

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

Contract	Means a legally binding agreement between two parties.
Council	Lockyer Valley Regional Council.
Council Officer	Means any employee working for or on behalf of Council. This includes but is not limited to, permanent, temporary and casual employees as well as volunteers, contractors and consultants.
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.
Goods	Means an inherently useful and tangible item (article, commodity, material, merchandise).
Local Supplier	Means the business is owned and operated by residents or ratepayers of the Lockyer Valley Regional Council Local Government area or otherwise has its principal place of business within the Lockyer Valley Regional Council Local Government area. Has a place of business within the Lockyer Valley Regional Council Local Government area that employs persons who are residents or ratepayers of the Lockyer Valley Regional Council Local Government area.
Probity	Probity is evidence of ethical behaviour in a particular process. Demonstrating probity means more than just avoiding corrupt or dishonest conduct. It involves proactively demonstrating that any procurement process is robust and the outcome beyond reproach.
Procurement	Means the entering into of an agreement to purchase, hire, lease, rent or exchange by way of any transaction involving the outlay by Council of funds, goods, equipment, or services in return for the provision of goods and/or services.

Services	Means intangible products including but not limited to accounting, banking, cleaning, consultancy, education, expertise, medical treatment and transportation.
Sound Contracting Principles	Means the sound contracting principles set out in 104(3) of the Local Government Act 2009.

Policy Objective

This policy outlines the principles that Lockyer Valley Regional Council (Council) will adopt and apply when conducting procurement activities.

This policy 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 of all goods and services, including applicable contracts and disposal of assets including non-current assets.

Policy Statement

Council will conduct all procurement activities in accordance with the requirements of this policy and any associated policies, procedures, guidelines or standards.

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 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

Applying open and effective competition provides suppliers with fair and equitable access to Local Government supply opportunities whilst maintaining the transparency and integrity of Local Government procurement.

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 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 the supply of goods and/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.

Ethical behaviour and fair dealing

Council must behave with impartiality, fairness, openness, integrity and professionalism in their discussions and negotiations with suppliers and their representatives. Appropriate records are to be maintained evidencing decisions and terms of engagement with all related documentation to be saved in secured folders within Council's records system.

All employees must:

- Report and seek advice on any potential, perceived or actual conflict of interest in the end-to-end procurement process, and ensure that all conflicts of interest are documented and recorded in alignment with Council policy
- Not seek or receive personal gain
- Maintain confidentiality of commercial in confidence information such as contract pricing and other sensitive information
- Ensure probity, transparency and impartiality for all procurement and contracting activities
- Provide all suppliers and tenderers with the same information and equal opportunity
- Be able to account for all decisions and provide feedback on them
- Promote high standards of professionalism in procurement and contracting 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 practices across the organisation.

Principal Procurement 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.

Human Rights

Council is committed to respecting, protecting and promoting human rights. Council has an obligation under the *Human Rights Act 2019* to consider 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.

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 Government Policies:

- Queensland Social Enterprise Strategy
- Social Procurement Guide – Queensland Government

Related Documents

Local Government Act 2009
Local Government Regulation 2012
Procurement Guideline
Code of Conduct
Local Benefit and Supply Procedure
Lockyer Valley Regional Council Corporate Plan 2022-2027
Environmental Protection Act 1994
Human Rights Act 2019
Queensland Social Enterprise Strategy
Social Procurement Guide - Queensland Government