comply with this policy.

9. Key Stakeholders

The following will be consulted during the review process:

- Procurement Branch
- All council employees

10. Procurement thresholds

When procuring goods and services not covered by an existing contract, Council is required to follow one of the procurement sourcing processes outlined in Table 9.1, unless a relevant exception applies, as detailed in Table 10.2.

Table 10.1 - Procurement thresholds

THRESHOLD	PROCUREMENT SOURCING PROCESS	RESPONSIBILITY
Up to \$15,000	Do It Yourself (DIY) Procurement <i>Minimum of one written quotation (sourced from a local business in the first instance)</i>	Business unit
Equal to or more than \$15,000 and less than \$50,000	Request for Quotation (RFQ) <i>Minimum of two written quotation (at least one of the quotes sourced from a local business in the first instance)</i>	Procurement Branch
Equal to or more than \$50,000 and less than \$500,000	Low Value Sourcing <i>Minimum of three written quotation (at least one of the quotes sourced from a local business in the first instance)</i>	Procurement Branch
Equal to or more than \$500,000 and less than \$7,000,000	Strategic Sourcing <i>Open/Closed Request for Tender/Proposal</i> <i>Expression of Interest</i>	Procurement Branch
Equal to or more than \$7,000,000, or a term of greater than 10 years.	Significant Contracting Plan <i>A Significant Contracting Plan must be made before the Contract starts. Each Significant Contracting Plan will identify the chosen procurement strategy and must be approved in accordance with Council's Contracting Plan and may only be modified by resolution of Council.</i> <i>Open/Closed Request for Tender/Proposal</i> <i>Expression of Interest</i>	Procurement Branch

12. Procurement Exceptions

Council has created alternative procurement sourcing processes to those in table 2.1 (of EOI, Tender and Request for Quote) by establishing the following Exceptions:

Table 10.2 - Procurement exceptions

EXCEPTION	DESCRIPTION
1. Low value procurements (<\$300,000)	<p>This exemption allows the Council to extend contracts for low-value procurements (under \$300,000) without going through a tender process. The value obtained from a significant number of frequently sourced, low value procurements is limited. The aim is to prioritise resources for higher-value and strategic procurement activities.</p> <p>Conditions:</p> <ul style="list-style-type: none"> • negotiations are to be undertaken as part of the contract extension process • category/market analysis and benchmarking must be used to establish that value for money is still being obtained • supplier performance must be to Council's customer satisfaction • value improvement initiatives are in place • the total contract term, inclusive of any extension periods, must not exceed 10 years • the use of the exemption for any contract must not exceed \$300,000 in total.
2. Extension of contracts whilst Council is at market (or in a tender process)	<p>This exemption allows Council to extend an existing contract by up to six months where the tender to replace the contract has commenced. Switching supply for such a short period is usually not cost effective or practical. Extension may be required where the tender process or negotiations have taken longer than expected.</p>
3. Direct Engagement (no tendering process)	<p>a. Sole Supply – where alternatives do not practically exist.</p> <p>b. Impractical or disadvantageous</p> <p>c. Second-hand goods - This exemption applies for purchases of second-hand goods which are inconsistent with the quotation or tender process.</p> <p>d. Purchased through auction – where goods are purchased through auction process.</p>
4. Service relocation* *Power to exercise the exemption and execute the contract is subdelegated to CEO.	<p>Where alternatives do not practically exist for Public Utilities providers – e.g., Energex assets, Urban Utilities, gas, Telstra assets.</p>
5. Genuine emergency	<p>In genuine emergencies (such as recovery following floods, fire, cyber-attack etc), the necessity to act fast outweighs the additional benefit that may be driven through competitive processes. A genuine emergency is determined by the Manager Procurement.</p>

6. Procurement from social enterprises	Social procurement involves generating positive social benefits or outcomes. This exemption will be exercised for social enterprises who are assessed to deliver benefit to the Ipswich community in accordance with Section 2 (d) of the Procurement and Contracts Manual.
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13. Monitoring and Evaluation

The Procurement Branch will monitor and report on procurement activities and will assist and enable management and employees with better decision making through compliance reporting.

This policy will be reviewed annually in line with the *Local Government Regulation 2012* or sooner if required.

14. The Procurement Framework

The Procurement Framework is the hierarchy of documents that establishes the rules governing procurement. It includes this document, the Procurement and Contracts Manual, Annual Contracting Plan, resources (work instructions, templates, reference material, procedures), procurement systems and procurement reporting.

15. Definitions

Basic contract details include:

- a description of the purpose and goods or services procured
- contract or arrangement number
- date of award
- commencement and end dates
- value of the contract, standing offering arrangement or purchase
- name and address including postcode of the awarded supplier.

Council Employee – means all council employees (regardless of their employment status, role or position – e.g. permanent, temporary, casual or part-time employees, managers, supervisors, team leaders, team members or individuals), contractors, consultants, agency casuals, contingent workers and volunteers.

Procurement means the whole process of acquisition of external goods, services and works. This process spans the whole life cycle from initial concept through to the end of the useful life of an asset (including disposal) or the end of a service or construction contract.

Sound Contracting Principles mean the principles as outlined in s.104 of the Act.

16. Related Documents

- Annual Contracting Plan
- Procurement Contract Manual
- Significant Contracting Plan

17. Policy Owner

The General Manager (Corporate Services) is the policy owner, and the Manager Procurement is responsible for authoring and reviewing this policy.