



## POLICY P4.1.3 PROCUREMENT

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Contact	Director, Assets and Infrastructure
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### 1 Purpose

- 1.1 The NSW Rural Fire Service (NSW RFS) values and upholds the ethical framework of the NSW Public Sector including its values of:
  - a. Integrity;
  - b. Trust;
  - c. Service; and
  - d. Accountability.
- 1.2 The use of public monies to purchase goods and services by the NSW RFS must be done with due care and diligence as well as in accordance with the *Government Sector Employment Act 2013*, the NSW State Government Procurement Framework and other government policies and guidelines.
- 1.3 Sound procurement processes ensure the NSW RFS:
  - a. Maintains high standards of transparency, probity, ethics and integrity;
  - b. Drives value for money, ensuring quality goods and services;
  - c. Ensures accountability and consistency in procurement practices across its various business units;
  - d. Commits to fair and effective competition, innovation and continuous improvement;
  - e. Provides flexibility and support to the organisation and its suppliers; and
  - f. Aligns procurement with business needs.

- 1.4 This Policy and associated Procurement Manual apply to all staff members and contractors who are:
- a. Approved to procure goods whilst employed by or contracted to the NSW RFS; and
  - b. Involved in the procurement process, including evaluation, purchasing and disposal of goods or services.

## 2 Policy

### Procurement Manual

- 2.1 This Policy is supported by the NSW RFS Procurement Manual as a source of further information relating to the policy and associated procurement procedures and should be referred to in the first instance for any procurement matters.
- 2.2 The Procurement Manual will be updated regularly to incorporate changes in NSW RFS and Government policies.
- 2.3 To ensure currency of information, only the NSW RFS Procurement Manual available on the NSW RFS Intranet should be referred to.

### General

- 2.4 All procurement of goods and services by the NSW RFS shall be conducted in accordance with the overarching requirements set out in section 176 of the *Public Works and Procurement Act 1912*.
- 2.5 Procurement shall also be in accordance with any policy, direction or requirement issued by Government or the NSW Procurement Board. The current Board Directions are available on the ProcurePoint website at [procurepoint.nsw.gov.au](http://procurepoint.nsw.gov.au).
- 2.6 For the purposes of this policy, the NSW RFS Manager, Procurement exercises the functions of a Chief Procurement Officer.
- 2.7 The NSW RFS shall apply the principles of the NSW ProcurePoint Statement on Value for Money, so as to ensure that value for money is obtained in relation to the procurement of goods and services.
- 2.8 The NSW RFS shall test, on a regular basis, compliance with the NSW Government Goods and Services Procurement Policy Framework.
- 2.9 Goods and services, including information communications and technology (ICT), fleet assets, consultancies, labour hire and printing should be purchased on an "as needs" basis.
- 2.10 Strategic purchases or projects should be programmed as part of the business planning process.
- 2.11 Goods and services should represent value for money. Whilst cost (including initial price, maintenance and support costs, and whole-of-life costs) should be considered a major factor, factors such as quality, availability, delivery, service, innovation, work health and safety, and environmental performance should also be taken into consideration.
- 2.12 Purchases should be from suppliers who are reputable, reliable and provide sound warranty provisions.
- 2.13 Category Management Plans will be created for certain categories of goods and services purchased by the NSW RFS. These plans will outline the best practice for procurement of those goods or services.
- 2.14 All staff engaged in procurement activities should ensure their actions can withstand public scrutiny and undertake procurement activities in accordance with:
- a. P1.1.3 Conflicts of Interest;
  - b. P1.1.4 Gifts and Benefits;
  - c. P1.1.5 Fraud and Corruption Prevention; and
  - d. Service Standard 1.1.7 Code of Conduct and Ethics.
- 2.15 An official purchase order must be issued to a supplier for the purchase of goods and services.

- 2.16 The NSW RFS operates a centralised purchasing system (currently utilising SAP). All requisitions and purchase orders, excluding emergency purchases, must be generated using the SAP system. Staff are not permitted to issue NSW RFS purchase orders or order any goods or services from any other source. Suppliers who supply goods or services without a valid SAP purchase order number will not be paid.
- 2.17 Order splitting, where a procurement is broken down in order to avoid correct process or delegation approval, is not permitted.
- 2.18 All tenders or requests for quotes, greater than \$30,000 (including GST) shall be overseen by the Procurement Section. Those tenders and requests for quotes associated with NSW RFS projects shall be managed in consultation with the relevant project manager.
- 2.19 Staff engaged in procurement activities should ensure that they have the relevant procurement strategy approved for the value of their procurement.
- 2.20 Staff engaged in procurement activities that require the issue of a tender or a request for a quote should first check to ascertain if there are any suitable NSW RFS, NSW Government, or Australasian Fire and Emergency Services Authorities Council (AFAC) partner agencies' contracts that may be used instead.
- 2.21 Any breach of this policy may be subject to action in relation to misconduct, in accordance with the *Government Sector Employment Act 2013*.

### **Funding Sources**

- 2.22 Staff shall ensure that appropriate funds have been approved through the budget process to cover the costs of any procurement.
- 2.23 Officers holding delegations under P4.1.1 Financial Delegations shall ensure that funds are available before approving any purchase.
- 2.24 Staff shall not utilise the Council, or any other, ordering system to circumvent the NSW RFS purchasing system or to procure items not approved by the NSW RFS.
- 2.25 For procurement of products and services irrespective of funding sources, all NSW RFS staff shall adhere to the requirements of this Policy and the NSW RFS Procurement Manual.

### **Contractors**

- 2.26 Persons employed under temporary labour contracts are not permitted to procure or dispose of goods and services on behalf of the NSW RFS without written approval from the relevant Executive Director.
- 2.27 The relevant Executive Director must ensure that the contractor has undertaken an induction course and any other training considered necessary prior to any approval being granted to undertake procurement activities.

### **Emergency Purchases – Declared Emergencies**

- 2.28 During declared emergencies there will be occasions when it is necessary for NSW RFS officers to purchase goods and services urgently. Such purchasing requests shall follow the process outlined in the Procurement Manual.
- 2.29 In such circumstances the purchase of goods or provision of services must only be sufficient to meet that particular emergency. The quantity must not be in excess of that necessary to meet the immediate needs of the emergency, and the cost must be reasonable and proper.

### **Emergency Purchases – Other**

- 2.30 There may be occasions where a staff member is required to make an emergency purchase in circumstances where the provisions of this Policy or accompanying guidelines cannot be met. For example, while travelling on NSW RFS business and the motor vehicle sustains damage and/or requires immediate repair.
- 2.31 Staff may utilise their corporate credit card for emergency vehicle repairs or emergency purchases, where authorised by their manager. Such procurement shall be in accordance with P4.1.5 Corporate Credit Cards.

### 3 Related documents

- *Government Sector Employment Act 2013*
- *Public Works and Procurement Act 1912*
- *Public Finance and Audit Act 1983*
- P1.1.3 Conflicts of Interest
- P1.1.4 Gifts and Benefits
- P1.1.5 Fraud and Corruption
- P2.1.1 NSW RFS Administrative Delegations
- P4.1.1 Financial Delegations
- P4.1.5 Corporate Credit Cards
- Service Standard 1.1.2 Discipline
- Service Standard 1.1.7 Code of Conduct and Ethics
- NSW Government Procurement Framework
- NSW Treasury - TPP04-1 Government Procurement Policy
- NSW Government Code of Practice for Procurement
- NSW RFS Procurement Manual

### 4 Amendments

AMENDMENT DATE	VERSION NO	DESCRIPTION
19 December 2013	1.0	<ul style="list-style-type: none"><li>➤ Initial release – repeals policy 1.1.5</li><li>➤ Reflects current Government Procurement Framework and organisation practice and alignment</li></ul>
2 May 2016	2.0	<ul style="list-style-type: none"><li>➤ Repeals v1.0</li><li>➤ Updated to reflect current legislation and Government Procurement Framework</li><li>➤ Updated to reflect current NSW RFS organisational alignment and practice, and revised Procurement Manual</li></ul>