

PROCUREMENT POLICY

POLICY NO	009RRRWN	VERSION NO	2
DRAFTED BY	KENDALL GALBRAITH	APPROVED BY BOARD ON	31/07/2025
REVIEWED BY	ELLEN SMITH – GOVERNANCE COMMITTEE	SCHEDULED REVIEW DATE	2028

OVERVIEW

Developing a procurement strategy and adopting appropriate best practice contracting and procurement principles, policies, processes and procedures for all goods, services and works by the RRR Network, will enhance achievement of our objectives such as sustainable and social Procurement; bottom-line cost savings, supporting local economies; achieving innovation; and better services for our clients.

This policy applies to all contracting, purchasing, and contract management activities undertaken by the RRR Network. These activities are governed by principles that support the organisation's strategic objectives, including sustainability, environmental protection, and social responsibility.

Additionally, the RRR Network is to include women owned and led businesses in the organisation's procurement and supply chain, in recognition that strengthening women led businesses aligns with the RRR Network's strategic plan, although not at the unfair exclusion of all services made available.

PURPOSE

The scope of this policy ensures that all procurement and contract management processes:

- Align with corporate strategies and broader social objectives.
- Maintain a robust and transparent audit trail.
- Are conducted impartially, ethically, and fairly.
- Deliver value for money and quality outcomes.
- Identify, assess, and manage risk throughout the procurement lifecycle.
- Leverage social procurement to strengthen communities and promote sustainable practices.
- Comply with all relevant legislation, policies, and standards, with staff expected to adhere to best practices and procedural requirements.

SCOPE

This policy applies to all RRR Network Board and staff who are authorised/delegated to exercise financial decision making.

INTRODUCTION

It is of great importance to RRR Network that procurement requirements of the organisation are effectively managed and compliant.

We will maintain and uphold at all times:

- Focused decision making that reflects and supports the RRR Network priorities
- Integrity

- Transparency, Accountability and Responsibility
- Financial obligations and tax compliance
- Procurement Procedural Compliance
- Engagement of supply chain partners
- Value for money
- Fair and reasonable rewards and profits
- Fair and Moral Trade Purchases

PROCEDURE

The RRR Network Board and staff shall at all times conduct themselves in ways that are, and are seen to be, ethical and of the highest integrity and *will*:

- Ensure that at minimum one women led business is included in every procurement/request for quote;
- treat potential and existing suppliers with equity and fairness;
- not seek or receive personal gain;
- maintain confidentiality of Commercial in Confidence information such as contract prices and other sensitive information;
- present the highest standards of professionalism and probity;
- deal with suppliers in an honest and impartial manner that does not allow conflicts of interest;
- provide all suppliers and tenderers with the same information and equal opportunity; and
- be able to account for all decisions and provide feedback on them.

OPERATIONAL CONDUCT OF STAFF AND BOARD

The RRR Network Board and staff shall at all times conduct themselves in ways that are, and are seen to be, ethical and of the highest integrity and *will*:

- treat potential and existing suppliers with equity and fairness;
- not seek or receive personal gain;
- maintain confidentiality of Commercial in Confidence information such as contract prices and other sensitive information;
- present the highest standards of professionalism and probity;
- deal with suppliers in an honest and impartial manner that does not allow conflicts of interest;
- provide all suppliers and tenderers with the same information and equal opportunity; and
- be able to account for all decisions and provide feedback on them.

CONFLICTS OF INTEREST

The RRR Board and staff shall at all times avoid situations in which private interests' conflict, or might reasonably be thought to conflict, or have the potential to conflict, with their duties.

The RRR Board and staff involved in the procurement process, must:

- **Avoid** conflicts, whether actual, potential or perceived, arising between their official duties and their private interests. Private interests include the financial and other interests of Board and Staff, plus their relatives and close associates.

- **Declare** that there is no conflict of interest. Where future conflicts, or relevant private interests arise, the Board or Staff member must make their manager, or chairperson aware and allow them to decide whether the officer should continue to be involved in the specific Procurement exercise.
- **Observe** prevailing guidelines on how to prevent or deal with conflict-of-interest situations; and not take advantage of any tender related information whether for personal gain.

FAIR AND HONEST DEALING

- All prospective contractors and suppliers must be afforded an equal opportunity to tender or quote.
- Impartiality must be maintained throughout the procurement process so it can withstand scrutiny.
- The commercial interests of existing and potential suppliers must be protected.
- Confidentiality of information provided by existing and prospective suppliers must be maintained at all times, particularly commercially sensitive material such as, but not limited to prices, discounts, rebates, profit, manufacturing and product information.

GIFTS AND HOSPITALITY

Board or staff member shall not, either directly or indirectly solicit or accept gifts or presents from any individual or entity involved with any matter that relates to the duties of the officer, or in which the organisation is interested unless it is declared in the Gift Register of the RRR Network.

All gifts/presents/hospitality estimated to the value of \$50 and greater are to be registered without the approval of the Board. Any gifts/presents/hospitality estimated under the estimated value of \$50 are not required to be registered, such as lunch or coffee. Any gifts/presents/hospitality estimated to be greater than \$100 in value needs the prior approval of the Board before they can be accepted.

The Board and staff must exercise the utmost discretion in accepting hospitality from contractors or their representatives, or from organisations, firms or individuals with whom they have official dealings. The Board or staff member should also avoid the ambiguous situation created by visiting the premises of a contractor, organisation, firm or individual uninvited and/or not on official business.

Offers of bribes, commissions or other irregular approaches from organisations or individuals (no matter how flimsy the evidence available), must be promptly brought to the attention of the CEO.

DISCLOSURE OF INFORMATION

Commercial in-confidence information received by the RRR Network must not be disclosed and is to be stored in a secure location.

The staff are to protect, by refusing to release or discuss the following:

- Allocated budgets for proposed tenders;
- information disclosed by organisations in tenders, quotation or during tender negotiations;
- all information that is Commercial in Confidence information; and

- pre-contract information including but not limited to information provided in quotes and tenders or subsequently provided in pre-contract negotiations.
- promptly brought to the attention of the CEO.

METHODS

The RRR Network's standard methods for purchasing goods and services shall be by some or all of the following methods:

- RRR Network Debit Card - CEO;
- purchase order following a quotation process from suppliers for goods or services that represent best value for money under directed quotation thresholds;
- under contract following a tender process;
- reimbursement of expenses incurred by Board and Staff members

PROCESS

REFER TO DELEGATED AUTHORITIES' POLICIES.

Items under a value of \$10,000 that have already been approved in principle by the annual budget require 2 Written/Email quotes. Quotes up to this value can be accepted by CEO, or other officer authorised by the board.

Items with a value over \$10,000 – 3 Written/Email quotations required. Quotes can ONLY be accepted by the board, by circular resolution in an email; by a motion agreed to and minuted during a face-to-face or online board meeting.

Exceptions: The board may move a motion to use a supplier without the minimum required number of quotes, where that supplier offers a unique service or there is only one known source or single supplier that can fulfil the requirements.

Quotations returned by the nominated closing date must be evaluated and a recommendation made in favour of the supplier offering the best outcome when assessed against identified selection criteria.

The original supplier's quotations must be maintained in The RRR Networks' Record system.

VALUE FOR MONEY

The RRR Network will ensure that its procurement of goods and services achieves the best value for money outcome, however a 5% allowable price premium on goods, and 10% on services will be applied when comparing quotes from non- metropolitan suppliers with Perth based supplier prices.

At the corporate level, achieving best value for money outcomes requires that procurement activities are aligned with RRR policies, objectives and strategies and that it actively supports RRR Network initiatives.

Achieving best value for money at the individual purchase level requires that in its assessments, the RRR Network considers cost and non-cost factors, where relevant, and makes a value judgement about the best outcome. The value for money test may vary in complexity depending on the nature of the purchase,

ranging from a simple price assessment for low value highly commoditised goods or services, through to a detailed assessment and comparison of cost and non-cost factors.

Non-cost factors may include the following:

- Regionally procured goods and services (Regional zones as described in the Western Australian Government Buy Local Policy 2020)
- Fit for purpose
- Technical and financial issues
- Supplier capability
- Sustainability
- Risk exposures
- Availability of maintenance, service and support
- Compliance with specifications, and
- Ease of inspection, communication and delivery.

The assessment of cost needs to consider any ongoing costs that may accrue beyond the initial price, including the associated costs of holding, using, maintaining and disposing of the goods or services.

DELEGATIONS

The RRR Network shall maintain a documented scheme of procurement delegations, identifying the RRR Network staff authorised to make such procurement commitments in respect of goods, services and works.

- Acceptance of quotes
- Contract terms and amendments
- Debit Card purchases
- Procedural exceptions

INTERNAL CONTROLS

The RRR Network will install and maintain a framework of internal controls over procurement processes that will ensure:

- more than one person is involved in and responsible for a transaction end to end;
- transparency in the procurement process;
- a clearly documented audit trail exists for procurement activities;
- appropriate authorisations are obtained and documented;

SUPPLY BY CONTRACT

The provision of goods, services and works by contract potentially exposes the RRR Network to risk.

The RRR Network will minimise its risk exposure by measures such as:

- standardising contracts to include current, relevant clauses;
- referring specifications to relevant experts;
- requiring contractual agreement before allowing the commencement of work;
- effectively managing the contract including monitoring and enforcing performance.

CONTRACT TERMS

- All contractual relationships must be documented in writing based on standard terms and conditions.
- Where this is not possible, approval must be obtained from the appropriate member of staff listed in the Delegations.
- To protect the best interests of the RRR Network, terms and conditions must be settled in advance of any commitment being made with a supplier. Any exceptions to doing this expose the RRR Network to risk and thus must be authorised by the appropriate member of The RRR Network staff listed in the RRR Network Delegations.

DISPUTE RESOLUTION

All The RRR Network contracts shall incorporate dispute management and alternative dispute resolution provisions to minimise the chance of disputes getting out of hand and leading to legal action.

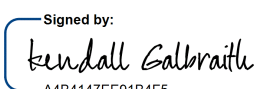
SUSTAINABLE PROCUREMENT

The RRR Network acknowledges the environmental, social, and sustainability impacts of its procurement activities and is committed to integrating these considerations into its procurement processes wherever applicable. To achieve this, the RRR Network will:

- Make effort to understand the environmental performance of suppliers and contractors and encourage environmentally responsible practices throughout their operations.
- Consider the life cycle impacts of products to reduce direct and indirect environmental harm.
- Prioritise products and services that minimise the depletion of natural resources and protect biodiversity.
- Favour Fairtrade-certified or equivalent ethically sourced and produced goods and services.

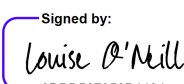
Authorisation

SIGNATURE OF CEO

Signed by:

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8/27/2025

Authorisation

SIGNATURE OF SECRETARY

Signed by:

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8/28/2025