

#### THE NOTICE OF PARTICIPATION FORM:

To ensure LGP approved contractors are advised of a customer's intentions when procuring goods and/or services through an LGP contract and to provide customers and approved contractors with the assurance that customers are procuring under the relevant terms and conditions of contract, LGP strongly recommends that a Notice of Participation form is completed for each contract and sent to LGP. LGP will then advise approved contractors on the panel of the customer's intentions for the duration of the contract.

Completion of this Notice of Participation form DOES NOT lock a customer into a contract, it is an instrument used to demonstrate the customer's intention to purchase goods and services from this contract until otherwise notified.

Click here for <u>full explanation on how the Notice of Participation</u> operates.

All LGP customers are automatically covered by the terms and conditions of LGP's contracts.	$\overline{\mathbf{Q}}$
All purchases of deliverables by customers may be treated as orders under the Standing Offer Deed, whether or	$\overline{\mathbf{A}}$
not a LGP contract number is quoted at the time of order or purchase, or a Notice of Participation is provided.	
Unless otherwise notified by customers, approved contractors should treat all purchases of goods and services	$\overline{\mathbf{A}}$
that fall within the scope of an LGP contract as purchases under that contract. If in doubt the approved	
contractor should ask for clarification from the customer preferably in writing.	
A Notice of Participation allows customers to advise approved contractors of the customer's intention to procure	V
all applicable goods and/or services under the terms and conditions of an LGP contract, no matter how that	
procurement is conducted.	
The completion of a Notice of Participation DOES NOT lock a customer into using a contract.	$\overline{\mathbf{A}}$
The Notice of Participation covers those goods and services that fall under the scope of the relevant LGP	
contract.	
A Notice of Participation can be taken as providing an approved contractor with a written request to engage via	$\overline{\mathbf{A}}$
the LGP contract and override any pre-existing contracts.	
Where goods and services are procured under an LGP arrangement then those purchases must be reported to	$\overline{\mathbf{A}}$
LGP. This includes purchases by those customers who have not signed a Notice of Participation.	
Ideally LGP Customers should quote the LGP contract number on all Requests for Quotes and Purchase Orders.	
A Notice of Participation becomes effective from the day on which LGP provides the Notice of Participation to the	
approved contractor.	
LGP will advise approved contractors by email of any signed Notice of Participation relevant to their LGP contract.	$\overline{\mathbf{Q}}$
Approved contractors should advise all relevant staff, contractors, sub-contractors and agents of the customers	$\overline{\mathbf{Q}}$
who have activated a Notice of Participation.	
A Notice of Participation lapses either at the end of the relevant contract term (inclusive of any extensions	$\overline{\mathbf{A}}$
available under the terms of the contract) or when notified in writing by the customer.	
Any purchases made prior to the provision of the Notice of Participation are required to be reported to LGP.	$\overline{\mathbf{A}}$
Customers and approved contractors can always discuss the use of the Notification of Participation with their LGP	$\overline{\square}$
Business Manager.	
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# An Explanation of the LGP Notice of Participation

#### Why Do Customers Use A Notice Of Participation?

All LGP customers are automatically covered by the terms and conditions of LGP's contracts.

Under Section 6.1.4 of the LGP Standing Offer Deed, LGP may treat all purchases of deliverables by customers as orders under the Deed, whether or not a LGP contract number is quoted, unless the approved contractor can provide evidence, to the satisfaction of LGP that the purchase was made under some other contract that exists between the customer and the contractor.

Notwithstanding this, there can be, at times, a level of confusion between the customer and the approved contractor as to if the LGP contract applies or not. While a management decision may have been made to procure their relevant goods and services via LGP contracts, at times, some members of those organisations may not be aware of the details behind the process by which they are to procure those goods and services.

Add to this the varied nature by which customers can actually place an order (even though LGP does provide the VendorPanel portal by which to access LGP contracts) and the necessity that, at times, requires customers taking urgent procurement action that can fall outside of their normal processes. Either way, these too can lead to confusion as to if the procurement is actually to be under the LGP contract or not.

Which is why customers are choosing to also provide approved contractors with a standing Notice of Participation.

### What Does The Notice Of Participation Do?

Local Government Procurement (LGP) has been prescribed under s55 of the Local Government Act 1993 (NSW), allowing councils to utilise supply arrangements coordinated by LGP without the need to go to tender in their own right.

A Notice of Participation allows customers to advise approved contractors of the customer's intention to procure all applicable goods and/or services under the terms and conditions of an LGP contract, no matter how that procurement is conducted.

It is used by our customers to demonstrate that the purchase of those goods and services has been done so in a manner that complies with the requirements of the Local Government Act 1993 (NSW) and the Local Government (General) Regulation 2005 (NSW).

Completion of a Notice of Participation DOES NOT lock a customer into using a contract. However, it is an instrument used to demonstrate the customer's intention to purchase goods and services from this contract until otherwise notified.

### What Are The Goods And Services Covered By A Notice Of Participation?

The Notice of Participation covers those goods and services that fall under the scope of the relevant LGP contract.

The Notice of Participation does not cover any additional goods and services that may be available through an approved contractor that fall outside the scope of the LGP contract.

# **Does the Notice Of Participation Override Other Agreements?**

Under Section 2.1.4 of the Standing Offer Deed an LGP approved contractor must make its pricing and terms under this Deed available to any pre-existing customer of the contractor. Upon the written request of the customer, the approved contractor will promptly terminate any pre-existing contractual arrangements between them and enable that customer to access the deliverables under the terms of this Deed. There will be no penalty, fees or costs imposed on the customer for this transition. The change-over date between the contracts will be the first day of the next calendar month unless otherwise stipulated by the customer.

A Notice of Participation can be taken as providing an approved contractor with that written request.

# Do Purchases By Customers *Who Do Not Complete* A Notice Of Participation Have To Be Reported By Approved Contractors As Well?

As stated above, all purchases of deliverables by customers may be treated as orders under the Deed, whether or not a LGP contract number is quoted at the time of order or purchase.

Where goods and services are procured under an LGP arrangement then, yes, those purchases must be reported to LGP. This includes purchases by those customers who have not signed a Notice of Participation.

The Notice of Participation is just one tool by which customers can engage approved contractors for the supply of goods and services under an LGP contract. Customers may also use the LGP VendorPanel quotation portal, a purchase order, an email, phone call, fax or other similar means to engage approved contractors. Ideally LGP Customers should quote the LGP contract number on all Requests for Quotes and Purchase Orders.

Unless otherwise notified by customers, approved contractors should treat all purchases of goods and services that fall within the scope of an LGP contract as purchases under that contract.

# How Can Approved Contractors Ensure Purchases Are Actually Under An LGP Contract Or Not?

The Notice of Participation is one obvious way. Another active way is for the approved contractor to ask for clarification from the customer.... preferably in writing (which could solve any potential disagreement should it occur). The Golden Rule is, if in doubt, ask.

#### When Does The Notice of Participation Take Effect?

A Notice of Participation becomes effective from the day on which LGP provides the Notice of Participation to the approved contractor – individually or as part of a whole-of-panel notification. LGP will advise approved contractors by email of any signed Notice of Participation relevant to their LGP contract.

# Does This Mean That Any Purchases Before That Date Are Not Covered And Do Not Need To Be Reported?

As all purchases of goods and services that fall under the scope of the relevant LGP Standing Offer Deed can be considered to be under the terms of that Deed, unless

otherwise notified, than any purchase made prior to the provision of the Notice of Participation are required to be reported to LGP.

### What Should Approved Contractors Do With A Notice Of Participation?

Approved contractors should advise all relevant staff, contractors, sub-contractors and agents of the customers who have activated a Notice of Participation. They should also ensure that records are updated to reflect the receipt of a Notice of Participation.

This is also a good time to re-inforce with all relevant people that purchases of relevant goods and services by LGP customers should be considered to be under contract unless otherwise clarified with the customer.

### When Does The Notice Of Participation Lapse?

A Notice of Participation lapses either at the end of the relevant contract term (inclusive of any extensions available under the terms of the contract) or when notified in writing by the customer.

### **Who Can Complete A Notice of Participation?**

All LGP customers have the option to complete a Notice of Participation.

Depending on the terms of the Standing Offer Deed an LGP customer can be:

- Any council within the meaning of the Local Government Act 1993 (NSW)
- All NSW Local Councils and County Councils;
- Any Aboriginal Land Council within the meaning of the Aboriginal Land Rights Act 1983 (NSW);
- Any Voluntary Regional Organisation of Councils as referred to in the Local Government Act 1993 (NSW);
- Local Government NSW;
- LGP acting in its own capacity.

LGP contracts may also be available to the following bodies where permitted by their procurement policies or guidelines:

- Individual non-profit organisations and/or charities, where approved by Local Government Procurement Pty Ltd;
- NSW Government sector Service or Public Service Agency where a NSW
  Procurement Board contract does not exist for the deliverables listed under this Standing Offer Deed;
- Individual NSW State Owned Corporations, where approved by LGP;
- ACT Government

# Who Can I Talk To If Uncertain About A Notice Of Participation?

Customers and approved contractors can always discuss the use of the Notification of Participation with their LGP Business Manager. <u>Contact details are available on the LGP website</u>.