



Policy

20 PROCUREMENT AND DISPOSAL

File Reference No:

Strategic Outcome: Good government

Date of Adoption: 18/12/2013

Date for Review: 18/12/2018

Responsible Officer: Director Corporate Services

1. POLICY STATEMENT

Berrigan Shire Council administers public funds. It has a responsibility to ensure that its purchasing and disposal decisions are made in an ethical, transparent, accountable and effective manner.

2. PURPOSE

The purpose of this Policy is to:

- Establish a framework to guide Council employees, volunteers and agents involved in procurement and disposal activities to meet legislative requirements; manage risk and achieve a best value result.
- Create an environment where the Council's purchasing and disposal activities are – and are seen to be - ethical, accountable, transparent and effective.
- Assist the Council in achieving the best value result when purchasing goods and services and disposing of goods
- Ensure the Council at all times complies with relevant legislation when purchasing goods and services and disposing of goods.

3. SCOPE

This policy covers all procurement of goods and services and disposal of goods by Berrigan Shire Council, including but not limited to:

- The Council through resolution and by individual Councillors
- All Berrigan Shire Council employees;



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- Berrigan Shire Council volunteers and volunteer committees
- Other agents of the Council.

This policy does not apply to the procurement of goods and services:

- in an emergency;
- by contractors or subcontractors of Council

4. OBJECTIVE

This policy is developed to assist the Council with Delivery Plan Objective 2.2.2:

Council operations support ethical, transparent and accountable corporate governance

5. DEFINITIONS

Procurement:	The process involving all activities following the decision that a good or service is required. It involves the acquisition of goods and services and the disposal of goods.
Purchasing:	The actual buying process, whether placing or transmitting an order orally, in hard copy, electronically via e-commerce, or buying across the counter.
Disposal:	The process of removing goods from Council's service and the recovery of market value for the goods.
Quotation:	A quotation is the estimated or actual market price of the supply of a work, good or service supplied to Council by a supplier after a verbal or written request from a Council Officer.
Council Officer:	Any person authorised by the Council to purchase goods or services or dispose of goods on behalf of the Council. This includes employees, volunteers, Councillors and other agents acting on behalf of the Council.
Tender Threshold:	An amount in dollars as determined and published by the NSW Division of Local Government.

6. POLICY IMPLEMENTATION

6.1. General principles



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In purchasing goods and services and disposing of goods, the Council will

- comply with its statutory obligations;
- act in an ethical, transparent and accountable manner;
- act fairly and even-handedly with suppliers and potential suppliers;
- maintain commercial confidentiality in line with legislation and Council policy
- seek “best value” outcomes.

At all times, Council officers must be aware of their responsibilities to act in the best interests of the Council and the community when handling public funds.

6.2. Specific principles

6.2.1. **Best Value**

Best value represents the best return and performance for the money spent on procurement of goods and services.

Best value is not simply the best price. In determining what best value is, Council officers must consider:

- price
- “whole of life” and other ongoing costs
- fitness for purpose
- suitability
- availability and timeliness
- prior performance
- statutory compliance and work health and safety

6.2.2. **Confidentiality**

The Council will treat all information provided to it by suppliers in line with its adopted Privacy Management Plan.

Any confidential information will be treated as such and will not be revealed to persons other than those with a genuine need to know.

Commercial-in-confidence or proprietary information contained within tenders, quotations, expressions of interest, proposals, heads of agreements and the like will never be given to competing interests nor unauthorised persons.

6.2.3. **Fair and honest dealing**



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The Council will ensure potential suppliers are given equal access to information and opportunities to submit bids. The Council will act – and be seen to act – impartially when purchasing goods and services and disposing of goods.

6.2.4. Local preference

The Council has a legislative and ethical responsibility to be fair and even-handed in its treatment of suppliers and potential suppliers. However there are circumstances where it may be appropriate to prefer the use of local supplies.

Preference to local suppliers will only be considered where it is consistent with furthering the objectives of the Council's Community Strategic Plan, i.e.

- Sustainable natural and built landscapes
- Good Government
- Supported and engaged communities
- Diverse and resilient business.

If the Council chooses to provide preferential treatment to local suppliers it will develop an appropriate policy to govern this process and ensure it is transparent and accountable. Any such policy will be consistent with this policy, the aims and objectives of the Council's Delivery Program, and all statutory requirements.

6.2.5. Code of conduct

All Council Officers are bound by the Council's Code of Conduct. When purchasing goods and services and disposing of goods on behalf of the Council, Council officers will ensure their actions comply with the letter and the spirit of the Code.

Specific attention should be given to matters such as:

- Acting fairly and equitably
- Dealing with conflicts of interest
- Accepting and/or declaring any gifts or benefits received
- Use of Council resources

6.2.6. Authorisation

Only Council Officers with appropriate authorisation and/or delegation will purchase goods and services or dispose of goods on behalf of the Council.

Position descriptions for Council employees will specifically state the purchasing authority for each position and the Council will maintain a purchase authorisation register.



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The Council will not provide purchasing approval **after** the Council has acquired goods and services.

6.2.7. Risk Management

Risk Management is the systematic positive identification of threats and the identification of opportunities for the best use of resources. Throughout the procurement and disposal process, the Council will ensure that risks associated with any transaction are identified and are treated in accordance with the Council's Risk Management Policy and Framework.

6.3. Methods of purchasing and disposal

The Council will use a range of procurement methods with the appropriate method determined by considering statutory requirements, best value considerations, transparency and efficiency.

6.3.1. Tender

Where the total value of goods and services sought exceeds the tender threshold, the Council will follow a statutory tender process.

The Council will adopt a specific policy and set of procedures to deal with tenders. This Tender Policy will be consistent with this general policy and statutory requirements.

The Council will not engage in order splitting to avoid exceeding the tender threshold.

6.3.2. Quotations

Where possible and practicable, the Council will seek quotations when procuring goods and services. The number of quotations sought will be dependent on the nature and value of the goods and services to be supplied.

Details of the quotation thresholds will be clearly set out in the Council's procurement procedures. The Council will not engage in order splitting to avoid exceeding these thresholds.

6.3.3. Purchase orders

Except for items specifically excluded in other policies and procedures, all Council purchases of goods and services will require a valid purchase order to be generated.



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6.3.4. Corporate cards

The Council may permit the use of corporate credit or debit cards to purchase goods and services on behalf of the Council. Such use will be subject to a specific policy. The Corporate Card Policy will be consistent with this general policy and statutory requirements.

6.3.5. Petty cash

The use of petty cash for minor purchases (i.e. less than \$100) is encouraged. While quotations may not be required, Council Officers will still follow the principle of best value.

6.3.6. Reimbursement

Other than in exceptional circumstances, the Council will not permit Council officers to purchase goods and services for the Council from their own funds in the expectation of being reimbursed at a later date,

Council officers have a responsibility to take all reasonable steps to ensure that purchases on behalf of the Council are made through authorised Council procedures and avoid having to use personal funds and seek reimbursement.

Reimbursement of training and relocation expenses will be permitted in circumstances covered by specific policies.

6.3.7. Disposal

Disposing of goods on behalf of the Council is subject to the same principles as purchasing. The Council may adopt a specific policy and set of procedures to deal with disposals. Any such policy will be consistent with this policy and statutory requirements, transparent and accountable

6.4. Receipt and payment

Council Officers responsible for purchasing goods and services will ensure that delivery notes or invoices are checked against the original order, including quantity, quality, general condition and price.

Supplier payments will be made by Accounts Payable after the responsible officer has checked and confirmed the supply has been made in accordance with the Council's requirements. Payment will be made in line with the Council's standard payment terms unless prior arrangements have been made.



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7. RELATED POLICIES OR STRATEGIES

7.1. Legislation

- *Local Government Act 1993*
- *Local Government Regulation 1994*
- *Public Finance and Audit Act 1993*
- *Work Health and Safety Act 2011*
- *Work Health and Safety Regulations 2011*
- *Privacy and Personal Information Protection Act 1998*
- *Government Information (Public Access) Act 2009*
- Australian Accounting Standards

7.2. Council policies and guidelines

- Risk Management Policy and Framework
- Berrigan Shire Council Code of Conduct
- Berrigan Shire 2023 (Community Strategic Plan)
- Resourcing Strategy
- Privacy Management Plan
- Fraud Policy
- Delegations Policy
- Tender Policy
- Reimbursement of Relocation Expenses Policy
- Payment of Expenses and Provision of Facilities for Mayors and Councillors Policy
- Guidelines for the Payment of Expenses and Provision of Facilities for Staff Members



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35 TENDER POLICY

File Reference No:

Strategic Outcome: Good government

Date of Adoption: 21/01/2015

Date for Review: 17/01/2018

Responsible Officer: Director Technical Services

1. POLICY STATEMENT

Where required by legislation or otherwise appropriate, the Council will seek to obtain goods and services by means of a competitive tender process. It is important that this process is ethical, transparent, accountable and effective.

This policy forms part of the Council's Procurement and Disposal Framework and should be read in conjunction with the Council's Procurement and Disposal Policy and the other policies that form that framework.

2. PURPOSE

The purpose of this policy is to define the key tender principles adopted by Council and to ensure that Council officers are aware of their responsibilities and the applicable conditions and procedures regarding tenders

The policy will provide consistent advice about the competitive tendering of and for Council services, describes Council requirements in relation to ethical behaviour in relation to tendering and will maintain competitiveness and ensure best value of goods and services provided to the Council

3. SCOPE

This policy applies to:

- Councillors
- Council officers
- Suppliers awarded contracts via the tendering process
- Prospective suppliers supplying tenders to the Council.



Policy

The policy covers:

- all purchases by the Council over the tender threshold, and
- the entire process of inviting and assessing tenders for goods and services by the Council

4. OBJECTIVE

This policy is developed to assist the Council with Delivery Plan Objective 2.2.2.3:

Coordinate Council investments, financial management, financial operations and processing.

5. DEFINITIONS

Best value: As defined in the Council's Procurement and Disposal Policy, best value represents the best return and performance for the money spent on procurement of goods and services.

Best value is not simply the best price. In determining what best value is, Council officers must consider:

- price
- "whole of life" and other ongoing costs
- fitness for purpose
- suitability
- availability and timeliness
- prior performance
- statutory compliance and work health and safety

Council officer: Any person who has authority to purchase goods and services on behalf of the Council. This includes, but is not limited to, Council employees, contractors, volunteers and other agents of the Council.

Public tender: Method by which tenders for the proposed contract are invited by public advertisement per Clause 166(a) of the *Local Government (General) Regulation) 2005*

Prescribed organisation: An organisation listed in Clause 163(1A) of the *Local Government (General) Regulation 2005*. The Council is permitted to use contracts prepared by these organisations to obtain goods and services without having to seek tenders.



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Tender threshold: An amount in dollars as determined and published by the NSW Division of Local Government. This amount is shown in Clause 163(2) of the *Local Government (General) Regulation 2005*

6. POLICY IMPLEMENTATION

6.1 General principles

In conducting a request for tender, the Council will

- comply with its statutory obligations;
- act in an ethical, transparent and accountable manner;
- act fairly and even-handedly;
- maintain commercial confidentiality in line with legislation and Council policy
- seek “best value” outcomes.

At all times, Council officers must be aware of their responsibilities to act in the best interests of the Council and the community when handling public funds.

6.2 Roles and Responsibilities

The General Manager will appoint Council officers to the following responsibilities:

- Council officers responsible for opening submitted tenders
- Tender Evaluation Panel
- Tender Evaluation Panel Chairperson

The Tender Evaluation Panel Chairperson will be responsible for the overall conduct of the tender process, including ensuring compliance with relevant legislation, regulations, Office of Local Government guidelines and Council policies.

6.3 Methods of tendering

All requests for tenders invited by the Council will be public tenders, unless in exceptional circumstances and expressly approved by the General Manager.

6.3.1 E-Tendering

Where the Council chooses to conduct its own tender, the tender will be conducted through an electronic, online tender system.

The E-Tendering system will operate within an appropriate policy and security management framework that incorporates threat and risk assessment, regular review and audit.



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In addition to electronic tender submissions, the Council may, at the discretion of the General Manager, choose to allow submission of tenders in hard copy form at the Tender Box, located at the Council Administration Office.

6.3.2 Use of Prescribed Organisations

With the express approval of the General Manager, the Council may avail itself of the option under section 55(3)(a) of the *Local Government Act 1993* to use a contract from a prescribed organisation in lieu of requesting a tender in its own right.

Council officers using a prescribed organisation should still ensure that Council is receiving best value.

Where a prescribed organisation has been used for a purchase greater than the tender threshold amount, an information report outlining the successful bid and the evaluation of the quotations must be presented to the next meeting of the Council.

6.4 Record maintenance

The Tender Evaluation Panel Chairperson is responsible for ensuring that all relevant documents relating to a request for tender are kept and secured, in line with the Tendering Guidelines for NSW Local Government.

The Tender Evaluation Panel Chairperson is also responsible for controlling access to all documents relating to a request for tender.

6.5 Assessment

Tenders will be assessed under formal evaluation criteria and weightings. These criteria and weightings will be included in the tender documentation.

6.6 Risk Management

Risk Management is the systematic positive identification of threats and the identification of opportunities for the best use of resources.

Throughout the tender process, the Council will ensure that risks associated with the process are identified and are treated in accordance with the Council's Risk Management Policy and Framework.

7. RELATED POLICES AND STRATEGIES

7.1 Legislation

- *Local Government Act 1993*
- *Local Government (General) Regulation 2005*



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- *State Records Act 1988*
- *Government Information (Public Access) Act 2009.*
- *Privacy and Personal Information Protection Act 1998.*
- *Public Finance and Audit Act 1983*

7.2 Other plans, policies and strategies

- Tendering Guidelines for NSW Local Government
- Berrigan Shire Council Risk Management Framework
- Berrigan Shire Council Code of Conduct
- Berrigan Shire Council Statement of Business Ethics
- Procurement and Disposal Policy



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81 LOCAL PREFERENCE POLICY

File Reference No:

Strategic Outcome: Good government

Date of Adoption: 15/07/2015

Date for Review: 18/07/2019

Responsible Officer: Director Corporate Services

1. POLICY STATEMENT

Berrigan Shire Council, as identified in its Procurement and Disposal Policy adopted in 2013 and its overall Procurement Framework, has an obligation to achieve best value when procuring goods and services.

Equally, in its Economic Development Strategy adopted in 2012, Berrigan Shire Council has committed to:

Drive, through stimulation and facilitation, significant and sustainable growth within and across the Shire's geographic area.

The Council's Procurement and Disposal Policy states that:

The Council has a legislative and ethical responsibility to be fair and even-handed in its treatment of suppliers and potential suppliers. However there are circumstances where it may be appropriate to prefer the use of local suppliers

This policy sets out the circumstances where it may be appropriate to use its procurement function to assist and support local business and the local economy and the manner in which the Council provide preference.

Preference to local suppliers will only be considered where it is consistent with furthering the objectives of the Council's Community Strategic Plan.

2. PURPOSE

The purpose of this policy is to ensure the Council gives due consideration to the actual and potential benefits to the local economy of sourcing goods and services locally where possible, whilst maintaining a best value approach at all times.



Policy

Locally sourced goods and services will be used where price, performance, quality, suitability and other evaluation criteria are comparable with non-locally sourced goods and services.

3. SCOPE

This policy covers:

1. Purchases made through the Council's formal tender process, and
2. Quotations for building construction works over \$50,000.

It does not include purchases under \$50,000 or purchases made through pre-qualified contracts via a prescribed organisation.

4. OBJECTIVE

This policy is developed to assist the Council with Delivery Plan Objectives 2.2.2 and 4.2.2

Council operations support ethical, transparent and accountable corporate governance

Support local enterprise through economic development initiatives

5. DEFINITIONS

Best Value: Best value represents the best return and performance for the money spent on procurement of goods and services.

Best value is not simply the best price. In determining what best value is, Council officers must consider:

1. price
2. "whole of life" and other ongoing costs
3. fitness for purpose
4. suitability
5. availability and timeliness
6. prior performance
7. statutory compliance
8. and work health and safety



Policy

Concession: the application of a percentage-based 'reduction' of the pricing of any submissions deemed to comply with the 'local content' and/or 'local supplier' definitions.

Council Officer: Any person authorised by the Council to purchase goods or services or dispose of goods on behalf of the Council. This includes employees, volunteers, Councillors and other agents acting on behalf of the Council.

Local content: means goods or services procured from a local supplier or employees living permanently in Berrigan Shire.

Local supplier: a business, contractor or industry either:

- (i) permanently based in Berrigan Shire, or
- (ii) employing permanent staff residing in Berrigan Shire.

For the avoidance of doubt, all suppliers within Berrigan Shire will be treated equitably, regardless of their location within Berrigan Shire – i.e. Barooga suppliers will not be treated preferentially to suppliers elsewhere in Berrigan Shire for works in Barooga etc.

Nett cost: means, in relation to a quotation, tender or expression of interest, the total amount quoted or offered by a supplier for the supply of goods or services, including any freight or delivery charges and excluding GST.

Request for purchase: Quotations and/or a Tender under the *Local Government Act 1993* and Council's Tender Policy

Prescribed organisation: An organisation listed in Clause 163(1A) of the Local Government (General) Regulation 2005. The Council is permitted to use contracts prepared by these organisations to obtain goods and services without having to seek tenders.

Procurement: The process involving all activities following the decision that a good or service is required. It involves the acquisition of goods and services and the disposal of goods.

Quotation: A quotation is the estimated or actual market price of the supply of a work, good or service supplied to Council by a supplier after a verbal or written request from a Council Officer.



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6. POLICY IMPLEMENTATION

6.1. General principles

To further the purpose of this policy, the Council will:

1. encourage a 'buy local' culture within the Council, where local providers can meet "best value requirements"
2. encourage and support local suppliers to participate in Council business by use of the Council's VendorPanel process and other appropriate processes;
3. encourage and support local businesses to adopt suitable Work Health and Safety, Quality Assurance and other processes to meet the Council's procurement requirements
4. ensure that as far as practicable procurement policies and procedures do not disadvantage local suppliers;
5. ensure transparency in Council procurement practices;
6. consider the non-price best value considerations set out in this policy; and
7. apply a concession in favour of local suppliers, as set out in this policy

6.2. Overall preference

Preference will be given to the local supplier in the event that:

1. the net costs bid by a local supplier and non-local supplier are equal (after calculating any applicable concession in accordance with this policy);
2. both suppliers otherwise meet the criteria and requirements of the Procurement Request; and;
3. each supplier (and its goods and/or services) is otherwise regarded as being 'equal', taking into account the non-price best value considerations

6.3. Concessions

6.3.1. Comparison of local and non-local suppliers.

For the purposes of comparing the price tendered by local and non-local suppliers, the concession set out below will be applied and given to local suppliers submitting responses to requests for purchase which are assessed in relation to this policy.



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6.3.2. Local supplier concession.

Where the cost of a local supplier's offer is to be compared with one from outside the area, the local supplier's nett cost will be reduced by a set percentage for the sake of cost comparison.

A maximum concession will apply to each procurement request. Where the concession calculated by use of the percentage is greater than this amount, the maximum concession will apply.

Concession percentage	5%
Maximum concession	\$15,000

6.3.3. Obtaining concessions

To be eligible for either concession, suppliers must specifically detail and explain in their response to Council's request for purchase the particular facts upon which they rely to establish their eligibility for the discount.

Suppliers must, upon request, provide any evidence of such eligibility as reasonably required by the Council.

6.3.4. Notification to potential suppliers of goods and services

All procurement requests issued by Council must clearly state whether and how a local supplier concession will be applied so that respondents to such procurement requests are aware of Council's Local Preference Purchasing Policy prior to responding to the procurement request.

All procurement requests resulting in a local preferences being applied must be capable of identification and verification through Council's audit or internal control mechanism.

6.4. Tenders

A local supplier concession will apply to **all** tenders invited by Council for the supply of goods and services and construction services, unless Council resolves that this policy not apply to a particular tender.

The amount and or type of local content is assessed using the selection criteria framework, together with a weighted score system of assessment.



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6.5. Tenders via prequalified contracts

A local supplier concession will **not** apply where the Council uses a prequalified supplier via a contract from a prescribed organisation in lieu of requesting a tender in its own right, even if the supplier is a local organisation.

6.6. Complaints

Complaints regarding procurement processes will be considered on a case by case basis and investigated where necessary and in accordance with Council policy.

Feedback on supplier performance in general will be included on the supplier's file within Vendor Panel, and will be used as an evaluation tool for Council's Preferred Supplier's List.

7. RELATED POLICIES OR STRATEGIES

7.1. Legislation

- *Local Government Act 1993*
- *Local Government Act 1993*
- *Local Government Regulation 1994*

Council policies and guidelines

- Berrigan Shire 2023 – Community Strategic Plan
- Berrigan Shire Council Local Environmental Plan
- Berrigan Shire Council Economic Development Plan
- Berrigan Shire Council Risk Management Policy and Framework
- Berrigan Shire Council Code of Conduct
- Berrigan Shire Council Resourcing Strategy
- Berrigan Shire Procurement and Disposal Policy
- Berrigan Shire Fraud Control Policy
- Berrigan Shire Tender Policy



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83 DISPOSAL POLICY

File Reference No:

Strategic Outcome: Good government

Date of Adoption: 20/04/2016

Date for Review: 17/04/2020

Responsible Officer: Enterprise and Risk Manager

1. POLICY STATEMENT

Berrigan Shire Council, as identified in its Procurement and Disposal Policy adopted in 2013, has a responsibility to ensure that its disposal decisions are made in an ethical, transparent, accountable and effective manner.

This policy forms part of the Council's Procurement and Disposal Framework and should be read in conjunction with the policies and procedures that form that framework.

2. PURPOSE

The purpose of this policy is to ensure the Council has in place an open, fair, transparent and accountable process in the disposal of Council's surplus assets, whilst obtaining best value for money and avoiding any conflicts of interest, whether real or perceived.

3. SCOPE

This policy covers the disposal of all Council owned assets including but not limited to: plant, equipment, materials and stock items; office equipment and furniture; IT hardware; real estate (surplus land and buildings) and Council infrastructure.

This policy does not apply to the sale of land through subdivisions, or the sale of property for overdue rates.

This policy applies to all Councillors and staff, including volunteers of Berrigan Shire Council.

4. OBJECTIVE



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This policy is developed to assist the Council with Delivery Plan Objective 2.2.2:

Council operations support ethical, transparent and accountable corporate governance

5. DEFINITIONS

Asset: An asset for the purpose of this policy is a resource controlled by Council as a result of past events and from which future economic benefits are expected to flow to the Council, e.g. surplus land, motor vehicles, plant and equipment, furniture, etc.

Asset Disposal: Asset Disposal is the process whereby Council divests itself of any asset in an organised, transparent and authorised manner.

Best Value: is whereby Council obtains the best possible return for the goods it sells in financial, social, economic and environmental terms.

Council Officer: Any person authorised by the Council to purchase goods or services or dispose of goods on behalf of the Council. This includes employees, volunteers, Councillors and other agents acting on behalf of the Council.

Surplus or Scrap Materials: This relates to surplus goods, materials or scrap material. This could include sand, gravel, soil, chemicals, paint, turf, hardware items, pavers, pipe, cables, timber (including wood from felled trees), pipe fittings, scrap metals, steel posts, brass, street signs, water meters, tool boxes.

Write-off Asset: A write off is a reduction in the recorded amount of an asset. A write off occurs upon the realization of the reduced or zero value of an asset.

6. POLICY IMPLEMENTATION

6.1. Reasons

A decision to dispose of a Council owned asset may be based on one or more of the following:

- No longer required;
- Unserviceable or beyond economic repair;
- Technologically obsolete and operationally inefficient;
- Non-compliant with occupational health and safety standards;
- Surplus to current or immediately foreseeable needs;
- Optimum time for maximum return;
- Or part of an asset replacement program.

6.2. Approval



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Approval to commence the disposal process including the method of disposal, must be obtained from the General Manager (or delegate) or Council where appropriate.

6.3. Methods

Methods of disposal will be dependent upon the type of asset and the value of the asset.

6.3.1. Public Auction

Public auction maximises the opportunity for public participation in the disposal process and is the appropriate method when:

- i) There is public demand for the items;
- ii) Alternative disposal methods are unlikely to realise higher revenue; or
- iii) The costs associated with the auction can be justified in relation to the expected revenue from the sale.

6.3.2. On-line Auctions

On-line auctions are used where there is perceived demand for an item. This is only used in instances where the value of the item exceeds fifty dollars.

6.3.3. Trade-in

Trading-in goods can be an efficient means of disposal, and a convenient way to upgrade equipment such as plant. However, trade-in prices do not always provide the best return. Any decision to trade-in goods must be based on a clear analysis of the benefits of the trade-in as opposed to separate sale/auction of the goods.

6.3.4. Direct sale or transfer of land

Subject to resolution of Council, land may be disposed of via direct sale when no other method is considered appropriate, for example, when only one potentially suitable purchaser is identified.

6.3.5. Disposing of and writing off the value of the goods (recycling or destruction)

An asset may be disposed of and/or destroyed, and the value of an asset may be written off if it is deemed:

- i) To have no value;
- ii) To be unsafe or non-compliant to applicable standards;
- iii) To be unserviceable or beyond economical repair; or
- iv) That the disposal cost is higher than the likely return.

Where a recommendation to dispose of an asset to landfill or write off an asset is made, the relevant Manager will provide the General Manager with the assessment criteria used to determine that the asset has no potential to realise a return for



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Council and will detail the method of destruction and name of the officer who will be charged with the responsibility of ensuring the asset is destroyed.

Dumping/recycling or destroying of assets shall be undertaken after consideration of the environmental issues so that any hazardous substances shall be assessed to ensure safe disposal.

6.4 Surplus or Scrap Materials

As a general guide, employees are to return from the work site surplus goods/materials or scrap materials. These items must be placed in the relevant compound, stock piles, bins or left on vehicles to be used on the next project. However, there are circumstances where it is not cost effective to return the surplus goods/materials or scrap materials back to the depot, then the most appropriate method of disposal of these low value assets, shall be at the discretion of the Director or Manager.

6.4.1 Surplus Fill

Fill materials which are surplus following Council activities such as excavation, and/or road construction are utilized elsewhere within Council activities or on Council owned properties, wherever possible. Where this is not possible, surplus fill is returned to stockpile sites or disposed of to landfill due to no value. Surplus fill is not disposed of via private sale arrangements.

6.5 Recordkeeping

For accounting and integrity purposes, adequate records of the disposal process must be maintained, including:

- Authority to dispose
- Value of asset
- Method of disposal
- Purchaser – if appropriate
- Proceeds of sale

7. RELATED POLICIES OR STRATEGIES

7.1. Legislation

- *Local Government Act 1993*
- *Local Government Act 1993*
- *Local Government Regulation 1994*

Council policies and guidelines

- Berrigan Shire 2023 – Community Strategic Plan
- Berrigan Shire Council Local Environmental Plan



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- Berrigan Shire Council Risk Management Policy and Framework
- Berrigan Shire Council Code of Conduct
- Berrigan Shire Council Resourcing Strategy
- Berrigan Shire Procurement and Disposal Policy
- Berrigan Shire Fraud Control Policy



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82 FUEL CARD POLICY

File Reference No:	12.046.1, 23.067.3
Strategic Outcome:	Good government
Date of Adoption:	16/03/2016
Date for Review:	21/03/2018
Responsible Officer:	Director Corporate Services

1. POLICY STATEMENT

Berrigan Shire has no bulk fuel storage and therefore vehicles and plant are required to purchase fuel from private fuel retailers. To facilitate this, all vehicles and heavy plant operated by the Council have been provided with cards allowing employees to purchase fuel on the Council's account.

A framework for the effective use of these cards is required.

2. PURPOSE

The purpose of this policy is to:

- Provide a convenient and accessible method of refuelling for Council vehicles and heavy plant.
- Allow for the accurate recording of – and accounting for – fuel purchased by Council employees
- Eliminate, as far as possible, the risk of fraud and/or theft using Council-issued fuel cards.

3. SCOPE

This policy covers:

- the purchase of fuel for all Council vehicles and heavy plant, and
- authorisation and use of Council-provided fuel cards

4. OBJECTIVE

This policy is developed to assist the Council with the following Delivery Plan Objectives:

2.2.2 Council operations support ethical, transparent and accountable corporate governance



Policy

5. DEFINITIONS

Council official – as defined in the Council Code of Conduct. It includes Councillors, Council employees and Council volunteers.

Non-minor plant – Any plant item capable of transporting an plant operator – includes but not limited to trucks, cars, heavy plant, utilities, tractors and ride-on mowers.

Minor plant – Equipment that uses fuel but is not defined as Non-minor on plant – includes generators, chainsaws, leaf-blowers, whipper-snippers and push mowers.

Fuel card – A card issued by a fuel retailer used to purchase fuel at a petrol station.

6. POLICY IMPLEMENTATION

6.1. Issue of fuel cards

The Finance Manager must approve the issuing of any fuel card.

Each item of Non-minor plant is to be issued a fuel card, to be used solely for the purchase of fuel for that item of plant. The Finance Manager will also issue fuel cards to be used for minor plant.

Each fuel card must also be issued to an individual Council officer. When issued with the card, the Council officer will be required to acknowledge their responsibility for the card and any transactions made using that card.

The Finance Manager will ensure a register of fuel cards issued is kept. The register must include, for each card:

- The plant item to which it belongs
- The Council officer responsible for the card

6.2. Use of fuel cards

As a general rule, fuel cards must only be used in line with the Council's procurement framework and procedures, as determined from time to time.

In general, fuel cards will be restricted to allow for the purchase of appropriate fuel for the vehicle for which they have been issued. At the discretion of the General Manager, an exception to this restriction can be made for cards issued to selected Council officers.



Policy

Fuel cards must only be used for the item or items of plant for which they have been issued.

Council officers issued with a fuel card are responsible for ensuring that information provided at the point of sale is accurate and complete.

Council officers responsible for a fuel card may allow other Council officers to use their card. It is the responsibility of the Council officer issued the card to ensure that use of the card by others is in line with this policy and other procedures.

6.3. Accountability

All fuel cards will have a Personal Identification Number (PIN), to be used when purchasing fuel.

On resignation, all fuel cards issued to the Council officer are to be returned to the Finance Manager.

The Finance Manager must regularly review the usage of fuel cards and report any issues arising to the General Manager.

Suspected misuse of fuel cards must be investigated as per the Council's Fraud Control Policy. Council officers misusing issued fuel cards will be subject to disciplinary action up to and including dismissal. Theft of fuel will be reported to police.

7. RELATED POLICIES OR STRATEGIES

7.1. Legislation

- *Local Government Act 1993*
- *Local Government Regulation 1994*
- *Local Government (State) Award 2014*

7.2. Council policies and guidelines

- Berrigan Shire Council Code of Conduct
- Procurement Policy
- Fraud Control Policy
- Fraud Control Plan
- Private Use of Motor Vehicles Policy



Policy

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