



An Australian Government Initiative



NORTHERN RIVERS

RDA-NR Procurement Policy

Purpose:

The Regional Development Australia – Northern Rivers (RDA-NR) Local Procurement Policy establishes a clear framework to guide procurement activities, ensuring that all goods and services acquired by RDA-NR meet the principles of value for money, ethical practices, and sustainability. This policy prioritises supporting local businesses and suppliers within the Northern Rivers region, contributing to regional economic growth while ensuring competitive and transparent procurement processes.

1. Scope:

This policy applies to all procurement activities undertaken by RDA-NR, including contracts, purchases, and agreements with vendors, suppliers, and service providers. It covers both operational and project-specific procurement needs.

2. Procurement Principles:

- a. **Value for Money:** Procurement decisions must focus on obtaining the best possible outcome for RDA-NR, considering price, quality, service, and sustainability.
- b. **Local Preference:** Where feasible, preference is given to local suppliers in the Northern Rivers region, supporting local businesses, employment, and regional economic development.
- c. **Transparency and Accountability:** All procurement processes must be fair, open, and transparent, with decisions properly documented to ensure accountability and compliance.
- d. **Sustainability:** Procurement practices should promote environmentally sustainable choices, reducing environmental impact through responsible sourcing and supporting suppliers who demonstrate sustainable business practices.
- e. **Ethical Conduct:** Procurement must be conducted ethically, avoiding conflicts of interest, favouritism, or any practices that could compromise integrity.

3. Local Procurement Focus:

RDA-NR recognises the importance of strengthening the local economy and commits to prioritising local procurement where possible. This includes:

- a. **Supporting Local Suppliers:** Actively seeking and engaging businesses located within the Northern Rivers region for all procurement needs, including goods, services, and contractors.
- b. **Building Capacity:** Engaging with and supporting small and medium-sized enterprises (SMEs) to participate in procurement opportunities through clear communication and accessible tendering processes.
- c. **Encouraging Partnerships:** Encouraging larger suppliers to partner with local businesses or employ local subcontractors when delivering services or products for RDA-NR.

4. Value for Money Considerations:

While prioritising local procurement, RDA-NR will ensure value for money is achieved through a holistic assessment of:

- **Cost:** Competitive pricing compared to the broader market while ensuring long-term value.
- **Quality:** Goods and services must meet RDA-NR's quality standards and operational requirements.
- **Delivery and Service:** Timeliness, reliability, and after-sales service are critical factors in procurement decisions.
- **Whole-of-Life Costs:** Beyond initial costs, consideration must be given to the ongoing maintenance, operational efficiency, and disposal of goods or services.
- **Social Impact:** The procurement decision must consider how the purchase can contribute positively to the community, including employment and local economic stimulation.

5. Procurement Process:

a. Thresholds for Procurement Methods:

- **Low-Value Procurement (up to \$5,000):** Direct sourcing from local suppliers is encouraged where appropriate. Competitive quotes may be sought to ensure value for money.

- **Medium-Value Procurement (\$5,001 to \$50,000):** At least three written quotes must be obtained, with a preference for quotes from local suppliers where available. Documentation must justify the selection based on value for money and other relevant criteria.
- **High-Value Procurement (over \$50,000):** A formal tender process must be undertaken, including a public call for tenders, with an emphasis on local supplier participation. Comprehensive evaluation criteria will include price, quality, sustainability, and local content.

b. Request for Quotes (RFQ) and Tenders:

- RFQs and tenders must be clearly written, outlining detailed specifications, delivery timelines, evaluation criteria, and expectations for supplier performance.
- Local suppliers must be informed of opportunities through accessible channels, and procurement teams are encouraged to engage with local suppliers to increase participation.

c. Evaluation Criteria:

- All procurement activities must be evaluated based on a combination of price, quality, service capabilities, sustainability, and local economic benefits.
- A standardised evaluation matrix will be used to ensure fair and consistent assessment of all bids or quotes.

6. Conflict of Interest Management:

All individuals involved in procurement must declare any actual, potential, or perceived conflicts of interest. This includes personal, financial, or business relationships that could influence procurement decisions. Measures to mitigate conflicts of interest include exclusion from the decision-making process or referral to higher management.

7. Supplier Performance and Contract Management:

a. Supplier Selection: Suppliers must demonstrate their ability to meet RDA-NR's requirements in terms of quality, price, and sustainability.

b. Contract Management: Contracts will be actively managed to ensure suppliers meet agreed-upon terms, including delivery timelines, performance standards, and sustainability commitments. Regular reviews will be conducted to assess supplier performance, with corrective actions taken as needed.

8. Sustainability and Ethical Sourcing:

a. **Environmental Considerations:** RDA-NR will prioritise products and services that reduce environmental impacts, including energy-efficient goods, products with minimal packaging, and services from suppliers with a strong environmental track record.

b. **Social Responsibility:** RDA-NR encourages sourcing from businesses that have ethical labour practices, promote diversity, and engage in corporate social responsibility initiatives.

9. Reporting and Compliance:

a. **Procurement Documentation:** All procurement activities must be documented in accordance with RDA-NR's financial and compliance policies. This includes maintaining records of quotes, tenders, and evaluations to ensure transparency and accountability.

b. **Audit and Review:** Procurement practices will be subject to regular internal and external audits to ensure compliance with this policy and identify areas for improvement.

10. Continuous Improvement:

RDA-NR is committed to continuously improving procurement practices, regularly reviewing the policy to ensure alignment with evolving best practices, legal requirements, and organisational needs.

Supporting Documents:

- RDA-NR Financial Processing and Management Procedures
 - RDA-NR Risk Management Plan
 - RDA-NR Codes of Conduct (Members and Employees)
-

This Local Procurement Policy reflects RDA-NR's commitment to supporting the local economy while ensuring that procurement processes are transparent, efficient, and aligned with principles of value for money and sustainability.