

Policy



STRATEGIC

PROCUREMENT

Head of Power

Section 198 of the Local Government Regulation 2012

Key Supporting Council Document

Lockyer Valley Regional Council Corporate Plan 2022-2027:
Lockyer Leadership and Council –

- *Undertake robust and accountable financial, resource and infrastructure planning and management to ensure affordable and sustainable outcomes for our community.*

Definitions

Procurement	means the whole process of acquisition of external goods, services and works. This process spans the whole life cycle from initial concept through to the end of the useful life of an asset (including disposal) or the end of a service or construction contract.
Sound contracting principles	means the principles as outlines in the Local Government Act 2009, s.104.
Ethical behaviour	encompasses the concepts of honesty, integrity, probity, diligence, fairness, trust, respect, and consistency. Ethical behaviour includes avoiding conflicts of interest, and not making improper use of an individual's position.
Council	Lockyer Valley Regional Council (Council)

Policy Objective

This policy establishes the procurement principles to be used by Lockyer Valley Regional Council (LVRC) in undertaking all procurement and contracting activities for the organisation.

Will apply ethics principles of integrity and impartiality, promoting the public good, commitment to the system of government, accountability, and transparency in undertaking Council procurement activities.

This policy applies to the procurement and contracting of all goods, equipment and related services, including applicable contracts, and disposal of non-current assets.

Policy Statement

Lockyer Valley Regional Council will carry out all procurement and contracting activities in accordance with the prescribed legislative framework and its Procurement Guidelines.

To do so, Council will apply the sound contracting principles of:

- **Value for money**

Council must harness its purchasing power to achieve the best value for money. The concept of value for money is not restricted to price alone. The value for money assessment must include consideration of:

- alignment to the objectives of Council outlined in its corporate and operational plans and contribution to the advancement of Council's priorities
- fit for purpose, quality, services, work health and safety, and support
- whole-of-life costs including costs of acquiring, using, maintaining and disposal
- internal administration costs
- technical compliance issues
- the performance history of each prospective supplier
- risk exposure
- timely delivery and post-delivery support
- effective warranties
- value-add proposals
- the value of any associated social and environmental benefits

- **Open and effective competition**

Procurement methods should be well considered, providing interested suppliers with the opportunity to provide works, goods and services resulting in effective competition in the provision of works, goods and services. Council must give fair and equitable consideration to all prospective suppliers.

- **The development of competitive local business and industry**

Council has implemented a Local Benefit and Supply Procedure to inform the procurement procedure ensuring that local businesses and industry is provided relevant opportunities to service Council. This procedure details the actions Lockyer Valley Regional Council and its Officers apply to the appointment of Suppliers under a contracted arrangement or any other relevant agreements, committing to support the development of the local economy.

Where price, performance, quality, suitability, and other evaluation criteria are comparable, the following areas may be considered in evaluating offers:

- creation of local employment opportunities
- more readily available servicing support
- relevant and informative opportunities for communication during contract management stage
- the benefit to Council of an associated local commercial transactions

- **Environmental protection**

Council promotes environmental protection through its purchasing procedures. By law any party entering into a contract with Council for the carrying out of work or the supply of goods or services must not cause an environmental nuisance or unlawful environmental harm pursuant to the Environmental Protection Act 1994 (Qld). Further, the party must also comply with any other relevant laws and regulation.

- **Social sustainability**

Council promotes social sustainability through its procurement procedures. In undertaking procurement activities Council will consider environmental, social, and economic elements, taking into consideration the following State and Federal Government Policies:

- Queensland Social Enterprise Strategy 2019
- Social Procurement Guide – Adding Social Value When Buying For Government – Queensland Government (2018)

- **Ethical behaviour and fair dealing**

Council conducts its procurement and contracting activities in a transparent manner which demonstrates probity and accountability. Council will apply the ethics principles of integrity and impartiality, fairness, independence, professionalism, promoting the public good, and commitment to the system of government in undertaking its procurement and contracting activities.

Ethical behaviour and fair dealing will be promoted by fulfilling the requirements of Council's Code of Conduct, working with sound ethics, and ensuring Council:

- promotes high standards of professionalism in procurement and contracting activities
- uses procurement and contracting processes, systems and procedures that provide a consistent approach to Council's policy requirements
- develops evaluation and probity plans for contracting activities, where appropriate
- develops contract management plans and systems for identified contracting activities
- notes interactions with suppliers and record content of meetings
- safeguards suppliers' commercially confidential information and/or intellectual property
- ensures procurement and contracting processes are transparent so that suppliers are treated equitably
- ensures that Council officers involved in procurement avoid and/or declare any conflicts of interest consistent with the Code of Conduct, Conflicts of Interest and Gifts Policy, and the relevant legislation.

Procurement activities, of works, goods and / or services must be made in accordance with this policy, the Procurement Guidelines, and the Local Government Regulation 2012.

Procurement must only be undertaken where there is a budget for the expenditure, or it is otherwise authorised

by a Council resolution. All purchases must be approved by the relevant financial delegate.

Council will also provide a framework for the development and implementation of systems, practices, and controls for efficient, effective, and economic financial and performance management in its procurement activities.

- **Roles and Responsibilities**

Chief Executive Officer (CEO) is responsible for organisation wide procurement outcomes.

Executive Leadership Team (ELT) is responsible for promoting consistency in procurement practice across the organisation.

Procurement Coordinator is responsible for creating and maintaining an appropriate procurement control framework, and for ensuring this policy, the administrative directive and code of practice procedure are appropriate, reflect better practice and facilitate a high standard of procurement performance.

Managers and supervisors are responsible for ensuring that employees are aware of, and comply with, this policy.

Anyone approving any procurement activities must ensure compliance prior to exercising their legislative sub-delegation.

All Council officers and Councillors are required to be aware of and comply with this policy. Detailed roles and responsibilities are outlined in the Procurement Guideline.

Human Rights

Council is committed to respecting, protecting and promoting human rights. Council has an obligation under the *Human Rights Act 2019* to give proper consideration to human rights when making a decision, and to act and make decisions in a way that is compatible with human rights. To the extent that an act or decision under this policy may engage human rights, Council will have regard to the *Human Rights Act 2019* in undertaking the act or making the decision.

Related Documents

Procurement Guidelines
Code of Conduct