
Section 2.3 – Office of the Chief Executive

**POLICY 2.3.3 - USE OF COMMON SEAL AND THE SIGNATORIES
FOR CONTRACT EXECUTION**

OBJECTIVE

To provide a policy for the use of the common seal and signatories for the execution of agreements.

STATEMENT

Subject to the compliance of Sections 3.57 and 3.58 of the Local Government Act 1995 and Part IV of the Local Government (Functions and General) Regulations 1996, the following applies to the use of the common seal and affixing the signatures in agreements:

- 1 all deeds including Land Transfer deeds, Service Agreements between two local governments or between the City and another public sector organisation, Leases without a financial consideration, to be executed under a common seal affixing the signatures of the Mayor and the Chief Executive Officer. Should the Mayor be absent or unavailable for execution of his/her signature, the Deputy Mayor or the Acting Mayor may execute the document; AND IN the absence of the Chief Executive Officer (unless a resolution of the Council otherwise determines) the acting Chief Executive Officer or the Director Resource Management will affix his/her signature;
- 2 an ~~agreement~~ Agreement for the procurement of goods or services for a lump sum consideration in excess of \$250,000, is to be executed under a common seal affixing the signatures of the Mayor and the Chief Executive Officer;
- 3 an Agreement ~~for the procurement of goods or services for a lump sum consideration in excess of \$250,000, is to be executed under a common seal;~~ for a lump sum consideration up to \$250,000 and all fixed term contracts can be executed jointly by a Director/Executive Manager and Manager Contract Management, or the Chief Executive Officer.
- 4 a common seal is not necessary to be affixed for the execution of an Agreement for the procurement of goods or services for a lump sum consideration up to \$250,000 or an annual or a longer term contract other than a Service Agreement;
- 5 an Agreement for a ~~lump sum~~ consideration up to ~~\$250,000~~ \$100,000 ~~and all fixed term contracts~~ can be executed jointly by a ~~Director/Executive~~ Manager and Manager Contract Management;

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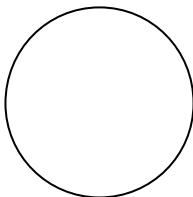
- 6 A single Purchase Order for procurement of vehicles or non customised off the shelf goods will be issued instead of execution of a Formal Instrument of Agreement provided such procurements are complying with Local Government (Functions and General) Regulations 1996. The Purchase Order should specifically insert the following words: *“This Purchase Order is issued subject to the terms and conditions of contract as provided under Contract No ... and accepted by the Council”*;
- 7 for a direct purchase item including goods and minor services the total worth of which does not exceed \$25,000 the execution of a Formal Instrument of Agreement is not necessary provided such procurement has been done complying with the City’s Regional Purchasing Policy;

Agreement: For the purpose of this policy, the scope of the word “Agreement” will include Deeds, Leases, Hire purchase agreements, Letter of Intent, Simple Contracts for procurement of goods or services, and Purchase orders where no Agreement has been executed. The “Agreement” for the purpose of this policy will not include any Employment Contracts including an EBA, one to one negotiated contracts, Work Place Agreements between the City and one or more of its Employees. The word “Employee” is as defined under section 5.37, 5.39 or 7.11 of the Local Government Act 1995, amended from time to time.

8 a typical form for affixing the common seal is as shown below:

“EXECUTED on the date set out at the commencement of this Agreement

The Common Seal of City of Joondalup was hereunto affixed and signed by the authority of a resolution of the Council in the presence of :



Mayor/~~Chairman~~

Chief Executive Officer”

Previous Policy No:	EM25
Amendments:	CJ213-06/99, CJ148-06/00
Issued:	
Related Documentation:	Delegated Authority Manual
