

Sustainable Procurement Policy

October 2021

Adoption Date:
26 October 2021

Review Date:
26 October 2026

Version:
4

Responsible Department:
Customer & Compliance

TRIM Document Number:
D04362645

Contents

Objectives	3
1. Definitions	4
2. Scope	4
3. Policy content	4
3.1. Efficient and Effective Operations	4
3.2. Value for Money	4
3.3. Governance – Probity, Transparency and Accountability	4
3.4. Social Outcomes for the Community	5
3.5. Sustainable Outcomes across the Supply Chain	5
3.6. Risk Management	6
4. Strategic Procurement	6
5. Applicable Legislation and References	6
6. Related Strategies, Policies and Procedures	6
7. Review	7

Objectives

To minimise our environmental impact and deliver community benefits through better selection of products and services.

To foster innovation in our supply chain to increase the availability and effectiveness of sustainable behaviour in procurement.

To ensure compliance with legislative requirements and undertake sustainable procurement that has positive social, environmental, and economic impacts to the community.

Good sustainable procurement practices encompass the following:

- efficient and effective operations
- value for money
- compliance
- probity, transparency and accountability
- social outcomes for the community
- sustainable outcomes across the supply chain
- comprehensive risk management

The diagram below depicts Council's commitment to consideration of these principles during the procurement process.



1. Definitions

Term	Meaning
Sustainable Procurement	Procurement that delivers positive environmental, social, and economic impacts across the entire procurement life cycle, whilst striving to minimise adverse impacts.

2. Scope

This policy applies to Council and staff.

3. Policy content

Council has developed the sustainable procurement principles below which align with the ISO 20400:2017 Guideline, to support a quadruple bottom line approach to achieving positive social, environmental, economic and governance outcomes.

3.1. Efficient and Effective Operations

The procurement processes must be undertaken in a consistent and business-like manner, leading to improved industry performance, business relationships and cost-effective methods of doing business for Council.

The method of procurement must be cost effective and efficient, with regard given to all relevant costs and benefits over the whole life cycle.

3.2. Value for Money

Procurement decisions must be based on value for money. This does not imply that the lowest price should be the deciding factor, as this must be balanced with other criteria such as:

- whole-of-life costing including maintenance, operations and disposal
- compliance with relevant standards
- performance history and capacity of suppliers,
- fit for purpose
- return on investment
- sustainability
- social benefits
- good governance

3.3. Governance – Probity, Transparency and Accountability

All procurement shall conform to the relevant NSW legislation, regulations and purchasing procedures. Procurement shall be transparent, visible and verifiable, and confirm the integrity of the process.

Procurement activities such as obtaining quotations, tendering and the assessment and selection of suppliers will be conducted in accordance with this policy and associated procedures, and be well documented.

The procurement process must be able to withstand public scrutiny. All persons invited to quote or tender for Council business will be given equal information, and the information they provide to Council shall be treated as confidential and restricted to persons specifically involved in the purchase.

Council staff shall behave with strong moral principles, demonstrating honesty and integrity in all dealings, and act in accordance with the Council's Code of Conduct.

3.4. Social Outcomes for the Community

Council is committed to generating social value through procurement processes so that Council's purchasing power maximises opportunities to generate positive outcomes and benefits for the community.

Council shall preference local suppliers, organisations that employ people with disabilities, Indigenous suppliers or people that come from disadvantaged communities, where possible, and where other factors are equal and reasonable comparative market rates are offered.

3.5. Sustainable Outcomes across the Supply Chain

Council will contribute to the reduction of negative impacts on the environment and to human health by purchasing products that:

- generate less waste
- are made with maximum recycled content (that support the circular economy)
- save energy and water
- minimise pollution
- are non-toxic
- reduce greenhouse emissions
- encourage biodiversity and habitat protection
- have a socially just and environmentally sustainable supply chain.

Council will encourage suppliers and contractors to adopt cleaner technologies, practices and produce products with lower environmental impacts. This means that Council will incentivise and recognise potential suppliers who:

- offer products and services with lower environmental impacts
- reduce their direct carbon emissions
- implement good environmental management and sustainability practices
- minimise downstream carbon emissions.

Purchasing decisions must incorporate environmental sustainability, which is to consider products or services that have less impact on the environment. This includes:

- reduced energy and water consumption
- improved efficiency of resource use
- reduced waste
- reduced environmental health impacts
- reduced pollution
- provision of markets for environmentally preferable products
- increased recycling and support to make recycling activities more viable

- encouraging industries to adopt cleaner technologies and produce products with lower environmental impact
- reduced carbon footprint and associated global warming impact.

3.6. Risk Management

Risk can be defined as the probability of the occurrence of an incident or event that could cause a degree of harm to the organisation in terms of economic loss, property, people or the environment, over a specified period. This also includes fraud, quality, compliance, cost and delivery risks.

When initiating a purchase, consideration shall be given to the identification of unacceptable risks and include strategies to either the eliminate the risk, or to manage the risk to an acceptable level.

4. Strategic Procurement

Council's procurement function will support, wherever possible, the strategic approaches taken to meet the objectives of all of our informing strategies and resourcing strategy.

5. Applicable Legislation and References

This policy is to be read in conjunction with the following:

- [Local Government Act 1993 \(NSW\)](#)
- [Local Government \(General\) Regulation 2005](#)
- [Work Health & Safety Act 2011](#)
- [Tendering Guidelines for NSW Local Government 2009](#)
- [Government Information \(Public Access\) Act 2009](#)
- [ICAC Publications and Guidelines](#)
- [Randwick City Council Statement of Business Ethics](#)
- [LGP's Sustainable Choice](#)
- [State Records Act 1998](#)
- [The Sustainable Procurement Guide for local government in NSW 2017](#)
- [ISO 20400:2017 Sustainable Procurement – Guidance](#)
- [Modern Slavery Act 2018](#)

6. Related Strategies, Policies and Procedures

TRIM number		Policy/Procedure
		Randwick City Council's Informing Strategies and Resourcing Strategy
D03250946		Procurement Manual
D03930130		Delegations of Authority Register

TRIM number		Policy/Procedure
D04286722		Code of Conduct
D03684493		Gifts & Benefits Policy

7. Review

This Policy will be reviewed every 2 years or as required in the event of legislative changes. The Policy may also be changed as a result of other amendments that are to the advantage of Council and in the spirit of this Policy. Any amendment to the Policy must be by way of a Council Resolution or the approval of the General Manager.

FOLLOW US ONLINE



1300 722 542
council@randwick.nsw.gov.au
www.randwick.nsw.gov.au

Randwick City Council
30 Frances Street
Randwick NSW 2031