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## 1. Statement

Integrity, accountability and transparency are paramount to the way in which Ipswich City Council undertakes procurement.

All procurement processes are to be conducted in accordance with the requirements of this Policy and any associated policies, procedures, guidelines or standards.

We aim to put the Ipswich Community at the centre of our policy, service design and delivery by gauging our procurement efforts and activities against key principles that are meaningful to our region.

## 2. Purpose and Principles

Ipswich City Council's Procurement Policy is the Council's overarching policy for the procurement of goods and services. Its purpose is to deliver excellence in procurement outcomes for the Ipswich Community.

### Procuring Goods and Services

All purchases of goods and services must be carried out in strict compliance with the:

- *Local Government Act 2009* and amendments
- *Local Government Regulations 2012*.

Council operates in accordance with Part 3 Default contracting procedures under the *Local Government Regulation 2012*.

Ipswich City Council recognises that developing and adopting appropriate best practice contracting and procurement policies, processes, systems and procedures for all goods and services by Council, will enhance achievement of Council objectives such as sustainable procurement; bottom-line cost savings; supporting local economies; achieving innovation; and better services for communities.

The elements of best practice applicable to Council procurement incorporate:

- broad concepts covering ethics, value for money, responsibilities and accountabilities;
- procurement guides giving effect to those concepts;
- a system of delegations (i.e. the authorisation of officers to approve and undertake a range of functions in the procurement process);

- procurement processes and checklists, with appropriate procedures covering low value, low risk simple procurement to high value, more complex procurement; and
- sound contracting principles as specified in the *Local Government Act 2009*.

All procurement activities of the Council must have regard to the 'sound contracting principles' contained in Section 104(3) of the *Local Government Act 2009*:

1. Value for Money
2. Open and Effective Competition
3. The development of competitive local business and industry
4. Environmental protection, and
5. Ethical behaviour and fair dealing.

Regard is to be had for each principle, although each principle may not receive equal consideration, depending on the particular procurement activity. The Sound Contracting Principles are to be considered as follows:

#### **Value for Money**

Council will use public funds in such a manner that the best return and performance for the money spent is being obtained.

The achievement of value for money can be driven through each stage of the procurement process from procurement planning to contract management.

The benefits of the procurement are considered against the costs necessary for the optimum result for the Council and local community. Ipswich City Council is not required to accept the lowest tender. Instead, Council is required to take into account issues such as but not limited to fitness of purpose, quality, price, service support and warranty and other factors relevant to the overall sound contracting principles of the Local Government Act.

#### **Open and Effective Competition**

Council will give fair and equitable consideration to all prospective suppliers. Prospective suppliers wishing to do businesses with Council will be given a reasonable opportunity to do so. All suppliers will be treated fairly in an open and transparent manner and have access to the same information.

#### **Development of competitive Local Business and Industry**

Council recognises the need to support local industry. The benefits of encouraging and dealing with local suppliers will be taken into account in the procurement planning stage and form part of the evaluation process for all procurement. Council's procurement guidance materials encourage Council officers to use local suppliers where benefits exist to all stakeholders and the five contracting principles are satisfied according to their priority. To encourage local industry to tender, Council will advertise tenders in local newspapers and actively seek quotations from local suppliers where available.

### **Environmental Protection**

Council is sensitive to environmental protection issues. Council is not only dedicated to environment protection; Council is also committed achieving sustainability. In order to achieve sustainability Council will consider environmental, social and economic elements in procurement activities.

When planning the procurement activity Council will analyse, where appropriate, the potential purchase of environmentally friendly goods and services and other environmental initiatives such as reduce, reuse, and recycle. Other considerations that may be examined include, but not limited to, eco-friendly products and suppliers that 'support environmental sustainability initiatives. Council's procurement activities will also address the specific targets contained within the Sustainable Ipswich strategy that deals with reducing the environmental impacts through the procurement practices.

### **Ethical Behaviour and Fair Dealing**

The Council's procurement activities (methods, practices and procedures) must be performed with integrity and beyond approach.

All Council officers and Councillors when purchasing goods and services will advance the interests of the Council and conduct themselves in ways that are, and are seen to be, impartial, fair and in an ethical manner.

All Council officers and Councillors must:

- treat potential and existing suppliers with equality and fairness;
- not seek or receive personal gain;
- maintain confidentiality of commercial in confidence information such as contract prices and other sensitive information;
- present the highest standards of professionalism and probity;
- deal with suppliers in an honest and impartial manner that does not allow conflicts of interest;
- provide all suppliers and tenderers with the same information and equal opportunity; and
- be able to account for all decisions and provide feedback on them.

### **3. Strategic Plan Links**

This policy relates to each of the five (5) themes of Advance Ipswich as listed below:

- Strengthening our local economy and building prosperity
- Managing growth and delivering key infrastructure
- Caring for the Community
- Caring for the Environment
- Listening, Leading and Financial Management

#### 4. Regulatory Authority

*Local Government Act 2009 and Local Government Regulations 2012*

#### 5. Scope

This Procurement Policy is made under Section 198 of the *Local Government Regulation 2012*. The Regulation and the *Local Government Act 2009* are the key legislative frameworks that regulate the process of local government procurement in Queensland. Section 198 of the Regulation requires the Council to prepare and adopt a procurement policy encompassing the principles that apply to all purchases of goods, services by the Council and review this policy annually.

This policy applies to all contracting and procurement activities at Council and is binding upon Councillors, Council officers and temporary employees, contractors and consultants and anyone who undertakes procurement on behalf of Council while engaged by the Council.

#### 6. 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.

Manager Procurement is responsible for creating and maintaining an appropriate procurement control framework, and for ensuring this policy, its related guidelines, checklists and procedures are appropriate, reflect better practice and facilitate a high standard of procurement performance.

General Managers are responsible for ensuring this policy is followed within their departments.

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 delegation.

All Council officers and Councillors are required to be aware of, and comply with this policy.

#### 7. Monitoring and Evaluation

The Procurement Branch will monitor and report on procurement activities and will assist and enable Management and employees with better decision making through compliance reporting.

**8. 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 Local Government Act 2009, s.104.

**9. Policy Owner**

General Manager, Corporate Services Department