Policy A17 – Entering into Business Arrangements or Disposal of Goods, Services and Property

1. Policy Intention

To appropriately protect Council's interest prior to entering into a formal agreement for the disposal of goods, services or property or for conducting business with a private company.

2. Policy

Prior to entering into any business arrangement or into an agreement for the disposal of goods, services or property, the Officers shall:

- establish whether the proposed action accords with all relevant legislation, including the *Local Government Act 1995, Land Administration Act 1997* and any other relevant legislation;
- prepare the appropriate level of documentation which may include exchange of letters, submission of purchase orders, contract documentation, deed of agreements, leases, rental agreements and any other appropriate or required documentation;
- determine the identification of the party with which the agreement is to be made;
- determine the financial capacity of the party with which the agreement is to be made;
- present a report to Council with the appropriate recommendations; and
- that Council should not under any circumstances accept any risk when entering into an agreement, therefore prior to ratification of an agreement the following shall occur:
  - all monies required shall be received or an irreversible security to be in place e.g. bank guarantee, prior to final disposal of the goods, services or property, or prior to finalising the business arrangement;
  - no guarantee or warranty shall be provided for the condition of the goods, services or property and it will be the obligation of the purchaser to establish that the goods, services or property is suitable for their requirements by conducting their own due diligence; and
  - no exchange of money shall occur until such time as the Shire of Murray has certified the quality of the goods, services or property, being that to the standard required and agreed to by the Shire.

Policy Detail		
Responsible Directorate	Corporate Services	
Responsible Department	Governance and Strategy	
Responsible Officer	Manager Governance and Strategy	
Next Policy Review / Schedule	2026 (3-yearly)	
Council Adoption	**Date / Resolution**	26 July 2001 (OCM01/259)
Amendment Record	**Date / Resolution**	26 July 2012 (OCM12/149)
		22 February 2018 (OCM18/008)
		23 June 2022 (OCM22/070)