



**LOCAL
GOVERNMENT
PROCUREMENT**

**ANNUAL
REPORT
2020/21**



HIGHLIGHTS

DELIVERED SPECIALISED
TRAINING TO ALMOST



800
PEOPLE



SAVED
the sector
\$69 MILLION
OR 324,750
RESOURCE HOURS

2,401 RFXs

online with an estimated
value of **\$513 MILLION**

\$1.05
MILLION IN
REBATES



paid to councils,
ROCs and JOs

1,060

approved



**CONTRACTORS ASSESSED FOR
MODERN SLAVERY RISK**



\$709 MILLION
CONTRACT SPEND



PROVIDED OVER

\$21,000 in funding
to more than 20 individuals through the
DISASTER RECOVERY PROGRAM

ABOUT LGP



PURPOSE

We create and drive value for local communities.

VISION

We are an **innovative leader**, expert and champion delivering **high-value procurement** solutions, education and consulting services.

VALUE PROPOSITION

At LGP we have the **services and expertise** to support procurement capability and efficiencies for the local government sector.

How we deliver our value:

- ▶ We are **customer focused**.
- ▶ We are innovating our organisation.
- ▶ We **reduce cost**.
- ▶ We reduce risk.
- ▶ We offer a broad suite of services that form an **integrated procurement solution**.
- ▶ We promote learning and procurement capability development.
- ▶ We invest back into the local government sector.
- ▶ We focus on growing regional economic development.

OUR CUSTOMERS

Our customers include all NSW councils, regional organisations of councils (ROCs), joint organisations (JOs), non-NSW councils, not-for-profit organisations, universities, state government agencies and departments.

MAKING LGP A SUSTAINABLE ORGANISATION IS A MAJOR GOAL IN OUR 3-YEAR STRATEGIC PLAN

During the 2020/21 financial year, LGP performed a health check using the Sustainable Choice survey and methodology on sustainable procurement. The survey is built around the elements of ISO20400:2017, the internationally recognised guidance on sustainable procurement. Recommendations for future LGP actions were included in the survey's Performance Report.

First year achievements of this strategic goal include **LGP's first Sustainable Procurement Policy, Sustainable Events Policy and Sustainable Procurement Guideline**. An internal sustainability committee has been formed with the purpose of not just ensuring LGP is sustainable as an organisation but also that staff members are encouraged to make better sustainable choices and decisions in their home lives. Other initiatives include an audit of LGP's suppliers, a review of the old office consumables purchase list and introduction of a new better choice purchase list.

CONTENTS

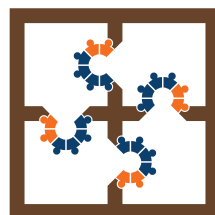
HIGHLIGHTS	2
ABOUT LGP	3
Purpose	3
Vision	3
Value Proposition	3
Our Customers	3
Our Sustainability Journey	3
MESSAGE FROM THE CHAIR	5
MESSAGE FROM THE CEO	6
LGP BOARD	7
MEASURING OUR VALUE	9
Contract Spend	9
Rebates	9
Savings	9
Disaster Recovery Funding	9
LGP TENDERING AND CONTRACTS	10
LGP CONTRACTS SUPPORTING COUNCILS	13
Lake Macquarie City Council uses LGP Contract to	
Deliver Compostable Bags to Ratepayers Right On Time	14
Expanding Contracts for Local Buying	15
LGP SERVICES	16
Training	17
Consulting Services	18
Sustainable Choice	19
Events	20
Procurement Awards	21
MOVING FORWARD	22



Our Compliant Contracts
Save You Time, Money
and Mitigate Risk



We Train,
You Succeed



Consulting and
Best Practice
Procurement Services



Sustainable Approach
to Procurement



MESSAGE FROM THE CHAIR

The 2020/21 financial year has continued to challenge people, councils, businesses, and communities across the globe. COVID-19 has continued to dominate our lives, with many of us having to learn to adapt with restrictions that significantly impact our personal and work lives. I am particularly proud of the adaptation and resilience of LGP in its response to the challenges from the pandemic.

While COVID-19 impacted the revenue of so many businesses globally, Local Government Procurement (LGP) has continued to deliver a

strong financial result and returns to our owner Local Government NSW (LGNSW).

LGP's 36 contracts delivered \$709 million in contract spend. During the 2020/21 financial year LGP returned a gross surplus (before allocation of rebates) of \$2.63 million and provided LGNSW with revenue of \$1.31 million. Thanks to the support given by councils across NSW using our contracts, training and consulting services \$1.05 million was allocated in rebates to councils, regional organisations of councils (ROCs) and joint organisations (JOs).

THIS YEAR WE EMBARKED ON YEAR 1 OF OUR 2020-2023 STRATEGIC PLAN WITH OUR 15 GOAL TEAMS DELIVERING 40 ACHIEVEMENTS AND INITIATIVES

Some of the key achievements include:

- ▶ LGP's first Sustainable Procurement Policy, Sustainable Events Policy and Sustainable Procurement Guideline.
- ▶ Launching an internal sustainability committee.
- ▶ Identifying new contract options to make LGP contracts more attractive to the market and customers.
- ▶ Developing a product suite to address social procurement and disaster resilience.

We welcomed two new associate directors to the LGP Board, Cr Jerome Laxale and Scott Phillips, and farewellled our existing associate director Susan Budd. Thank you Susan for your contribution and support throughout your term. The associate director roles provide a conduit between the LGP Board and our owner LGNSW.

I would also like to express my appreciation to all of the LGP staff for their hard work during the year. We appreciate your dedication and

value the expertise you provide towards our goal of supporting our communities through better procurement outcomes.

On behalf of the Board at Local Government Procurement we are delighted to present the LGP Annual Report and share the achievements of the CEO, executive team and all LGP staff.

Thank you
John Truman
Chair



MESSAGE FROM THE CEO

The 2020/21 Financial Year (FY21) was another success for LGP, demonstrating great adaptability and agility as we leveraged the COVID-19 pandemic to make new enhancements to our business.

Importantly FY21 delivered the first year of our 2020-2023 Strategic Plan. Our five strategic pillars are being delivered by 15 Goal Teams, involving all employees. In our first year, we have achieved the following:

- ▶ **Sustainability Pillar** – sourcing electric vehicles, identifying sustainable solutions through LGP contracts.
- ▶ **Our People Pillar** – isolated new areas of agility, moved our focus to employee engagement.
- ▶ **Procure Pillar** – creating digital marketing material, scanning procurement technologies.
- ▶ **Customers & Stakeholders Pillar** – exploring new engagement with ROCs and JOs.
- ▶ **Market Expansion Pillar** – new approaches to support local buying, and new product design.

Sustainability is the first Pillar in our Strategic Plan because LGP is focused on leading procurement practice in this space for the Local Government sector. In FY21 we drove our Disaster Recovery Program, supporting communities impacted by bushfires and flood, delivering initiatives to help councils become more resilient to disasters in the future.

In late 2020 LGP became the first procurement aggregator for local government to conduct a Modern Slavery Risk Assessment across all its Approved Contractors. LGP is now proactively protecting councils buying practices from the risk of failing to detect, and unknowingly promoting modern slavery in their supply chain.

A lot happened with LGP Contracts during FY21. LGP welcomed several new staff to join us and help release two significant new contracts: Major & Minor Works, Legal Services. We finished our Contractor Reporting Audit Project under the Traffic Management Contract, ensuring all council spend is being accurately collected.

After 14 years LGP released our new branding and a new website. Our brand has a new colour scheme moving us away from the grey, into orange. The logo has changed. The arrow shape points forward to represent our drive for better efficiency and greater momentum.

In wrapping up FY21 I would like to express my sincere gratitude for the support of our councils, ROCs, JOs, Approved Contractors, partners and key stakeholders. On behalf of the staff and the LGP

FOR 10 YEARS LGP TRAINING HAS PURSUED THE ENHANCEMENT OF OUR SECTOR'S SKILLS AND CAPABILITY. IN FY21 LGP ACQUIRED A REGISTERED TRAINING ORGANISATION (RTO). THE LOCAL GOVERNMENT TRAINING ACADEMY WILL SIGNIFICANTLY LIFT THE QUALITY OF OUR SERVICES THROUGH NATIONALLY ACCREDITED VOCATIONAL COURSES

Executive, we thank our Chairman, John Truman for his support and expert guidance during FY21. We thank all our LGP Board Members for their great support and sound advice that helps direct our business. To the Board and management team at LGNSW we also thank and acknowledge their support for LGP.

The staff at LGP are the ones responsible for all the successes we are proud to share in the FY21 Annual Report. I deeply appreciate what our people do every day at LGP, we are blessed to have them with us.

Thank you
Luke Kenny
Chief Executive Officer

LGP BOARD

JOHN TRUMAN **CHAIRPERSON**



John has served on the LGP Board since 2005 and was appointed chair in 2018. He is a former National President and NSW President of the Institute of Public Works Engineering Australasia. John has worked in NSW local government for more than 25 years and

is currently the Director Civil Services at Ballina Council. John's professional qualifications include a Bachelor of Engineering, Bachelor of Laws (Hons) and a Masters in Business Administration. In 2021 John was admitted as a lawyer in the Supreme Court of New South Wales.

ELIZABETH HENDERSON **DIRECTOR**



Elizabeth has served on the LGP Board since 2018. She is an executive, lawyer and sourcing & procurement professional with 20+ years' experience in the banking & financial services and professional sectors. She was a senior manager and

commercial director at Westpac, including Director of Strategic Sourcing, Director of the WorkSMART Program and Chief of Staff to the Chief Operating Officer. Previously she worked in both investment banking and as a Senior Associate at major Australian law firm Freehills (now Herbert Smith Freehills). Elizabeth is currently Commercial Director at boutique advisory firm Nyungga Black Group.

PETER DENNIS **DIRECTOR**



Peter has served on the LGP Board since 2018. He is an engineer with over 35 years water industry and local government experience. His is currently Managing Director at Hunter H2O. His previous roles have included

CEO at Seqwater, CEO at Armidale Regional Council, General Manager System Strategy at Hunter Water Corporation and Chief Operating Officer at Hunter Water Australia. His Board experience includes ICON Water, Australian Water Association, Mackay Regional Council Water Board and Newcastle Institute of Energy and Resources. Peter is also currently an Adjunct Professor in the School of Engineering at the University of Newcastle.

PENNY HOLLOWAY **DIRECTOR**



Penny has served on the LGP Board since 2018. She has 30+ years' experience at senior executive level in state and local government in Victoria and NSW, including CEO of Lord Howe Island Board, General Manager at North Sydney Council and CEO at Latrobe City Council.

She is currently a Board member on the Victorian Planning Authority, Alternate Chair of Local Planning Panels at Woollahra, Burwood and Hornsby Councils, a State Member on the Northern Regional Planning Panel and a Member of Northern Sydney Local Health District Audit and Risk Committee.

LGP BOARD

ROBERT LAGAIDA **DIRECTOR**



Robert has served on the LGP Board since 2018. He has 25+ years' experience in the NSW public health system managing delivery of health services, undertaking procurement and management of assets, goods and services for NSW public hospitals. He was Director of Clinical Operations

and Director of Finance and Commercial Services in a number of NSW Health entities, and also held senior policy positions in the NSW Ministry of Health. Robert is currently a Board Director of Nepean Blue Mountains Local Health District, NSW Board of Psychology of Australia and LiveBetter Pty Ltd. He is also a NSW Government Trustee for the Responsible Gambling Fund, and a member of the NSW Medical Council. He acts as Independent Chair of Audit and Risk Management Committee for a number of NSW Government agencies. Robert also serves as an independent member of the Audit and Risk Committees at Blacktown City Council, Willoughby City Council and Blue Mountain City Council.

SCOTT PHILLIPS **ASSOCIATE DIRECTOR**



Scott has served on the LGP Board since October 2020. He is the Chief Executive of Local Government NSW (LGNSW), with 27 years' experience in the local and state government sectors developing and leading high-performing and multi-disciplinary teams.

Scott's extensive career in local government has

included appointments as the General Manager at both Sutherland Shire Council and Hornsby Shire Council. Scott's public sector career includes several executive roles at a State and local level in the planning and development profession. Scott has been a member of and continues to serve on a number of industry Boards, Ministerial Advisory Committees and Panels.

CR JEROME LAXALE **ASSOCIATE DIRECTOR**

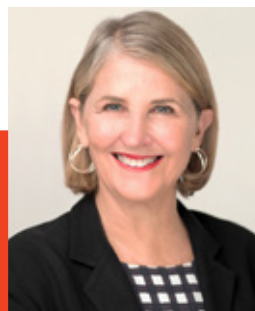


Jerome has served on the LGP Board since October 2020. He is an experienced City Mayor, Councillor, Board Director and Business Consultant offering over 15 years of leadership experience within private sector and local government including board advisory roles and

business administration.

As the youngest Mayor in Ryde's history at age of 31, Jerome has been recognised for his ability to deliver change through leadership and governance. Experienced in strategic business planning, Jerome has helped formulate and execute strategies from a board, and operational level. As a board member, Jerome has specialised in risk and financial management.

SUSAN BUDD **ASSOCIATE DIRECTOR**



Susan has served on the LGP Board since 2019 through to October 2020. She is a lawyer and governance professional with 30+ years' experience in public and private sector legal practice. As well as her extensive knowledge of legal issues arising in the context of the NSW planning

system Susan has strong experience in corporate governance, including corruption prevention. During her career, Susan has worked in a number of senior executive roles with the NSW Department of Planning and Local Government NSW and legal roles in the private sector.

Susan is currently Special Counsel for Local Government NSW, and an alternate member of the Sydney and Regional Planning Panels. Susan has a Master of Environmental Law, a Bachelor of Arts and a Bachelor of Laws, all from the University of Sydney. Susan is a member of the Law Society of NSW and is admitted as a solicitor of the Supreme Court of NSW.

MEASURING OUR VALUE

SINCE LGP WAS ESTABLISHED IN 2006 NSW LOCAL GOVERNMENT HAS SPENT \$6 BILLION THROUGH LGP CONTRACTS

LGP continues to provide value to councils through panel contracts, free RFX software, specialised training, consulting services and returning more than \$8 million to the local government sector through the rebate scheme.

CONTRACT SPEND



During the 2020/21 financial year LGP contract spend was **\$709 million**. The COVID-19 pandemic has had a nominal impact on overall revenue, with a minor 3.5% decrease on the previous year.

Overall, **2,401 online RFXs** were submitted through LGP panel contracts – with an estimated value of **\$513 million**.

REBATES



LGP finished the 2020/21 financial year with a gross surplus of \$2.63 million (before allocation of rebates) thanks to the support given by councils across NSW in using our contracts, training and consulting services. As a result, the FY21 **rebate scheme paid \$1.05 million** to councils, ROCs and JOs.

SAVINGS



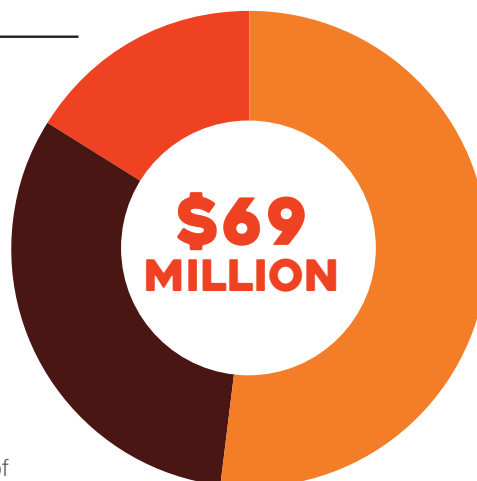
LGP's efficiency and expertise saved the NSW Local Government sector an estimated **\$69 million** or equivalent of **324,750 resource hours** overall for the financial year.

\$11 MILLION
IN CONTRACT
MANAGEMENT COSTS

(\$5k per contract x number of contracts used)

\$22 MILLION
IN TENDER COST
AVOIDANCE

(\$10k per tender x average number of contracts used x number of councils)



\$36 MILLION
NEGOTIATED
PRICE SAVINGS

achieved under LGP contracts
(actual contract expenditure x 5%)



DISASTER RECOVERY FUNDING

To support councils impacted by the bushfire and drought disasters in late 2019 and early 2020 we established the LGP Disaster Recovery Program. It's a two-year initiative to offer long-term financial support through boosting procurement skills of staff across councils where procurement may have become a lesser priority due to disaster recovery focus.

During 2020/21 more than 20 individuals accessed over \$21,000 in funding to undertake accredited procurement qualifications; in addition the Sustainable Choice membership fee was waived.



LGP TENDERING & CONTRACTS

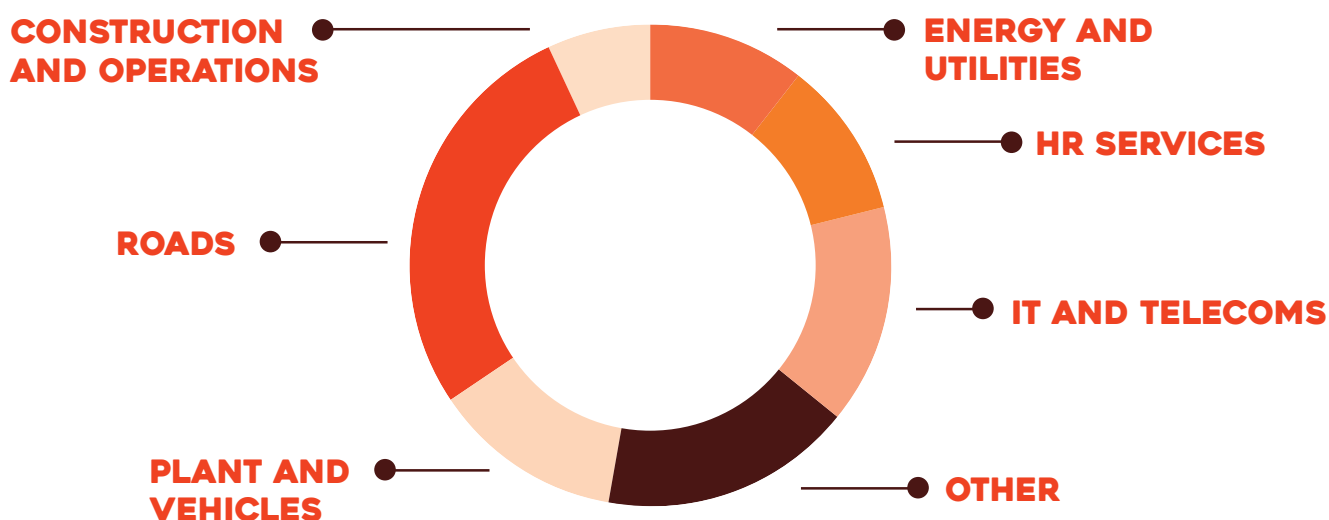
TENDERING & CONTRACTS

IN 2020/21 THE NSW LOCAL GOVERNMENT SECTOR SPENT \$709 MILLION THROUGH LGP CONTRACTS

The contracts with the **BIGGEST SPEND** during the year were:

- ▶ \$171 million – Bitumen, Emulsions and Asphalt Materials and Services
- ▶ \$78 million – HR Placements and Associated Services
- ▶ \$69 million – Supply of Electricity
- ▶ \$47 million – IT&C Products, Services and Consulting
- ▶ \$47 million – Professional Consulting Services

CATEGORY SPEND



DURING THE YEAR WE ESTABLISHED 8 NEW CONTRACTS.

LGP established **FOUR NEW** contracts for:

- ▶ Legal Services
- ▶ Line and Road Marking Works, Associated Hardware and Services
- ▶ Minor and Major Civil Works including Construction Materials
- ▶ Truck Bodies and Trailers

LGP **REFRESHED FOUR** contracts for:

- ▶ Horticultural, Pest, Pool and Water Management
- ▶ Library Books, Resource Materials and Furniture
- ▶ Specialised Trucks
- ▶ Supply of Natural Gas for Small Sites



TENDERING & CONTRACTS

During the year seven tender processes were conducted with 470 submissions received from tenderers.

LGP HAD 36 CONTRACTS IN OPERATION, ENCOMPASSING 908 LGP APPROVED CONTRACTORS

The last 12 months has seen a continuing consolidation of existing panel arrangements for councils but also expansion in several key areas. One of the most significant processes related to Major and Minor Works, achieving important flexibility to councils in terms of specifications, work categories and contract options.

Our **Optimisation Program** commenced with the building of strategies for five key category portfolios, driving market coverage through the forward tender program and market penetration through a focused customer engagement plan. We conducted several process improvement workshops and identified initiatives which will drive noteworthy efficiency benefits going forward. The Optimisation Program also identified the need to improve business efficiencies through analytics and business transformation via technology and automation. It also resulted in establishment of a **Technology Steering Committee** to help deliver LGP's IT roadmap.

The **Chief Procurement Officer** (CPO) role was introduced with the aim of opening greater dialogue with other tiers of government and driving positive change for our sector. In particular, the CPO has worked closely with the Australian Procurement and Construction Council, World Commerce and Contracting and LGP's Customer Reference Group. With the latter, we have reviewed and lodged a submission to the Office of Local Government recommending changes to tendering provisions in the legislation. Our first white paper dealing with innovative tenders, unsolicited proposals and sustainable procurement has been researched and will be released in early FY22.



LGP CONTRACTS SUPPORTING COUNCILS

LGP CONTRACTS SUPPORTING COUNCILS



LAKE MACQUARIE CITY COUNCIL USES LGP CONTRACT TO DELIVER COMPOSTABLE BAGS TO RATEPAYERS RIGHT ON TIME

Like many councils in NSW, Lake Macquarie City Council provides a Food Organics and Garden Organics (FOGO) kerbside collection service to residents. As part of the service, Council delivers a roll of certified compostable bags to every household in the LGA throughout May and June each year.

In 2020, Council started planning to engage a contractor to supply and deliver the compostable bags for the next generation contract. Although this type of procurement is routine for Lake Macquarie City Council, this time there were additional complexities. In addition to resourcing issues, the **biggest challenge was COVID-19** and the associated unplanned border closures and community lockdowns. Council recognised there could be **significant risks to its delivery timeframe** if it selected a supplier from interstate or even in a different region.

Council sought an **efficient, compliant procurement process** to allow it to quickly engage a nearby supplier with proven experience in supply and delivery of certified compostable bags. Ultimately, Council wanted to ensure residents received their bags on time, while still obtaining a competitive price.

Lake Macquarie City Council's Waste Services Contracts Coordinator, with support of her Procurement team, contacted her LGP Business Development Manager who advised that LGP's Contract for Mobile Garbage Bins and Waste Products and Services (NPN111-3) would meet all Council's requirements. Through the contract, Council engaged Source Separation Systems,

located in the Lake Macquarie City Council LGA, in a manner that met requirements of both the tendering legislation and Council's own procurement policy.

Engagement of a local supplier mitigated the risk of delivery being delayed due to COVID restrictions.

By using an LGP contract, Council **engaged a contractor using an efficient and compliant process** whilst also ensuring delivery of certified compostable bags to residents right on time.



EXPANDING CONTRACTS FOR LOCAL BUYING

LGP has a well-established contract for Bitumen, Emulsions and Asphalt Materials and Services that many NSW councils rely on for supply of road surfacing materials and services. Two years into the contract term, LGP received feedback from councils that changes in the market meant the contract did not service some regions as well as in the past. LGP responded by issuing a request for tender to add more suppliers to the panel.

Previously, LGP has established contracts that typically run for 3-5 years with no opportunity to add new suppliers to a panel except when the contract was being renewed. LGP has now recognised we can better serve our customers by having more

FLEXIBLE CONTRACTS ABLE TO HAVE NEW SUPPLIERS ADDED DURING THE TERM OF THE CONTRACT.

The contract for Bitumen, Emulsions and Asphalt Materials and Services (LGP213-2) was refreshed through an open request for tender process compliant with tendering requirements of the Local Government Act and Regulations. There were no changes for contractors already on the panel but there was an opportunity for new contractors to join the panel.

Following the request for tender, 16 new suppliers were added to the panel, 13 of which provide services to regional NSW. These **new suppliers provide additional service options to LGP's regional customers.**

The refresh of the panel has resulted in some regional councils using the contract for the first time and others returning to use the contract where they had previously stopped because it no longer met their needs. These councils have **collectively saved approximately 900 hours** avoiding an open tender process, and 450 hours of contract administration.

Through the process of refreshing LGP213-2, LGP has learnt we can be **flexible and responsive to councils' evolving needs** whilst still complying with tendering requirements of the Local Government Act and Regulations.

By establishing panels that can respond to changes in the market over the term of the contract, LGP creates contracts that councils can use to save significant time and money.

A close-up photograph of several hands with light-colored manicured nails assembling white and light blue puzzle pieces. The hands are positioned around the pieces, with one hand holding a piece from the top right and another from the bottom left. The background is a soft-focus blue and purple gradient. A semi-transparent blue diagonal bar runs from the top right towards the bottom left, partially covering the puzzle pieces and the text.

LGP SERVICES

TRAINING



In early 2021 LGP acquired a Registered Training Organisation (RTO). The RTO now trading as **LG Training Academy** (LGTA) (code 45450) has been established to provide nationally accredited courses specifically for NSW local government. Over time and based on industry needs more courses will be added to the suite of qualifications.

DURING 2020/21 LGP TRAINING DELIVERED SPECIALISED **PROCUREMENT AND CONTRACT MANAGEMENT TRAINING INCLUDING ELEARNING PROGRAMS TO ALMOST 800 PEOPLE.** ALL NON-ACCREDITED COURSES WERE REDESIGNED AND NEW TRAINING AND LEARNING RESOURCES WERE DEVELOPED.

More than **50 non-accredited and customised on-site training courses were delivered** at Sydney, regionally and online. The most popular courses were:

- ▶ Procurement in Local Government – The Essentials
- ▶ Procurement Planning and Specification Development
- ▶ Contracting in Local Government – The Essentials
- ▶ Tender Evaluation and Contract Awarding.

Four accredited qualifications were delivered to around 50 participants. The courses in procurement and contract management and project management are customised for the local government sector.



CONSULTING SERVICES

DURING 2020/21 LGP CONSULTING CONTINUED TO OFFER CONSULTING SERVICES AT A REDUCED HOURLY RATE, MAKING CONSULTING SERVICES MORE ACCESSIBLE DURING THESE DIFFICULT TIMES. **FOURTEEN PROCUREMENT PROJECTS** WERE DELIVERED, INCLUDING PROBITY AUDITS AND SERVICES, PROCUREMENT REVIEWS, INDEPENDENT CHAIRPERSON ENGAGEMENTS PROVIDING PROBITY AND TRANSPARENCY FROM THE CHAIR ROLE, AND RFX FACILITATION.

NEW PRODUCT WEBINARS

The Consulting Webinars are delivered quarterly in the form of a presentation, fireside chat and open discussion. The webinars are recorded and added to the LGP website as resource material for councils. Our first webinar delivered in June was about Probity.

AWARENESS SESSIONS USING TECHNOLOGY AND VIDEOGRAPHY

Where we used to provide bespoke awareness sessions on behalf of councils either to staff or local suppliers, we now deliver these via zoom. In FY21 LGP Consulting began recording and publishing on LGP panel media agencies, creating up-loadable videos to ensure those that missed out can still benefit from important information and messaging.

PROCUREMENT AS A SERVICE (PAAS)

The pandemic has restricted contract and temporary roles often employed by councils to deliver specific project work. LGP Consulting Team has delivered professional procurement support to councils that have experienced limited resources or time constraints. The Consulting Team also provided support to LGP's own Tendering and Contracts Team, delivering two LGP panel contracts for Legal Services, Major & Minor Works.

CONTRACT LIFECYCLE MANAGEMENT SYSTEM (CLMS)

The CLMS program delivers a cloud-based platform, and provides extensive capabilities around procurement sourcing, contract, category, and supplier management.

In FY21 the CLMS Pilot Program had four participating councils entering the final stage of their implementation, allowing all councils to embed the contract management system into councils' operations. We have seen council enthusiasm towards recognising all council contracts in one location, the ease of using the contract management system as well as identifying and managing risk and opportunities to improve the way contracts are managed.

LEADING EFFICIENCY AND ANALYTICS PROGRAM (LEAP)

The LEAP program has now been operating for over four years. During that time **nine councils** participated in the program and identified over **\$4.6 million in savings**. Our journey with LEAP has seen members successfully achieve considerable advances in lifting the maturity of their procurement capabilities.

SUSTAINABLE CHOICE



As part of LGPs response to disaster recovery, in 2019 we removed the membership fee for councils to join Sustainable Choice.

SIXTY-TWO COUNCILS HAVE NOW COMMITTED TO SUSTAINABLE PROCUREMENT BY JOINING SUSTAINABLE CHOICE. THIS IS AN INCREASE OF 33 MEMBERS ON THE PREVIOUS YEAR.

A modern slavery risk assessment has been completed across all 1,060 LGP approved contractors to assist councils (when purchasing under LGP contracts) to undertake reasonable steps to ensure goods and services they procure are not a product of modern slavery.

Supplier modern slavery risk ratings are now available in VendorPanel when accessing LGP contracts, enabling councils who purchase through the contracts to better meet legislative and ethical obligations related to modern slavery.

A modern slavery risk assessment has been completed across all 1,060 LGP approved contractors to assist councils (when purchasing under LGP contracts) to undertake reasonable steps to ensure goods and services they procure are not a product of modern slavery.

In 2020 the majority of responding councils to the Sustainable Procurement Scorecard ranked as Activated or Intermediate (43% each). A smaller number (14%) achieved an Advanced score. When comparing results from previous years, many councils had improved their score, indicating progress is occurring across surveyed councils regardless of their level of maturity. Things are looking very positive as we acknowledge the gradual progress made over the past 4 years.

EVENTS

**DURING
2020/21 THE
LGP EVENTS
PROGRAM
DELIVERED
23 EVENTS
TO MORE
THAN 900
DELEGATES**

Throughout the year events alternated between in-person and virtual to mitigate the impact of COVID-19 restrictions and make the most of connecting with our key stakeholders. Events were delivered online, in Sydney, Coffs Harbour, Batemans Bay, Armidale, Wagga Wagga and Parkes. LGP supported several local government events, participating in four events as a sponsor or exhibitor.

The 14th LGP **Annual Conference** was conducted for the first time as a virtual event in October 2020. The program and format were adapted to deliver the conference over two half-days and the theme was 'Procurement Transforming Communities – Build | Grow | Innovate'. This event engaged over 30 speakers who shared their messages to more than 70 delegates.

Our focus was to remember the bushfires, drought and flood that severely impacted councils and their communities. Speakers talked about the impact of the Christchurch earthquakes, hailstorms in Northern NSW, and a very special panel of General Managers (Eurobodalla, Richmond Valley and Clarence Valley) who shared harrowing, yet inspiring recovery stories from the bushfires.

The **procurement and engineering network meetings** are free and exclusive to the local government community. The events provide a platform for council officers to meet in an environment conducive to networking and information sharing, while discussing procurement, engineering and sustainable initiatives within local government and best practices.

The **engagement events** include network meetings, webinars, tender briefings and contract implementation sessions. The events are delivered by LGP to share information with councils, suppliers and approved contractors.

7

**PROCUREMENT
AND ENGINEERING
NETWORK
MEETINGS**

attended by
more than 140
delegates

16

**ENGAGEMENT
EVENTS**

attended by
more than 700
participants

1

**ANNUAL
CONFERENCE**
attended by more
than 70 delegates

PROCUREMENT AWARDS



The procurement professional and sustainable procurement awards recognise excellence and achievement in procurement and sustainability and celebrate those procurement professionals or groups making a difference in local government and the community.

The approved contractor award celebrates the diversity of LGP Approved Contractors and recognises excellence in supporting the local government sector.

In 2020 we presented our inaugural Foundation LGP Approved Contractor Award. This was presented to Leonards Advertising to acknowledge and recognise its outstanding contribution and innovation supporting the local government sector.

The awards were presented at the Annual Conference dinner.

WINNERS OF THE 2020 PROCUREMENT AWARDS



Marea Getsios, City of Canada Bay
2020 Outstanding Procurement Professional of the Year



Cindy Tran, Canterbury-Bankstown Council
2020 New Procurement Professional of the Year

Waverley Council
2020 Sustainable Procurement Achievement



Garwood International
2020 LGP Approved Contractor of the Year



Leonards Advertising
2020 Foundation LGP Approved Contractor

LGP RECOGNISES THAT **OUR PEOPLE ARE FUNDAMENTAL TO OUR SUCCESS.** WE SEEK TO ENSURE THAT STAFF HAVE THE APPROPRIATE SKILLS AND RESOURCES REQUIRED TO DELIVER AGAINST LGP STRATEGY. LGP ACTIVELY SEEKS REGULAR FEEDBACK FROM OUR PEOPLE THROUGH THE ANNUAL EMPLOYEE SURVEY. THIS YEAR SAW PLEASING RESULTS, WITH 85% SATISFACTION ACROSS THE WORKFORCE.

**EMPLOYEE
SATISFACTION IS
85%**



**APPROVED CONTRACTOR
SATISFACTION IS 70%**

LEADING INTO FY2022 NEW 'VALUE CREATION' INITIATIVES INCLUDE:

- ▶ Developing a **Sustainable Procurement Toolkit** for councils
- ▶ Developing a Disaster Resilience Toolkit for councils
- ▶ Developing Social Procurement Toolkits for councils and SMEs
- ▶ Developing new product Leadership Forums for executives
- ▶ Developing a new product for Contract Management as a Service (CMaaS)
- ▶ Developing a **Modern Slavery Toolkit** for SMEs
- ▶ Creation of sustainability filter tags assigned to approved contractors
- ▶ Establishing a new **renewable energy** contract
- ▶ Establishing a new **electric vehicles** contract
- ▶ Assessing stakeholder sentiment
- ▶ Developing a new **Diploma of Business** qualification
- ▶ Improving automation and efficiencies in tendering and contract management processes
- ▶ Enhancing our technology infrastructure and developing our IT roadmap



**LOCAL
GOVERNMENT
PROCUREMENT**

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