



PURCHASING POLICY

1 Aim

The Corporation is committed to providing efficient and effective systems for the purchase of materials and services.

2 Legislation

Section 39, *Water and Sewerage Corporations Act 2008*

Trade Practices Act 1974

Treasurers Instructions – 1105, 1106, 1107

(under S.39 *Water and Sewerage Corporations Act 2008* these Treasurer's instructions do not apply to the Tasmanian Water and Sewerage Corporations)

3 Principles

The Corporation is committed to:

- acting in an open, honest and ethical manner at all times and in accordance with the Corporate Code of Conduct;
- open and effective competition that still enables the development of commercial relationships with proven suppliers;
- selection of quality goods and services that represent value for money;
- selecting vendors on their ability to provide materials and services that provide best value for money and comply with relevant safety standards and legislation; and
- avoiding the use of any position to unduly influence other employees, suppliers or service providers for the personal benefit of the purchaser.

4 Policy

The following policy applies to all employees authorised to make purchases on behalf of the Corporation:

- all goods and services required by the Corporation will be purchased by authorised employees within their approval limit, and comply with the relevant procedures, delegations and legislation;
- purchases outside of an employee's limit must be authorised in accordance with the Delegations Manual;
- the Corporation will implement appropriate systems to prove the operation of this policy and its associated procedures;
- construction contracts valued at \$250,000 or more will be put to public tender;
- non-construction projects and other purchases valued at \$150,000 or more will be put to public tender, unless restricted from doing so by an applicable Treasurer's Instruction;
- purchases and/or contracts valued at less than the amounts above may be put to public tender or selective tender at the discretion of the Chief Executive Officer;
- purchases and/or contracts valued at less than the amounts above - but greater than \$25,000 - must be supported by three quotations (where possible);

- purchase orders must not be broken down to circumvent the operation of this policy;
- the Corporation will ensure that the supplier receives full and complete detail of the required service and/or goods;

- the Corporation will pay its suppliers promptly; and
- the Corporation will notify suppliers of any discrepancies regarding purchases as soon as possible.

5 Responsibilities

The Chief Executive officer is responsible for reviewing and approving employees' delegation limits.

Authorised employees must only make purchases within their delegated limits.

All employees are required to comply with the spirit and letter of this policy and its associated procedures and undertake any relevant training as required.

6 References

- Corporate Code of Conduct
- Purchasing Procedures
- Credit Card Policy
- Tendering Policy
- Delegation Manual

*Approved by the
CEO on 29/06/2009*



Signed: _____