

Our Vision

Nambucca Valley ~ Living at its best

Our Mission Statement

‘The Nambucca Valley will value and protect its natural environment, maintain its assets and infrastructure and develop opportunities for its people.’

1.0 Policy Objective

The purpose of this policy is to outline the principles of inventory management across Nambucca Shire Council and to ensure the appropriate recording, security and regular stocktake of all Council inventories.

2.0 References and Council Documents

- Procurement and Procedures Manual

3.0 Definitions

Economic Order Quantity Whenever the inventory level falls to a predetermined level called a reorder point, a replenishment order of fixed quantity called an economic order quantity is placed.

Inventories Are assets;

1. in the form of material supplies to be consumed in the production process
2. in the form of materials or supplies to be consumed or distributed in the rendering of services
3. held for resale or distribution in the ordinary course of operations, or
4. in the process of production for sale or distribution

Obsolete Inventory items that have expired, are redundant or damaged

4.0 Policy Content

4.1 Record Keeping

All Inventory purchases are to follow the principles and procedures outlined in Nambucca Shire Council’s Procurement Procedures Manual.

All Inventory is required to be maintained in Council’s Operating System which records the following:

- Additions
- Issues, transfers, and
- Returns

Inventory records are to be maintained by the Depot Storeman or an officer appointed by the Assistant General Manager Engineering Services to act on his behalf.

Inventory levels must be maintained at a level that minimises excess holdings.

Issues will be monitored by the Store person to ensure the timely ordering of replacement stores and stores levels of specific items are appropriate

4.2 Control

No item of Inventory is to leave the yard without a stores issue docket being processed by the store person and no item of Inventory is to be returned to the yard without a stores return docket being issued by the store person

Inventory items will be stored in a secure and restricted area and restricting access only to authorised staff. The building which houses most of the smaller store items will be locked and a key provided to as few employees as possible.

4.3 Stocktake

A physical count or stocktake of all Inventory held is to be undertaken on a bi-annual basis (usually May and November each year).

Stocktakes will be carried out by the Store person or an officer appointed by the Assistant General Manager Engineering Services to act on his behalf and one member of the Finance Department.

Once the count has been completed Stocktake sheets will be signed by both employees performing the physical count.

A member of the Finance Section will enter the Stocktake sheets into the Operating System and report any discrepancies to the Manager Infrastructure Services. Any significant discrepancies are to be investigated by the Assistant General Manager Engineering Services and reported to the Internal Audit, Risk and Improvement Committee.

Any evidence of fraud, misappropriation, theft and/or maladministration will be dealt with under Council's Code of Conduct, Fraud and Corruption Policy and the disciplinary procedures within the Local Government State Award.

Obsolete or damaged Inventory will be written off at each Stocktake after approval from the respective Manager.

Inventory items written off with a value of greater than \$5,000 will need to be reported to Council.

5.0 History

New Policy

Department:	Corporate Services	Last Reviewed	Resolution Number
Policy Category	Organisational	New Policy	
Endorsed By:	AGMCS		
Approval Authority	General Manager		
Policy Owner	Finance		
Contact Officer	Manager Finance		
Document No.	41129/2018		
First Adopted			
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