

Policy Adopted by the YPRL Board June 2026	
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Responsibility	CEO
Related Policies and Procedures	YPRL Procurement Procedure Budgetly Corporate Business Card Policy & Procedure Employee Code of Conduct Board Code of Conduct Instrument of Sub Delegation Operations Manual Health Safety and Wellbeing Policy Fraud and Corruption Control Policy Fraud and Corruption Control Framework Conflict of Interest Procedure
Policy Updates	The key changes incorporated in the Policy version (7) include: a) Establishment of a six-month review timeframe to the policy, b) Inclusion of additional Definitions including Total Contract Sum, Emergency, Probity Advisor, Probity Plan, and YPRL Staff. c) Inclusion of Cyber Security requirements (Section 2.1.8.). d) Inclusion of examples of conflicts of interest and provisions relating to the declaration of all material conflicts of interest. e) Inclusion of Policy Breach details (Section 2.1.10.). f) Inclusion of additional details regarding procurement thresholds and YPRL Board authority to authorise public a tender prior to commencement (Section 2.3.2.). g) Update of Procurement Exemptions (Section 2.3.3.). h) Inclusion of delegation to the CEO to appoint a Probity Advisor (Section 2.3.4.3) i) Removal of ambiguity in the wording of the policy.

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Definitions and abbreviations

Term	Definition
Act	Local Government Act 1989.
CEO	Chief Executive Officer
Collaborative Procurement Arrangement	A contract established because of a strategic partnership or agreement between two or more organisations or entities to jointly procure goods or services for the benefit of achieving best value by leveraging combined economies of scale.
Commercial in Confidence	Information that, if released, may prejudice the business dealings or commercial interests of Yarra Plenty Regional Library (YPRL) or another party, e.g., prices, discounts, rebates, profits, methodologies and process information, etc.
Contract Management	The process that ensures all parties to a contract fully meet their respective obligations as efficiently and effectively as possible, in order to deliver the contract objectives and provide Value for Money.
Emergency	A sudden or unexpected event requiring immediate action including but not limited to the occurrence of a natural disaster, flooding or fire event at a YPRL service location; the unforeseen cessation of trading of a core service provider; any other situation which is liable to constitute an immediate risk to life, property, or the continuity of YPRL business operations.
IBAC	The Independent Board-based Anti-corruption Commission
Local Business	A commercial business with an operational premises that is physically located within the municipal borders of the Northern Regional Councils (the cities of Banyule, Darebin, Hume, Merri-Beck, Whittlesea, Mitchell, and Nillumbik).
Probity	Within government, the term "probity" is often used in a general sense to mean "good process". A procurement process that conforms to the expected standards of probity is one in which clear procedures that are consistent with the YPRL's policies and legislation, are established, understood and followed from the outset. These procedures need to consider the legitimate interests of suppliers and ensure that all potential suppliers are treated equitably.
Probity Advisor	An external independent advisor who is appointed to provide advice and may produce a Probity Report at the end of the procurement process to provide verification, or detail reservations about whether that the procurement process was conducted in accordance with relevant Laws, Policies and Procedures. Further, they will evaluate whether value for money, compliance, a competitive process, fairness and impartiality, consistent and transparent processes, security and confidentiality and conflicts of interest, were judiciously managed.

Term	Definition
Probity Plan	A Probity Plan is a structured document developed during procurement planning that ensures all probity (ethical integrity, fairness, transparency, and accountability) requirements are identified, addressed, and managed before and throughout a procurement process. It outlines how probity will be maintained, including governance, decision-making, conflict of interest management, confidentiality, communication protocols, and evaluation processes.
Procurement	Procurement is 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 contract.
Schedule of Rates Contract	A standing offer arrangement based on a Schedule of Rates contract that sets out rates for goods and services which are available for the term of the agreement but without a commitment to purchase a specified value or quantity of goods or services.
Sustainability	Activities that meet the needs of the present without compromising the ability of future generations to meet their needs.
Tender Process	The process of inviting parties from either a select list or via public advertisement to submit an offer by tender followed by evaluation of submissions and selection of a successful bidder or tenderer in accordance with pre-determined evaluation criteria.
Total Contract Sum	The potential total value of the contract including: a) Costs for the full term of the contract, including any options for either party to extend the contract; b) Application goods and services tax (GST); c) Anticipated contingency allowances or variations; d) All other known, anticipated and reasonably foreseeable costs.
Value for Money	Value for Money in procurement is about selecting the supply of goods, services and works taking into account both cost and non-cost factors including: a) Non-cost factors such as contribution to the advancement of YPRL's priorities, fitness for purpose, quality, service and support; and b) Cost-related factors including whole-of-life costs and transaction costs associated with acquiring, using, holding, maintaining and disposing of the goods, services or works.
YPRL	Yarra Plenty Regional Library
YPRL Board	Comprises of two representatives from each of the three-member councils of Banyule, Nillumbik, and Whittlesea.

Term	Definition
YPRL Member Councils	Banyule City Council, City of Whittlesea, and Nillumbik Shire Council
YPRL staff	Includes full time and part-time YPRL employees, and temporary employees, contractors, volunteers, students on placement or work experience, and consultants while engaged by YPRL.

A. Overview

This Procurement Policy is made under *Section 186A of the Local Government Act 1989* (the Act).

The Act requires each local government agency to:

- a) Prepare and adopt a procurement policy which specifies the principles, processes and procedures applying in respect of the purchase of goods and services and carrying out of works by YPRL; and
- b) Review its the Procurement Policy at least once in each financial year.

This Policy has been aligned with YPRL Member Councils' Procurement Policies incorporating content that is specific to the YPRL operating requirements.

B. Applicability

This Policy applies to all contracting and procurement activities at YPRL and is applicable to YPRL Board Members and staff.

YPRL must comply with this Procurement Policy before entering into a contract for the purchase of goods or services or the carrying out of works.

C. Objectives

The objectives of this Policy are:

- a) Seek to promote open and fair competition and provide Value for Money;
- b) Provide clear guidelines to YPRL to allow consistency and control over procurement activities;
- c) Demonstrate accountability to YPRL Member Council's ratepayers and residents;
- d) Provide guidance on ethical behaviour in public sector procurement;
- e) Demonstrate the application of best practice in procurement activities;
- f) Demonstrate the consideration of sustainability in procurement with respect to social, economic and environmental factors;
- g) Increase the probability of obtaining the best outcome for the YPRL Member Council's community when procuring goods and services; and
- h) Seek to undertake collaborative procurement.

These objectives will be achieved by requiring, that YPRL's contracting, purchasing and contract management activities:

- i) Support YPRL strategies, aims and objectives;
- j) Span the whole life cycle of an acquisition and take sustainability considerations into account;
- k) Achieve demonstrable Value for Money;
- l) Are conducted in, and demonstrate an impartial, fair and ethical manner;
- m) Seek continual improvement through innovative and technological initiatives; and
- n) Generate and support Local Business through inclusion wherever practicable.

1. Procedures

1.1. Treatment of GST

All monetary values stated in this policy include GST unless specifically stated otherwise.

2. Effective legislative and Policy Compliance and Control

2.1. Ethics and Probity

2.1.1 Requirement

YPRL's procurement activities shall be performed in an open, transparent and ethical manner with demonstrated integrity, fairness and accountability that meets relevant legal requirements. All tender processes shall be conducted in accordance with the requirements of this Procurement Policy and any associated procedures, relevant legislation, relevant Australian Standards, Commercial Law and the Act.

2.1.2. Conduct of YPRL Board Members and Staff

YPRL Board Members and Staff shall at all times conduct themselves in ways that are in accordance with the YPRL Board Code of Conduct or the Staff Code of Conduct respectively, and will perform their duties ethically and with integrity and must:

- a) Treat potential and existing suppliers with equality and fairness;
- b) Not use their position to seek or receive personal gain in procurement matters;
- c) Maintain confidentiality of Commercial in Confidence information;
- d) Present the highest standards of professionalism and probity;
- e) Afford suppliers and tenderers with the same information and an equal opportunity to tender or quote for goods, services and works contracts;
- f) Be able to account for all decisions and demonstrate and provide evidence of the processes followed;
- g) Not perform any work under any YPRL contracts they are supervising i.e., YPRL Staff cannot also work for the relevant supplier;
- h) Query incidents, decisions or directions that appear to contradict or deviate from YPRL's standards of ethics or probity or established policies and procedures; and
- i) Ensure that this Procurement Policy are adhered to in relation to any expenditure of Council funds.

2.1.3. Conflict of Interest

YPRL Board Members and Staff shall at all times avoid situations which may give rise to an actual or perceived conflict of interest. A conflict of interest may be a 'general' or a 'material' conflict of interest. Examples of a 'general' and 'material' conflict have been provided below:

- a) A member of YPRL Staff has a general conflict of interest in a matter if an impartial, fair-minded person would consider that the person's private interests could result in that person acting in a manner that is contrary to their public duty.
- b) A member of YPRL Staff has a material conflict of interest in a matter if an affected person would gain a benefit or suffer a loss depending on the outcome of the matter. The benefit or loss may be direct or indirect and pecuniary or non-pecuniary. Affected persons include, among others, the member of YPRL Staff and their family members.

All material conflict of interest that are not declared will constitute non-compliance with this Policy and will be managed in accordance with the provisions contained in section 2.1.10.

YPRL Staff involved in the procurement process, in particular preparing tender documentation, writing tender specifications, opening tenders, participating in tender evaluation panels, preparing a recommendation report; and YPRL Board Members and Staff awarding tenders must:

- c) **Avoid** conflicts of interest;
- d) **Declare** that they do not have a conflict of interest in respect of the procurement. All YPRL Staff participating in tender evaluation panels must complete a Conflict of Interest declaration. YPRL Staff must declare any actual or perceived conflicts in line with YPRL's internal processes for reporting conflicts of interest; and

- e) **Observe** prevailing YPRL and Government guidelines on how to prevent or deal with conflict of interest situations; and not take advantage of any tender related information whether or not for personal gain.

2.1.4. Fair and Honest Dealing

All prospective contractors and suppliers must be treated impartially and afforded an equal opportunity to tender or submit a quotation.

Any suspected improper conduct, including suspected fraud, corruption, substantial mismanagement of public resources, risk to public health and safety, risk to the environment, or detrimental action will be managed in accordance with YPRL's internal policies and processes.

2.1.5. Probity, Accountability and Transparency

Accountability in procurement means being able to justify and provide evidence of the process followed. An independent third party must be able to see clearly that a process has been followed and that the process was fair and reasonable.

YPRL Staff must be able to account for all procurement decisions and ensure all procurement activities leave an audit trail for monitoring and reporting purposes.

2.1.6. Gifts and Benefits

No YPRL Board Member or member of YPRL Staff shall seek or accept any immediate or future reward or benefit in return for the performance of any duty or work for YPRL or where it could be reasonably perceived as influencing them or their position or undermining their integrity or the integrity of the process in some way.

Any gift or benefit offered to a YPRL Board Member or member of YPRL Staff will be managed in accordance with YPRL's internal policies and processes.

YPRL Board Members and YPRL Staff, particularly contract supervisors:

- a) must not knowingly visit a current supplier's premises without invitation when acting in their official capacity; and
- b) must not knowingly engage a YPRL supplier for private benefit unless that engagement is on proper commercial terms.

2.1.7. Disclosure of Information

Commercial in Confidence information received by YPRL must not be disclosed and is to be stored in a secure location.

YPRL Board Members and YPRL Staff must take all reasonable measures to maintain confidentiality of:

- a) Information disclosed by organisations in tenders, quotation or during tender negotiations; and
- b) Commercial in Confidence information.

YPRL Board Members and YPRL Staff are to avoid references to current or proposed contracts in discussion with acquaintances or outside interests.

Discussion with potential suppliers during tender evaluations must not go beyond the extent necessary to resolve doubt on what is being offered by that supplier.

At no stage is any discussion to be entered into which could improperly influence the procurement process or negotiation of a contract.

2.1.8. Cyber Security

The procurement process must adhere to YPRL's security guidelines to protect data and systems from unauthorised access.

2.1.9. Complaints & Reporting Suspicious Activities

2.1.9.1 Complaints Handling

Members of the public and suppliers, are encouraged to report known or suspected incidences of improper conduct to the CEO. YPRL Board Members and YPRL Staff will report and manage complaints in accordance with YPRL's internal policies and processes.

2.1.9.2 Reporting Suspicious Activities

All YPRL Board Members, YPRL Staff and YPRL suppliers are required at all times to act honestly and with integrity and to safeguard the public resources for which they are responsible. YPRL is committed to protecting all revenue, expenditure and assets from any attempt to gain illegal benefits (financial or otherwise).

YPRL will take all reasonable steps to protect those who assist YPRL by providing information about suspected fraud. This will include confidentiality of identity and protection from harassment to the extent possible.

Suspected improper conduct, offers of bribes, commissions and any other irregular approaches from suppliers, prospective suppliers or other individuals will be investigated and reported in accordance with YPRL's internal policies and processes.

The CEO must notify IBAC of any matter they suspect on reasonable grounds to involve corrupt conduct occurring or having occurred in accordance with mandatory reporting requirements under the Independent Broad-based Anti-Corruption Commission Act 2011.

2.1.10. Policy Breach

Non-compliance with the Policy may result in a material breach of the law and appropriate corrective action will be taken as soon as practicable in accordance with the Employee Code of Conduct, including disciplinary actions and dismissal. In addition, criminal and civil penalties may be imposed in cases of fraud, corruption, bribery or breach of State and Federal Law.

In all cases, YPRL Staff are responsible for complying with the Policy. Any Policy breach will be reported to the Executive Leadership Team, YPRL Audit and Risk Committee, and YPRL Board.

2.2. Governance

2.2.1. Structure

YPRL Board has delegated a range of powers, duties and functions to the CEO in relation to procurement. The delegation aims to ensure that the YPRL's procurement structure operates according to processes that:

- a) Are flexible enough to procure in a timely manner the diverse range of goods, works and services required by YPRL;
- b) Guarantee that prospective contractors and suppliers are afforded an equal opportunity to tender or submit a quotation; and
- c) Encourage competition and collaboration, even where the CEO runs a procurement process under delegation.

2.2.2. Methods

YPRL's standard methods for procuring goods, services and works shall be by any of the following:

- a) Purchase order following a quotation process from suppliers for goods or services that represent best Value for Money under the quotation thresholds adopted by YPRL. An approved purchase order must be created prior to committing expenditure on behalf of YPRL for the provision of services, goods or works in accordance with the YPRL's procurement thresholds and guidelines;
- b) Under contract following a quotation or tender process;
- c) Using Collaborative Procurement Arrangements;
- d) Multi-stage tenders commencing with an EOI followed by a tender process;
- e) Under a sole-sourcing arrangement in line with the conditions contained in section 2.3.3.2; and
- f) Purchasing Cards

unless other arrangements are authorised by YPRL or under appropriate delegated authority on an 'as needs' basis as required by abnormal circumstances such as emergencies.

2.2.3. Responsible Financial Management

The principle of responsible financial management shall be applied to all procurement activities. Accordingly, to give effect to this principle, the availability of existing funds within an approved budget or source of funds shall be established prior to the commencement of any procurement action for the supply of goods, services or works.

YPRL funds must be used efficiently and effectively to procure goods, services and works and every attempt must be made to contain the costs of the procurement process without compromising any of the procurement principles set out in this Policy.

2.3. Procurement Thresholds and Competition

Wherever it would likely achieve best value, procurements will be arranged under a relevant contractual arrangement established in accordance with the Act and this Procurement Policy.

In every procurement activity all practicable efforts will be made to consider the sustainable procurement considerations as listed in Section 3.2.

YPRL will invite offers from the supply market for goods, services and works in accordance with the thresholds listed in Section 2.3.2.

2.3.1. Procurement Principles

YPRL will apply the following fundamental best practice principles to procurement, irrespective of the value and complexity of that procurement:

- a) Value for Money;
- b) Sustainability (social, economic and environmental);
- c) Open and fair competition;
- d) Accountability;
- e) Risk management; and
- f) Probity and transparency.

2.3.2. Procurement Methodology

The Act details that a public tender threshold must be set above which tenders or expressions of interest for contracts must be publicly invited.

A public tender process must be used for all procurements valued at \$150,000 and above (incl. GST) for goods, services or works. For any procurement where the proposed total contract sum exceeds \$1.5 million over the life of the contract, YPRL Board approval must be obtained before commencing the tender process.

For procurements under \$150,000 (incl. GST), the procurement methodology and thresholds are detailed as follows:

Procurement Threshold (incl GST)	Procurement Methodology
<\$5,000	A verbal quotation. When seeking for quotes, YPRL will look the opportunity to invite Local or Social Businesses, depending on availability of Local or Social Business.
\$5,001 to \$15,000	A minimum of one (1) (digital, email or other written) quotation must be obtained and the details recorded before placing an order. When seeking for quotes, YPRL will look the opportunity to invite Local or Social Businesses, depending on availability of Local or Social Business.

Procurement Threshold (incl GST)	Procurement Methodology
\$15,001 to \$150,000	A minimum of three (3) (digital, email or other written) quotations must be sought. When seeking for quotes, YPRL will look the opportunity to invite Local or Social Businesses, depending on availability of Local or Social Business.

In addition to the procurement threshold requirements, the following procurement rules apply:

- a) The quotation and tender threshold requirements must be applied to every purchase, except if the exemptions listed in Section 2.3.3
- b) Procurement transactions will not be split to circumvent the quotation thresholds. If there are limited suppliers for the goods, services or works being sought, or where the work is highly specialised, a CEO exemption will be sought. The CEO may waive the requirement to request the minimum number of quotations, if the CEO reasonably considers that it is appropriate to do so. Waivers have to be in writing and saved to YPRL Records Management System for future reference.
- c) Ongoing expenditure with any one supplier for a supply of the same or similar goods, services or works is subject to the quotation threshold requirements listed above. For example: if a supplier is engaged to provide security services for a public event on an event-by-event regular basis, the total expenditure with this supplier over a 3-year rolling period must comply with the threshold requirements above. Even if cost of security services for each event is below the \$15,000 threshold but the total cost with this supplier for multiple events is above \$15,000, then the above quotation or tender thresholds apply.
- d) A Probity Advisor must be engaged, and a Probity Plan must be developed and implemented when the proposed total contract sum exceeds \$1.5 million over the life of the contract.

2.3.2.1 Aggregated Value of a Contract

The value of a purchase contract is the aggregate value of the contract over the term of the contract. If the term of the contract is not clear, a default term of 2 years is to be used for cumulative expenditure.

2.3.3. Procurement Exemptions

The following circumstances are exempt from the general publicly advertised tender, quotation and expression of interest requirements. The tender exemptions do not exempt YPRL from seeking *Best Value for Money* within the categories specified below. Any exemption determined by the CEO must be reported to the YPRL Board.

Exemption Name	Explanation, limitations, responsibilities and approvals
1. A contract made because of an emergency	Where the CEO has resolved that the contract must be entered into because of an emergency. For further detail, refer to "Definition".
2. A contract made with, or a purchase from a contract made by, another government entity, government-owned entity or other approved third party.	This general exemption allows engagements: a) With another government entity or government owned entity. For example, Federal, State or Local Government or an entity owned by the Federal, State or Local Government; and/or b) In reliance on contracts and arrangements established by another government entity, local authority or local government group purchasing scheme, Municipal Association of Victoria (MAV) or National Procurement network members (e.g., Local Buy), Procurement Australia (PA).
3. Extension of contracts while YPRL is at market	Allows YPRL to extend an existing contract where the procurement process to replace the contract has commenced, and where the tender process or negotiations will take or are taking longer than expected. This exemption will be used when the establishment of an interim short-term arrangement with an alternative supplier is considered not to be in the public interest, as it may be cost prohibitive and/or present a risk in the delivery of critical YPRL services.
4. Statutory Compulsory Schemes	Motor vehicle compulsory third party.
5. Leases	Where a lessor leases an asset to YPRL and assumes the residual value risk of the asset.
6. Loan Funds	The provision of Loan Funds. Loan agreements do not constitute the procurement of a good or service under the Act, but a financial accommodation.
7. Utilities	Utilities such as Electricity, Gas and Water as these services are provided under the 'umbrella' of the Member Councils.
8. Ministerial Exemption	An exemption from the Minister for Local Government in accordance with Section 186 of the Act obtained for specified goods, services, or works.
9. Chief Executive Officer Assessment	Where the CEO determines that a Tender or quotation process is not feasible or is not in the best interests of YPRL, the CEO may approve an exemption. All exemptions approved by the CEO must be reported to the YPRL Board.

2.3.3.1. Contract Variations

All contract variations must be assessed to determine whether they are properly characterised as variations, or whether they are in effect a new contract. This will depend on factors like:

- a) The monetary value of the proposed variation, i.e., the value of the variation in the context of the thresholds fixed by the Procurement Policy; and
- b) The subject matter of the proposed variation, and whether it is consistent with the scope of the original contract.

2.3.3.2. Sole or select sourcing

Supply of goods, services or works can be sought from one supplier (sole sourcing) or a restricted group of suppliers (select sourcing) where it is consistent with this Procurement Policy and:

- a) It is in the public interest;
- b) There is one or a limited number of available tenderers in the market or suppliers able to submit quotations;
- c) The marketplace is restricted by statement of license, third-party ownership of an asset (excluding public utility plant), or intellectual property rights;
- d) YPRL is party to a joint arrangement where YPRL jointly owns the Intellectual Property with a third party provider.

Sole Sourcing:

If there is a current procurement or disposal process in place, that process must be terminated prior to sole sourcing being implemented.

Sole sourcing is subject to existing delegations.

Select Sourcing:

Select sourcing is subject to existing delegations.

2.3.4. Public Tender Requirements

All public tenders invited by YPRL will be advertised in the media.

2.3.4.1. Tender Evaluation

A tender evaluation panel will be established to evaluate each tender submission against the tender's selection criteria. Tender evaluation panels can include external personnel in order to ensure the best outcome for a procurement activity and must comprise of at least 3 persons.

A detailed Tender Evaluation Plan shall be developed, approved and strictly adhered to by that panel. Amongst other things, this involves the establishment of more detailed evaluation criteria (i.e., than those published with the tender) and the application of a pre-approved and robust weighted scoring system.

The Tender Evaluation Plan should be completed and signed off prior to the tender or quotation being issued.

2.3.4.2. Evaluation Criteria

YPRL may include the following evaluation criteria categories to determine whether a proposed contract provides Value for Money:

- a) Mandatory Compliance criteria (e.g., ABN registration, OH&S, Fair Work Act);
- b) Tendered price;
- c) Capacity of the Tenderer to provide the goods and/or services and/or works;
- d) Capability of the Tenderer to provide the Goods and/or Services and/or Works; and
- e) Demonstration of sustainability.

2.3.4.3. Probity Advisor

A Probity Plan will be developed, and a probity advisor appointed where:

- a) a proposed contract is considered by YPRL Board or the CEO to be particularly complex, of a high risk or controversial nature, and requiring a high level of public confidence.
- b) a proposed total contract sum is as detailed in 2.3.2.d Procurement Methodology.

A probity advisor may be appointed to any tender evaluation panel and may be appointed to oversee the evaluation process by the CEO.

2.3.4.4. Shortlisting and Negotiations

YPRL may conduct a shortlisting process during EOI, tender and quotation processes. Shortlisting can be based on any criterion or criteria but only in pursuit of the most advantageous outcome for YPRL.

Once a preferred tenderer/s is/are selected, negotiations can be conducted in order to obtain the optimal solution and commercial arrangements, within the original scope and intent of the tender. Shortlisted tenderers may be invited by YPRL to submit a best and final offer in relation to all or certain aspects of their respective tenders. Probity requirements apply to all negotiations.

2.3.4.5. Collaborative Procurement

YPRL will first consider collaboration with YPRL Member when procuring goods, services and works in order to take advantage of economies of scale. Furthermore, YPRL may collaborate with other bodies such as MAV Procurement or Procurement Australasia to procure goods, services or works, or utilise existing Collaborative Procurement Arrangements for the procurement of goods, services or works established through a public tender process where it provides an advantageous, Value for Money outcome for YPRL.

2.4. Delegation of Authority

2.4.1. Requirement

Delegations define the limitations within which YPRL Staff are permitted to commit YPRL to the procurement of goods, services or works and the associated costs. The following delegation will apply to purchases, quotations, tender and contractual processes without prior referral to YPRL Board:

Role or Band Level	Delegated Amount
Chief Executive Officer	\$150,000
Executive Managers	\$40,000
Band 7 – Management Staff	\$10,000
Band 6 – Management Staff	\$500

Procurement of goods, services or works above the CEO's delegation is reserved to YPRL Board.

The following delegation applies to YPRL Business Corporate Cards:

Role or Band Level	Delegated Amount
Chief Executive Officer	\$10,000
Executive Managers	\$5,000
Band 7 – Management Staff	\$5,000
Band 6 – Management Staff	\$500
Up to Band 5 Staff	\$0

2.5. Internal Controls

The CEO will install and maintain a framework of internal controls over procurement processes that will ensure:

- More than one person is involved in the management of a transaction from end to end;
- Transparency in the procurement process;
- A clearly documented audit trail exists for procurement activities;
- Appropriate authorisations are obtained and documented;
- Systems are in place for appropriate monitoring and performance measurement; and
- A process is in place for escalation, where appropriate, of procurement matters (including procedural non-compliance) to the Executive Leadership Team, the Audit Committee and YPRL Board.

2.6. Risk Management

2.6.1. General

Risk assessments are a vital part of the procurement planning process, particularly for significant contracts. Risks will be identified for each part of the sourcing, transition, delivery and finalisation

stages of procurement. Appropriate risk avoidance and mitigation strategies will be employed whenever practicable and appropriate.

2.7. Endorsement

YPRL Staff must not publicly endorse any products or services without the permission of the relevant Executive Manager or the CEO.

2.8. Dispute Resolution

Where relevant, all YPRL contracts shall incorporate dispute management and alternative dispute resolution provisions to minimise the chance of disputes escalating to legal action.

2.9. Contract Management

In order to continually improve its procurement and contract management processes and outcomes, YPRL will evaluate and seek to improve on all aspects of procurement and contract management, in accordance with its documented procurement processes and best practice guidelines.

Good contract management ensures goods, services and works are delivered to the required standards of quality and quantity as intended by the contract through:

- a) Establishing a system monitoring and achieving the responsibilities and obligations of all parties under the contract;
- b) Providing a means for the early recognition of issues and performance problems and the identification of solutions;

YPRL contracts are to include contract management requirements commensurate with the complexity of the procurement. Furthermore, contracts are to be proactively managed by the member of YPRL Staff responsible for the delivery of the contracted goods, services or works to ensure YPRL and therefore the community, receives Value for Money.

YPRL awards some contracts that are strategically critical and of relatively high value. YPRL will provide additional senior oversight to the management of such significant contracts.

3. Demonstrate Sustained Value

3.1. Achieving Value for Money

3.1.1. Requirement

YPRL's procurement activities will be carried out on the basis of obtaining Value for Money. This means minimising the total cost of ownership over the lifetime of the requirement consistent with acceptable quality, reliability and delivery considerations. Lowest price is not the sole determinant of Value for Money.

3.1.2. Approach

This will be facilitated by:

- a) Achieving continuous improvement in procurement activities;

- b) Developing, implementing and managing processes that support the co-ordination and streamlining of activities throughout the procurement lifecycle;
- c) Effective use of competition;
- d) Using existing YPRL contractual arrangement or Collaborative Procurement Arrangements where appropriate;
- e) Identifying and rectifying inefficiencies in procurement processes;
- f) Developing cost efficient tender processes; and
- g) Working with suppliers to create relationships that are professional, productive, and are appropriate to the value and importance of the goods, services and works being acquired.

3.2. Sustainable Procurement

3.2.1. Sustainable Procurement Definition

Sustainable procurement involves decision making that has the most positive environmental, social and economic impacts possible across the entire lifecycle of goods, services and works. The United Nations Environment Programme defines sustainable procurement as a “process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves Value for Money on a whole of life basis in terms of generating benefits not only the organisation, but also to society and the economy whilst minimising damage to the environment.”

3.2.2. Applying Sustainable Procurement in YPRL

Sustainability will be embedded in YPRL’s work. All YPRL Staff will have a clear and shared understanding about what it means and how they can apply it to their daily tasks. YPRL commits to applying the principles of sustainability to all of its decision-making and activities.

YPRL demonstrates sustainable procurement by:

- a) Being accountable for its impacts on society, the economy and the environment including the impacts of the organisation’s supply chain;
- b) Examining anticipated organisational, project and/or community needs;
- c) Continually improving sustainability specifications, practices and outcomes; and
- d) Planning and undertaking sustainability evaluations as part of contracting activities.

3.2.3. Objectives

YPRL commits to focus on the following Economic, Environmental and Social objectives to its decision-making procurement process:

3.2.3.1 Economic sustainability

YPRL is committed to supports local businesses and economic diversity in the Northern Region municipalities. Where practicable and applicable, YRPL will give preference to contracts for the purchase of goods manufactured or produced in Australia, as well as goods and services provided by local business in the Northern Region.

3.3.2 Social Sustainability

Social sustainability focuses on social equity and is underpinned by principles of business integrity, diversity, acceptance, fairness, compassion, inclusiveness, and access for people of all abilities. YPRL social sustainable procurement will generate positive outcomes for people and contribute towards building stronger communities.

When establishing procurement projects, YPRL will articulate the requirements to achieve social outcomes for the Northern Region community in consultation with Member Councils.

3.3.3 Environmental sustainability

YPRL is committed to minimise its impact on the environment by purchasing goods and services which avoid air, water, soil pollution, and minimise natural resource and biodiversity depletion. YPRL will provide instructions and guidance to all staff on how to embed the 5Rs (refuse, reduce, reuse, repurpose, and recycle) as core values in all future contracts, and ensure, where possible, that products purchased can be recycled at end of life.

To help to promote these objectives, YPRL Staff will apply a price or evaluation score preference of 5% (whichever is more advantageous) to quotations and tender offers received.

4. Build and Maintain Supply Relationships

4.1. Managing Suppliers

YPRL recognises the importance of effective and open working relationships with its suppliers and is committed to managing existing suppliers via performance measurements to ensure the benefits negotiated through contracts are delivered.

4.2. Supply Market Development

A wide range of suppliers are encouraged to compete for YPRL work. The focus for new work need not always be with the larger more familiar businesses. Other types of organisations offering business diversity include:

- a) Green suppliers;
- b) Local, small to medium sized enterprises (SMEs) and Social enterprises;
- c) Ethnic and minority businesses (e.g., Indigenous Business); and
- d) Volunteer and community organisations.

5. Policy Key Linkages and Governance

5.1. Standards and Linkages

YPRL's procurement activities shall be carried out to the professional standards in accordance with best practice and in compliance with the Act and applicable policies and procedures including Codes of Conduct for Board Members and YPRL Staff.

Compliance will be monitored by the Finance Team and minor issues identified will be addressed by YPRL Executive Manager positions. Where required, serious compliance issues will be reported by the CEO to the Audit and Risk Committee and Board.

5.2. Policy Review Process

In accordance with the Act, YPRL will review its Procurement Policy at least once in each financial year.