

EMBEDDING SOCIAL PROCUREMENT OBJECTIVES INTO COUNCIL POLICIES AND PLANS

1. LINKING SOCIAL PROCUREMENT WITH ORGANISATIONAL POLICIES

In order to establish a dynamic social procurement environment within council, councils participating in the Social Procurement: Expert Support Program, highlighted the need for social procurement to be linked in with organisational policies and plans.

Attached are a list of policies and plans that could be reviewed by council for the inclusion of social procurement provisions and linkages.

POLICY	INCORPORATION OF SOCIAL PROCUREMENT
<ul style="list-style-type: none"> • Council Plan 	<p>➤ Section 125(2) of the <i>Victorian Local Government Act 1989</i> requires councils to produce a Council Plan, which outlines strategic objectives, strategies for achieving the objectives, and strategic indicators for monitoring the achievement of the objectives. As such, it is a high-level document incorporating medium-to-long range planning rather than detailed instructions, however, it is an important document in which to include and to identify a council's social procurement philosophy.</p>
<ul style="list-style-type: none"> • Annual Plan 	<p>➤ To support the Council Plan, councils produce an annual plan, which outlines the specific projects and activities that the council will undertake in order to achieve its strategic objectives. The plan includes capital works projects, implementation projects for the councils' strategies and plans, as well as service improvements and targets. The annual plan is a key document in which to articulate a council's commitment to social procurement and the social procurement initiatives it intends to implement in the forthcoming year.</p>
<ul style="list-style-type: none"> • Procurement Policy 	<p>➤ Under section 186A of the <i>Victorian Local Government Act 1989</i>, councils are required to develop and implement a procurement policy, which must be updated annually. The purpose of a council's procurement policy is to provide clear guiding principles for the council's purchase of goods and services. The incorporation of "social benefits" into this policy and all attendant procurement documentation (e.g. request for tender, request for quote, procurement plans, evaluation plans, risk management plans) will ensure that social procurement activities are embedded, integrated and implemented across councils' procurement activities.</p>
<ul style="list-style-type: none"> • Access and Inclusion Policies and Plans 	<p>➤ Access and Inclusion Plans enable councils to comply with the provisions of the <i>Victorian Charter of Human Rights Act 2006</i>, the <i>Disability Discrimination Act 1992</i> and relevant Australian Standards for Access and Mobility (AS11428). Social procurement activities can be targeted to decreasing economic barriers faced by disabled community members, while simultaneously meeting the objectives of Access and Inclusion Plans.</p>
<ul style="list-style-type: none"> • Economic Development Plans and Strategies 	<p>➤ The <i>Local Government Act 1989</i> notes that a council must have regard to the economic viability of their municipalities and must promote business and employment opportunities. Councils across Victoria develop economic development plans and strategies to strengthen the local economy and ensure its financial viability. Social procurement often aims to achieve the same objective.</p>
<ul style="list-style-type: none"> • Strategic Asset Management Policy 	<p>➤ Victoria's 79 councils collectively spend around \$7.6 billion on capital works and recurrent services each year, and manage over \$60 billion of community assets and infrastructure such as libraries, halls, leisure facilities, parks, roads, and bridges that people use every day. Asset management is a systematic process to guide the planning, acquisition, operation and maintenance, renewal and disposal of assets. Section 126 of the <i>Local Government Act 1989</i> requires councils to develop a strategic resource plan as part of the council plan. Councils' strategic asset management policy integrates the council's asset management with their corporate objectives and planning. Given that the maintenance upgrade and acquisition of assets represents a significant proportion of procurement activity of councils, particularly the major asset class of infrastructure and roads, the potential benefits of including social procurement requirements in strategic asset management plans and policies are considerable.</p>