



Scope

This document sets out Bega Valley Shire Council’s (Council) policy in relation to considering local and social content when acquiring goods and services.

Purpose

Council is committed to obtaining best possible value for ratepayers, whilst endeavouring to support local suppliers and social enterprises where possible.

Council also recognises its role in the local community as a purchaser of significant quantities of goods and services. Given that role within the local community, it is important that it also considers the potential positive effect it can have in encouraging and facilitating the local economy through the engagement of local suppliers.

Through the provisions of this Policy, Council aims to encourage the development and promotion of business and industry within the region and, in so doing, assist in creating and supporting growth and employment in the region.

Council is also committed to delivering and building upon social value for the community with an overall aim to enhance sustainable and strategic procurement practices.

Definitions

Local Contractor/Supplier:

A local contractor/supplier has had a permanent office and permanent staff in the Council area for a period of at least six (6) months prior to bids being sought, and be either registered or licenced in New South Wales.

Local Purchase:

A local purchase is determined to have taken place if purchased from a supplier that meets the above criteria.

Local Content:

Local content is defined as the proportion of the contract that is undertaken locally within the Council area i.e. the majority of the contract outcomes must be managed, supplied and/or delivered from within the area. Local content includes the source of goods, materials and services offered and the degree which local suppliers and subcontractors are used in the delivery of purchases or outcomes.

Social Procurement:

Social Procurement involves purchasing based on the social outcomes when purchasing goods or services. Social procurement allows for greater support and development of social enterprise as it recognises and places value on the benefits that social enterprise provides, in so doing it increases the amount of work available to social enterprises.

Social Value:

The added social outcomes and benefits that are generated through the procurement process over and above the direct purchase of goods or services.

Legislative requirements

This Policy recognises the procurement of goods and services by Council must be in accordance with the legislative framework that is set out in the Local Government Act 1993 and the Local Government (General) Regulation 2005, as well as relevant requirements under Commonwealth and other State and Federal legislation, specifically:

1. Section 55 of the Local Government Act 1993
2. Local Government (General) Regulations 2005
3. Tendering Guidelines for NSW Local Government
4. Trade Practices Act 1974
5. Fair Trading Amendment (Australian Consumer Law) Act 2010 (NSW)

Policy Statement

Council recognises economic benefits flow to all local businesses where Council optimises opportunities for local suppliers to compete for Council's business on the basis of value-for-money.

The policy aims to use Council's procurement practices to encourage and support local suppliers and support local economic activity, where it is efficient to do so, while achieving the Council's 'overall value-for-money' objectives. This approach seeks to maximise overall community benefit for the Shire.

Council's responsibility to the development of competitive local business and industry is not to simply purchase from local businesses as a means to appear to conform to this principle. Council's objective is to proactively approach the market in a way that encourages local business to develop innovative ways to meet Council's requirements, without developing a dependency upon Council. Local business will be encouraged to adopt practices that enable them to compete in a global economy.

Council commits to ensuring that local suppliers are given opportunities to bid for Council purchases and supplies in an equal and fair manner. Local suppliers will be assessed in a competitive framework that ensures the community continues to receive the best outcome possible, both for the local business economy and the wider general community.

Policy Version Control

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Function	Purchasing
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Corresponding procedures, guidelines and documents

Reference No.	Title
2.09.1	Purchasing from Local Suppliers

Note: Policy details may change prior to review date due to legislative changes. For the most up-to-date version please refer to Council's website www.begavalley.nsw.gov.au

