



Illawarra Shoalhaven Joint Organisation

Regional Procurement Policy

Adopted by ISJO: 1 March 2018

VISION

The ISJO's vision for the Illawarra Shoalhaven is:

A confident, vibrant, safe and productive region that optimises the potential of its people and environment now and into the future.

MISSION STATEMENT

The ISJO will:

Lead, advocate, collaborate and deliver outcomes that serve the interests of the region's diverse communities.

OPERATING PRINCIPLES

The ISJO will be:

- **Cohesive:** speaking with one voice on regional issues and valuing equal representation
- **Respectful:** of local autonomy on local issues
- **Collaborative:** by working across member councils, communities, governments, and with a wide range of partners in the spirit of friendship and trust
- **Aligned:** with consistency between member councils and NSW Government on regional strategies and policies
- **Efficient:** by avoiding duplication and using resources within and available to member Councils wherever possible
- **Evidenced based:** when introducing or transitioning programs and shared services
- **Transparent:** in its operations between member councils and other partners

POLICY STATEMENT

ISJO and its member Councils are committed to ensuring:

A sustainable, fair, transparent and accountable process in the procurement of materials, equipment and services.

SCOPE

One of ISJO's 5 key functions is to **enhance strategic capacity** - to support member councils to deliver services to their communities.

Undertaking the joint procurement program is a key initiative to achieve this function. This policy applies to all procurements undertaken by the ISJO Joint Procurement Program, whether on behalf of ISJO itself or its member Councils.

ISJO PROCUREMENT OBJECTIVES

ISO seeks to ensure procurement by local government in the region that provides:

1. Value for money.
2. Open and effective competition and the development of competitive regional and local business and industry
3. Social value to build stronger communities.
4. Environmental sustainability.
5. Integrity, transparency, probity and fair dealing.
6. Good management practices.

ACTIONS

In order to achieve these objectives the ISJO Regional Procurement Program will:

1. Assess value for money which includes:
 - Contributions to, and support for the advancement of ISJO priorities and strategic objectives.
 - Non-cost factors such as fitness for purpose, experience, quality, reliability, timeliness, service, risk profiles.
 - Cost-related factors including whole of life cost and transaction costs associated with acquisition, use, administration, holding, maintenance and disposal.
2. Ensure and assist open and effective competition and the development of competitive regional and local business and industry by:
 - Sharing ISJO procurement procedures and processes with member Councils,
 - Publishing ISJO Procurement Policy and Guide for access by suppliers and the public.
 - Recognising that regional suppliers provide jobs in the region, and contribute to economic, innovative and social benefits.
 - Working with Councils' economic development divisions, state agencies and business peak bodies to provide encouragement, advice, and information on how to do business with Councils.
 - Minimising the cost of doing business with ISJO and member Councils.
 - Undertaking evaluation of offers in accordance with legislation and this policy.
3. Generate social value that builds stronger communities by:
 - Recognising that social procurement can connect the processes and outcomes of acquiring goods, works and services with the achievement of broader ISJO objectives.
 - Generating employment opportunities and promoting social inclusion
 - Targeting either disadvantaged groups within the community (such as indigenous persons, long-term unemployed, people with disabilities, migrants, refugees and older persons) or organisations that exist primarily to support people experiencing disadvantage and social isolation. ISJO has resolved that young people between 18 and 24 years of age are the priority disadvantaged group across the region.
4. Ensure environmental sustainability by:
 - Minimising environmental impact, by providing opportunities for the assessment of low environmental impact products and services that meet requirements.
 - Encouraging the development of local sources for low environmental impact goods and services.
 - Inviting suppliers to include advice of commitment to the environment, and to seeking long-term, environmentally sustainable alternatives.
 - Requesting sufficient information from suppliers to enable evaluation of issues relative to environmental protection.
 - Ensuring that suppliers of goods and services involving any environmentally relevant activity (ERA) are duly authorised in accordance with legislation.
 - Ensuring to a practicable extent, that suppliers of goods and services comply with their obligations under relevant legislation or other regulatory requirements established for environmental protection.
5. Ensure integrity, transparency, probity and fair dealing by:
 - Fulfilling the requirements of ISJO's adopted *Code of Conduct*, working with sound ethics and ensuring councils and suppliers achieve accountability requirements.
 - Promoting high standards of professionalism in procurement and contracting activities.

- Using procurement and contracting processes, systems and procedures that provide a consistent approach to ISJO's policy requirements.
- Developing procurement and evaluation plans for procurement activities.
- Developing contract management plans for identified contracting activities.
- Safeguarding suppliers' commercially-confidential information and/or intellectual property.
- Ensuring procurement and contracting processes are transparent so that suppliers are treated equitably.
- Ensuring that individuals involved in the Regional Procurement Program avoid and/or declare any conflict of interests or material interests by completing and signing the ISJO Conflict of Interest Form and agreeing to uphold relevant legislation.

6. Promote good management practices by:

- Ensuring that tenders prepared by the ISJO and assessment of proposals comply with the legislation, maintain confidentiality where appropriate, are prepared in accordance with ISJO's Procurement Guide and provide a safe working environment for all officers, suppliers, contractors, volunteers and visitors where materials and equipment purchased are fit for purpose and comply with legislative and workplace requirements.
- Focusing on streamlining processes which are principles-based and allow for simpler contracts.
- Ensuring that all procurement documents stipulate the WH&S, environmental and quality assurance system provisions required.
- Ensuring that a risk analysis is undertaken and documented for all procurement involving the calling of tenders or as determined by the delegated purchasing officer.
- Considering the availability of the required goods / services through State Government Contracts, Prescribed Entity Contracts, ISJO panels, Council's period contracts, and Council's catalogues before calling tenders.
- Prohibiting order splitting to avoid the requirements of this policy.
- Ensuring that records are kept of all quotation and tender information in accordance with ISJO's Procedures.
- Only approving expenditure up to the delegated monetary level and within budgetary limits.

LEGISLATION / REFERENCES

1. Local Government Act 1993
2. Local Government (General) Regulations 2005
3. Tendering Guidelines for NSW Local Government
4. Work Health and Safety Act 2011
5. Government Information (Public Access) Act 2009 (NSW) (GIPA Act)
6. NSW Government Code of Practice for Procurement 2005
7. Tendering Guidelines for NSW Local Government October 2009

PROCUREMENT DEFINITIONS

- **Procurement function** includes purchasing, purchase cards, tendering, contract management, payments and asset disposal relating to the acquisition and use of goods and services, excluding the procurement/lease of land and property.
- **Sustainable Procurement** is defined as having the most positive environmental, social and economic impacts possible over the entire life cycle of a good or service (clause 3.38 of ISO 20400: 2017 Sustainable Procurement).

SUPPORTING DOCUMENTS

ISJO Procurement Guide

REVIEW HISTORY

Date Policy first adopted	Board resolution
1 March 2018	Item 3.5