

Submitter	Submitter's suggestion	Officer comment
Submitter 1 - PECAN	PECAN requests that the procurement policy state that Council procurement can be a key tool to ensure that council will achieve its objectives under the Climate Emergency Declaration.	Agreed – included in the proposed Policy.
	Council should report annually on preferred suppliers and collaborate with other councils which have declared a climate emergency to build a database of preferred suppliers.	<p>Council already includes relevant references in its Annual Report – for example, the 2019/20 Annual Report said:</p> <ul style="list-style-type: none"> • “At 30 June 2020, Council invested approximately 62 per cent with fossil fuel free banks, which is a reduction on prior year in direct response to volatile financial markets in order to ensure the investment of public monies is secure. • Increased sustainable procurement from 4.5 per cent to 4.9 per cent. This includes categories such as recycled content, energy saving, green products, green services and social responsibility. • Partial progress has been made to develop access and inclusion guidelines for suppliers and partners. The Social Procurement Reference Group was established in 2019 and further work has continued in 2020 with the drafting of content for a Social and Sustainable Procurement Framework. • Net under expenditure of \$1.1 million mainly due to procurement delays with hybrid fleet vehicles”.

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Submitter 1 – PECAN (Cont)	The new Policy should in all instances in policy and guidelines and implementation, require the disaggregation of the 3 separate elements of CSR (social, economic and environmental). This will, for example, require that there be separate weightings for the 3 CSR elements and these will be set out in the evaluation criteria (rather than just have one weighting for CSR) prior to commencing the procurement activity.	Agreed – included in the proposed Policy.
	We request that CoPP includes targets and evaluation criteria in the new policy.	The proposed Policy refers to mandatory and weighted criteria, but some flexibility is required to ensure the evaluation criteria are relevant to the proposed procurement. Most contracts include key performance indicators (KPIs) across a wide range of issues. KPIs and targets are better expressed in a specification which forms part of the resultant contract.

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Submitter 1 – PECAN (Cont)	The new policy should require that reporting against this policy be included in the Annual Report and CEO's reports. It should include an assessment of how the policy is contributing to the council's climate emergency declaration.	<p>The LGA 2020 requires that a council's annual report include information on:</p> <ul style="list-style-type: none"> • a statement of progress on implementation of the Council Plan, which includes the results of the strategic indicators; • a statement of progress in relation to the major initiatives identified in the budget or a revised budget; • the prescribed indicators of service performance for the services provided by the Council and funded in the budget during the financial year, the prescribed measures relating to those indicators and the results achieved in relation to those performance indicators and measures; • any other information prescribed by the regulations; • the prescribed indicators of service performance for the services provided by the Council and funded in the budget for the financial year, the prescribed measures relating to those indicators and the results achieved in relation to those performance indicators and measures; • the prescribed indicators of financial performance, the prescribed measures relating to those indicators and the results achieved in relation to those performance indicators and measures; • the prescribed indicators of sustainable capacity performance, the prescribed measures relating to those indicators and the results achieved in relation to those performance indicators and measures; • any other information prescribed by the regulations.

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Submitter 1 – PECAN (Cont)		For the purposes of section 18(1)(d), the Mayor must report on the implementation of the Council Plan by presenting the annual report at a Council meeting open to the public. Extensive information is already provided in Council's Annual Report
	CSR should be applied to exclude all tenderers and suppliers who engage with offshore detention, tobacco, fossil fuels energy generation, distribution, exploration or extraction, gambling, including poker machines, entertainment involving animals, including racing, arms and modern slavery.	Council's standard Conditions of Tender already include a CSR questionnaire which addresses these issues. Tenders are evaluated according to the evaluation criteria and weightings and can also be declared non-conforming.
	A price preferential treatment and weighting would be given to organisations who address environmental sustainability.	The current and proposed policy allows for this suggestion.
	We request that CoPP includes targets in the policy such as those included in the Darebin Council Procurement Policy. Some of these targets include the target for the use of Social Enterprises but also includes % of recycled material in road making and the number of hours worked in contracts for Darebin Council by those from the local areas	The current and proposed policy address environmental issues and Council's standard Conditions of Tender include a comprehensive questionnaire. It is not obligatory for Councillors to reside in the municipality and Council staff are not required to live within the municipality, therefore it would be unreasonable to (and impossible to monitor) require/encourage a contractor's staff to be local residents.

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Submitter 1 – PECAN (Cont)	The purchasing document should be written to not only provide advice and guidelines for the officers in council but also be a document which engages community, business and other organisations. It should be engaging and clearly articulate the principles and guidelines of the CoPP and provide examples of best practice	<p>The term "purchasing document" appears to refer to Contracts & Procurement Guidelines and Procedures. In Port Phillip's case, the Contracts & Procurement Guidelines and Procedures will be reviewed and updated after the Procurement Policy is adopted.</p> <p>The proposed Policy is written in "plain English", will be available on the Council website and will be reviewed at least every four years.</p> <p>Council's Contracts & Procurement Guidelines and Procedures, when reviewed and updated, will be available on the Council website.</p>
	Inclusion of case studies across the CoPP as examples of best practice procurement.	Case studies are regularly published by the Local Government Inspectorate. The opportunity to publish case studies will be explored.
	Reporting on all aspects of procurement which relates to the use of social enterprises, engagement of local enterprises, innovation and continual improvement in the supply chain, companies with environmental credentials and recycled content in purchasing.	This suggestion could result in additional administrative requirements in terms of obtaining information from suppliers and reporting etc, but the suggestion will be further considered.
	Require emissions reporting in specifications for all contracts valued at over \$500,000. Strongly encourage emissions reporting for smaller contracts. Reporting to be managed through the Contract Management Plan.	Agreed (for relevant contracts).

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Submitter 1 – PECAN (Cont)	The new policy should require that reporting against this policy be included in the Annual Report and CEO's reports. It should include an assessment of how the policy is contributing to the council's action on its climate emergency declaration.	Council's 2019/20 Annual Report provides multiple references to progress on climate change matters.
	PECAN members believe that collaboration should be a key focus for the new policy and should include (as mentioned in the Preface to New Best Practice Procurement Guidelines) 'for councils to innovate and work with other councils, government agencies, community organisations and the private sector'. The new Guidelines require more openness and should encourage community members to provide regular input around environmental outputs and the use of social enterprises by Council.	Councils are already able to work collaboratively as a result of agency arrangements. The proposed Policy provides for Council to seek collaborative procurement opportunities with other councils and public bodies.

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Submitter 1 – PECAN (Cont)	The current Policy requires that Council prepare a list of criteria (with weightings) that will be used to evaluate a procurement prior to approaching the market. However, it does not outline the evaluation criteria specifically and lists mandatory and suggested criteria in the current internal procedures. We consider that these evaluation criteria should be included in the actual new policy.	The evaluation criteria referred to in the proposed Policy will generally be used, but some flexibility is needed.
	The policy should include a statement which requires and supports vendors to improve their sustainability performance and:	
	<ul style="list-style-type: none"> • set minimum vendor sustainability requirements that are reviewed annually; 	Included in the proposed Policy
	<ul style="list-style-type: none"> • Implement a vendor pre-assessment program utilising procurement software to identify vendors with high sustainability credentials 	Included in the proposed Policy.
	Provide access for all vendors to an online training program to support improved sustainability behaviour	Included in the proposed Policy.

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Submitter 2 - Stop Adani	Exclude companies that council procures goods and services from, and that in turn contract to fossil fuel companies involved in fossil fuels energy generation distribution, exploration or extraction including banks and insurance companies and will be excluded from future contracts.	<p>Council's standard Conditions of Tender already include a CSR questionnaire which addresses these issues. Tenders are evaluated according to the evaluation criteria and weightings and can also be declared non-conforming.</p> <p>Council has an obligation to encourage potential suppliers and seek competitive tenders. The suggestion could, for instance, mean that Council is unable to deal with any of the "big four" banks and may need to:</p> <ul style="list-style-type: none"> • deal with a second tier bank without a AAA credit rating; • incur greater risks; and • incur higher borrowing rates. <p>In relation to insurances, the suggestion, if adopted, could mean that proposals for Council's insurances (eg: public liability, professional indemnity, motor vehicle, fidelity guarantee, building and contents, business interruption etc) could only be sought from a limited range of providers.</p>
	Achieve further emissions by making sure all contracts emphasise reduced use of non-renewable resources, reduced demand for raw materials and natural resources, a reduction in waste and by products, and also help to promote a market for recycled materials and convert their fleet into electric vehicles as soon as possible.	<p>Many of these suggestions are in the current and proposed Policy and Conditions of Tender.</p> <p>Tenderers and contractors are, increasingly, adapting to these requirements. Some contractors are beginning to phase in electric vehicles and it is expected this trend will continue.</p>

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Submitter 2 - Stop Adani (Cont)	Educating suppliers about Council's sustainability and environmental policies and aligning these policies to the procurement policy. This includes building into tenders the notion that suppliers will be rewarded for continuous improvement in emissions reductions over time.	It is not clear what is meant by "suppliers will be rewarded". Requiring Council to monitor a contractor's emission reductions would require some form of monitoring system. Such a proposal is not currently reflected in the standard Conditions of Contract. In addition, in the case of panel contracts, the contractor(s) may be used on a regular basis or intermittently.
	The new Local Government Act points to opportunities for councils to work together to jointly deliver services and share costs and resources. Shared services are one way that councils can potentially achieve greater efficiency cost savings in the delivery of services to the community. Environmentally, councils can use this emerging emphasis on collaboration to jointly cultivate a bank of preferred suppliers who align with Council values and can offer cost savings due to economies of scale as well as develop skills and practices in aspects of environmental sustainability mentioned above.	See earlier comments.

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Submitter 2 - Stop Adani (Cont)	The new Local Government Act in its Preface to New Best Practice Guidelines also states that councils are now autonomous in setting thresholds and defining the processes and procedures to apply to a procurement. Stop Adani Macnamara advocates that Council lowers the amount of a tender to \$150,000 or greater where a representative from the Sustainability and Transport Department will be engaged in the development of tender specifications. This will ensure that there are more Council tenders will be scrutinised for opportunities to reduce emissions. E.g., in carbon reduction, waste reduction, recycled content.	<p>Council's current policy requires a representative of the Sustainability and Transport Department to be involved in the development of tender specifications where the estimated contract sum exceeds \$500,000.</p> <p>In relation to this:</p> <ul style="list-style-type: none"> • the suggestion would apply to procurement below the tendering threshold; • the LGA 2020 does not make any reference to Best Practice Guidelines; and • CSR is not relevant to some tenders, particularly for goods and services.
	SAM also recommends Council continue to apply its 10% weighting for environmental sustainability above \$150,000 and prefers suppliers which demonstrate CSI credentials beneath that threshold.	<p>At present, Council's standard Conditions of Tender include a Corporate Social Responsibility (CSR) Questionnaire relating to environmental social and economic sustainability.</p> <p>Some recent tenders have had a CSR weighting of 15%, although this is not mandated in the current Policy.</p> <p>At present, there is no system to assess a supplier's CSR credentials where the procurement is under the tendering threshold.</p>

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Submitter 2 - Stop Adani (Cont)		<p>For example, in some recent tenders, the CSR weighting (15%) has been three times the weighting for occupational health and safety.</p> <p>The proposed Policy includes typical mandatory and weighted evaluation criteria but some flexibility is required to ensure the criteria and weightings adopted are relevant to the specific services goods or works being procured.</p> <p>The current and proposed policies proved that a 10% preference may apply.</p>
	<p>Council's newly updated IT capabilities allows Council to track suppliers and potentially require that they offer continuous improvement in environmental performance and also to report these findings to the Community on a regular basis.</p>	
	<p>SAM requests that council:</p> <ul style="list-style-type: none"> • report to the community on the companies Council deals with that have divested from fossil fuels; and 	<p>Council's current systems do not provide for this. Further investigation will be carried out to establish the feasibility of the suggestion.</p>

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	<ul style="list-style-type: none"> • Build a bank of fossil free companies in collaboration with other councils to be preferred supplies (sic) to council. 	<p>Council's current systems do not provide for this. Further investigation will be carried to establish the feasibility of the suggestion.</p> <p>"Preferred suppliers" would still have to be appointed through a procurement process. Given that:</p> <ul style="list-style-type: none"> • the term "fossil free company" would have to be clarified; • the number of contracts Council has with such entities is minimal; and • collaboration may be difficult as councils have varying objectives.

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Submitter 3	<p>I support the opportunity for Council to embed sustainability in procurement policy:</p> <ul style="list-style-type: none"> • that CSR becomes a mandatory criterion; • that the term CSR be amended so that environmental and climate change initiatives are included e.g., environmental and social sustainability or environmental and social criteria or ESG (with some governance requirements spelled out); • that the [CSR new term] means as listed in Section 4.26, plus the following <ul style="list-style-type: none"> ➤ circular economy includes: businesses that design out waste (more proactive than waste avoidance); ➤ good environmental record; ➤ greenhouse gas emissions policy and targets of the supplier; ➤ prevention of loss or degradation of nature/nature restoration initiatives; and 	See earlier comments.

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Submitter 3 (Cont)	<ul style="list-style-type: none"> ➤ that procurement from local businesses and employment of local residents is a mandatory criterion, provided the above is satisfied. 	
Submitter 4	<p>I have read the procurement policy and the ordinary council meeting report dated 18 August 2021.</p> <p>Whilst I can see one of the objectives stated is to collaborate with other councils across procurement activity, I do not believe this statement is strong enough. If there is another council in Australia where the value for money achieved from a supplier relationship is better than that of Port Phillip, then Port Phillip should have an obligation to adopt that supplier outcome. This needs to be contained within Policy.</p> <p>I also believe \$50k is too high to proceed without a quote. Has this been benchmarked against public and private organisations?</p>	<p>There are 537 councils in Australia and the procurement processes and relevant legislation vary from state to state.</p> <p>There is no suggestion of not requiring quotations when the proposed procurement cost is less than \$50,000.</p>
Submitter 5	I believe cost efficiency should be a prime factor in procurement. The focus should be on reduced costs while maintaining or increasing service levels.	Agreed.

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Submitter 6	Thanks for giving community members the opportunity for input into Councils procurement policy. Council procurement actions are powerful (and worthwhile \$150m p.a.) and can create much needed markets for recycled products, support a circular economy and set a clear message to suppliers on the council's commitment to driving greenhouse gas reduction.	Agreed.