

Policy document



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

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	mean the principles as outlines in the <i>Local Government Act 2009</i> , 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.

Policy Objective

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

This policy applies to the procurement and contracting of all goods, equipment and related services, construction contracts and service contracts (including maintenance) and dispose 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**

Purchasing should be open and result in effective competition in the provision of goods and services. Council must give fair and equitable consideration to all prospective suppliers.

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

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.
- more convenient communications for contract management.
- the benefit to Council of an associated local commercial transaction.

- **Environmental protection**

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

Council promotes environmental protection through its purchasing procedures. In undertaking any purchasing activities Council will consider environmental, social, and economic elements in procurement activities.

- **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 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 contracting avoid and/or declare any conflicts of interest consistent with the Code of Conduct, Conflicts of Interest and Gifts Policy, and the relevant legislation.

Regard is to be had for each principle, although each principle may not receive equal consideration, depending on the particular procurement activity.

Prior to any procurement activity, purchases of any goods or services must be made in accordance with this policy, the Procurement Guidelines, and the Local Government Regulations.

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.

Related Documents

Lockyer Valley Regional Council – *Procurement Guideline*
Code of Conduct