

## Policy Number 5: Procurement

Version No. 1

Established: 2023

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### PURPOSE

This policy establishes the approach of the Northern Geelong Rental Housing Co-operative Ltd (NGRHC) to procurement and the acquisition of goods and services.

The acquisition of goods and services by NGRHC should encourage open and wide competition for the best quality or price. Processes should be fair, unbiased, and consistent, and aim to attract the widest and most diverse pool of applicants possible.

### RELEVANT CO-OPERATIVE OBJECTIVES

Housing Registrar Performance Standards for Registered Housing Providers.

### SCOPE

The NGRHC procurement policy shall govern the performance, behavior and actions including the Committee of Management (CoM) members, employees, directors, volunteers, or agents who are engaged in any aspect of procurement.

This policy applies to the following:

- Awarding Contracts and grants
- Supplier identification and selection
- Social Procurement
- Sustainable procurement
- Delegations

### POLICY STATEMENT

NGRHC is committed to conducting its procurement activities in a fair, transparent, and ethical manner, ensuring the best value for money and fostering positive relationships with suppliers. This policy outlines the guidelines and procedures that govern the procurement process within the Co-operative.

NGRHC is strongly committed to the following guiding principles:

- Ensuring fair, transparent and unbiased competition
- Adhering to social procurement principles
- Is in accordance with the NGRHC Code of Conduct
- Is in accordance with its contractual, legal and regulatory obligations.

### *Supplier identification and selection*

NGRHC will identify potential suppliers through open and transparent methods, such as public advertisements, inquiries, or pre-qualified supplier lists.

NGRHC will seek to obtain the best value for money, considering cost, quality, sustainability, and the specific needs of the Co-operative.

Any conflict of interest should be declared prior to a suppliers' selection to the CoM.

### **New Creditor Guidelines**

Rigorous checks need to be carried out when NGRHC proposes to deal with a new contractor. These due diligence items include:

- Supply of the new contractors ABN
- ABN look up to ensure the ABN is registered with the ATO
- Copy of the contractors Public Liability insurance
- Banking details
- Tax invoice which includes amount of GST if any
- Induction of the contractor by supply of the 'contractor info brochure' which sets out how to deal with NGRHC members and the processing of Chintaro work orders.

NGRHC values the relationships held with all contractors. However, to ensure relevance and value for money, NGRHC will conduct its due diligence by obtaining comparative quotes in the following circumstances:

- Engaging with a new contractor or performing a new type of work,
- Conducting maintenance on nonstandard items; and
- On a six monthly basis obtain 2 quotes relating to Kitchen and Bathroom upgrades
- ANY work over \$10,000

NGRHC operates within the framework of a Delegations of Authority which includes financial and non financial limits.

### *Social Procurement*

In line with NGRHC's commitment to Social Procurement, NGRHC will prioritise purchasing from businesses that promote and support:

- First Nations People
- Victorians with disability
- Women's equality and safety
- Disadvantaged Victorians
- Safe and fair workplaces
- Local businesses and organisations.

### *Sustainable procurement*

NGRHC will prioritise environmentally sustainable and socially responsible procurement practices, considering factors such as energy efficiency, waste reduction, local sourcing, and supplier diversity.

## POLICIES & PROCEDURES OF THE NORTHERN GEELONG RENTAL HOUSING CO-OPERATIVE LTD

Where feasible, the cooperative will give preference to suppliers who demonstrate strong commitments to sustainability and ethical practices.

### *Awarding Contracts and grants*

The CoM is responsible for the selection of long-term contractors for major projects relating to grant funding.

Certain financial and non-financial decisions can be made in regard to contractors by staff according to the Register of Delegations.

### *Delegations*

NGRHC uses a Delegations Register to define responsibility that ensures the financial integrity of the Northern Geelong Rental Housing Co-operative Ltd (NGRHC) is never put at risk through inappropriate authorisation of transactions by employees and Committee of Management (CoM).

All transactions which require the financial commitment of NGRHC must be authorised and approved within the maximum delegated authority levels as set out in the Delegations Register.

The Manager is accountable to the CoM. The CoM is accountable to the membership to monitor the performance of NGRHC in accordance with The Rules (also known as the Constitution).

## DEFINITIONS

In this policy:

Conflict of Interest	A conflict of interest occurs when an individual's personal interests – family, friendships, financial, or social factors – could compromise his or her judgment, decisions, or actions in the workplace.
Delegations Register	An NGRHC document which describes the delegations of authority by levels and financial and non-financial limits.
Integrity	Integrity means you are predisposed to help others, be honest, and lead by example. For these reasons, integrity often factors itself into business ethics
Procurement	Procurement involves every activity involved in obtaining the goods and services a company needs to support its daily operations, including sourcing, negotiating terms, purchasing items, receiving and inspecting goods as necessary and keeping records of all the steps in the process.
Social Procurement	Social procurement is when buyers use their purchasing power to generate social benefits, in addition to the goods and services they require. It provides an opportunity to positively transform people's lives without compromising on the quality of goods or services provided.
Supplier	A person or organisation that provides something needed such as a product or service.
Sustainable Procurement	Sustainable procurement is the integration of Corporate Social Responsibility (CSR) principles into your company's procurement processes and decisions while ensuring they still meet the requirements of your stakeholders.

## **RELATED DOCUMENTS**

Asset Management Policy

Building Works Policy

Contractor info Brochure (Shared Drive>maintenance matters>contractor info brochure final).

NGRHC Code of Conduct

NGRHC Rules

Register of Delegations

## **LEGISLATION AND STANDARDS**

- Housing Act 1983
- Housing Registrar Performance Standards

Transparency and accessibility

This policy will be available on the NGRHC website [www.ngrhc.org.au/policy](http://www.ngrhc.org.au/policy)