



**LOCAL
GOVERNMENT
PROCUREMENT**

**ANNUAL
REPORT
2021/22**

HIGHLIGHTS

**DELIVERED
SPECIALISED
TRAINING TO
ALMOST EVERYONE**

400



SAVED
the sector
\$66 MILLION
OR 300,000
RESOURCE HOURS

\$953,000
IN REBATES

paid to councils,
ROCs and JOs



2,321 RFXS
online with an
estimated value of
\$516 MILLION



\$720
MILLION
CONTRACT SPEND

1,060



approved

**CONTRACTORS ASSESSED FOR
MODERN SLAVERY RISK**



PROVIDED OVER

\$30,000 in funding 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 Local Government Procurement (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.

OUR SUSTAINABILITY JOURNEY

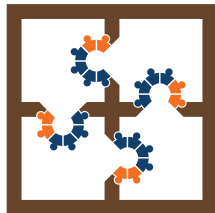
Making LGP a **sustainable organisation** is a **major goal** in our 3-year strategic plan.

During 2021/22, LGP again performed a sustainable procurement health check, using the Sustainable Choice survey and methodology built around the elements of ISO 20400:2017 – Sustainable Procurement Guidance Standard.

The results revealed an increase in LGP's score from 27 (2021) to 54 (2022), equating to a Sustainable Procurement Scorecard **ranking improvement from Activated to Intermediate**.

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MESSAGE FROM THE CHAIR

The 2021/22 financial year will be a period forever remembered for the impacts resulting from the COVID -19 pandemic which placed significant challenges on the community, businesses and public services.

It is pleasing to report Local Government Procurement (LGP) responded effectively to these challenges and recorded another successful year. I commend the efforts of the Board, the CEO, the Executive Team and all LGP staff for the innovation and adaptations to our business in this period to ensure this success.

Despite the economic disruption and supply chain issues, **our hard work enabled LGP's 33 contracts to achieve \$720 million** in contract spend, an increase of over \$10 million on the previous year.

This spending enables councils to save scarce financial and other resources to effectively and efficiently deliver works and services to their communities. We are very proud to contribute to these community outcomes.

Thanks to the support given by councils across NSW using our contracts, training and consulting services we were able to allocate **nearly \$1 million in rebates** to councils, regional organisations of councils (ROCs) and joint organisations (JOs).

We were also very excited that for the first time LGP is providing a new method of funding through the **Procurement Capability Grant fund** for innovative projects to enhance procurement capability in our sector. We were delighted with the huge response and excellent submissions from councils and we are therefore looking forward to further developing and expanding this program in the future.

Our 15 strategic goal teams delivered 40 targeted achievements and initiatives in year 2 of our 2020-2023 Strategic Plan.

Some of the **key achievements** include:

- ▶ Created and implemented an **Employee Engagement Model**.
- ▶ New **Electric Vehicle and Charging Stations Contract** ready to launch for 1 July 2022.
- ▶ Completed a draft standardised process for embedding sustainability in tenders.
- ▶ Significant progress at LGP in **sustainable procurement** achieved, evident by increase of Annual Sustainable Procurement survey score from 27% in 2020 to 54% in 2021.
- ▶ Designed and launched the LGP Innovation Incubator on LGP's intranet with over 20 new ideas presented and addressed by the Executive Team.

We thank Councillor Jerome Laxale for his contribution to the Board as one of our LGNSW Associate Directors. Councillor Laxale has resigned his positions with LGNSW following his election as Member of Parliament for Bennelong. The Associate Director role assists us to collaborate with LGNSW and we appreciate the support and guidance provided to us by Cr Laxale.

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

I am proud to share that LGP is a stronger organisation having survived the turmoil of the last few years. The resilience of the business model, our staff, our customers and suppliers has been tested and we have evolved and grown from the experience.

We delivered against the second year of the 2020-2023 Strategic Plan by expanding our sustainability offerings, investing and growing our people with 81% of staff being 'engaged' in our business.

Our customers and stakeholders have told us we are improving with a **10% lift in our stakeholder sentiment** index to a 7 out of 10 ranking. LGP has spent the last 12 months looking to invite and support more local suppliers on to our contracts, as well as launching new contracts in new categories.

These areas of focus are the five pillars from our strategic plan which the entire business is engaged with, and delivering to continuously improve and grow. In FY22 this is evidenced with a series of significant 'firsts'. LGP launched its first white paper, developed in conjunction and co-authored with members of the LGP Customer Reference Group. We released a **series of 'tool kits'** to help councils and suppliers take action towards social procurement initiatives, namely the modern slavery. Our new registered training organisation (RTO), **Local Government Training Academy** celebrated our first cohort of graduates from our Project Management Diploma.

Probably the biggest game-changer for LGP was the launch of our first ever **grant program for councils**. In FY22 LGP made \$95,000 available to fund nominated procurement capability projects. The response was overwhelming, which is forcing LGP to maintain the program on an annual basis to continue investing in the current and future procurement needs of our councils.

WE ROLLED OUT A SERIES OF NEW CORPORATE TECHNOLOGY SYSTEMS AS WE PURSUE A DIGITALLY-ENABLED AND AUTOMATED OPERATION

Our people continue to lift their level of influence. We would like to acknowledge Phill Scott (Chief Procurement Officer) for his appointment to the World Commerce & Contracting International Representative Council. In addition, Tania Lalor (Senior Consultant, Sustainable Procurement) was appointed to the Planet Ark ACE Hub Procurement Working Group.

Change brings great opportunity. Like a lot of businesses over the past few years, LGP has been surrounded by, and embraced this change. We have done an excellent job in creating new opportunities for us to work with our customers and stakeholders. LGP's attitude towards change will be to **embrace and adapt**, so we can keep evolving to create and drive new value for local communities.

Thank you

Chief Executive Officer

LOCAL GOVERNMENT PROCUREMENT 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.

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.



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.

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. Health District Audit and Risk Committee.



LOCAL GOVERNMENT PROCUREMENT 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 Mountains City Council.

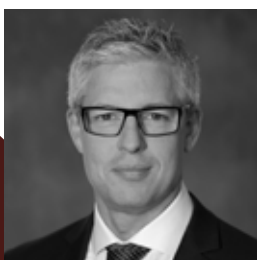
CR JEROME LAXALE ASSOCIATE DIRECTOR

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.



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.

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 \$9 million to the local government sector through the rebate scheme.**

CONTRACT SPEND



During the 2021/22 financial year LGP contract spend was **\$720 million**. Overall, **2,321 online RFXs** were submitted through LGP panel contracts – with an estimated value of **\$516 million**.

SAVINGS



LGP's efficiency and expertise saved the NSW Local Government sector an estimated **\$66 million** or equivalent of **300,600 resource hours** overall for the financial year.

REBATES



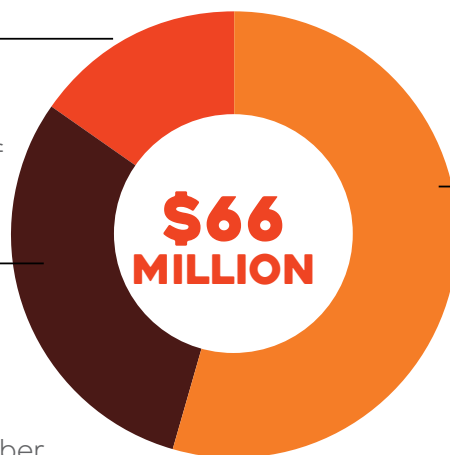
LGP finished the 2021/22 financial year with a gross surplus of \$2.7 million (before allocation of rebates) thanks to the support given by councils across NSW in using our contracts, training and consulting services. As a result, the FY22 **Rebate scheme paid just under \$1 million** to councils, ROCs and JOs.

\$10 MILLION IN CONTRACT MANAGEMENT COSTS

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

\$20 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%)

PROCUREMENT CAPABILITY GRANT FUND

LGP expanded its value to the local government sector and our key stakeholders. We launched the Procurement Capability Grant Program where, for the first time LGP is providing a new method of **funding for innovative projects** to enhance procurement capacity and capability in our sector.

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. Originally a two-year initiative, it has been **extended to three-years**, 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 2021/22, the second year of the program 12 individuals accessed **over \$30,000 in funding** to undertake accredited procurement qualifications.

INNOVATIVE PROJECTS AND/OR REFERENTIAL TREATMENT WHITE PAPER

In conjunction with our Customer Reference Group (CRG) made up of diverse council procurement professionals, LGP launched our first white paper '*Challenges of innovative projects and/or preferential treatment under the tendering process in NSW local government*'.



LGP TENDERING & CONTRACTS

... to be paid in

... at the time of closing the sale.

... purchase price shall be paid in cash at the time of closing the sale

... obtain a first mortgage loan within _____ days after the

... amount of \$ _____ payable in _____ financing. If

... in the time specified above then either Purchaser or Seller may terminate

... proposed by Purchaser will be promptly refunded.

The purchase price shall be paid in cash at the time of closing the sale

... 20 _____ in the original amount of \$ _____ of such

... The purchase price shall be paid in cash at the time of the

... price the then outstanding balance due and owing under the

... 20 _____ having a present balance of

... 20 _____ which the purchaser hereby

... and to perform all of its provisions, purchaser shall pay

... sale. Any transfer fees required by the mortgage shall be

... will be paid in accordance with the certain land contract

... reference. The down payment to be made at the time of

... shall be paid at the rate of

The purchase price at

... this contract by _____ and the s

... with the broker which shall be applied to the

... offer is not accepted by Seller this earnest

... event that this offer is accepted by

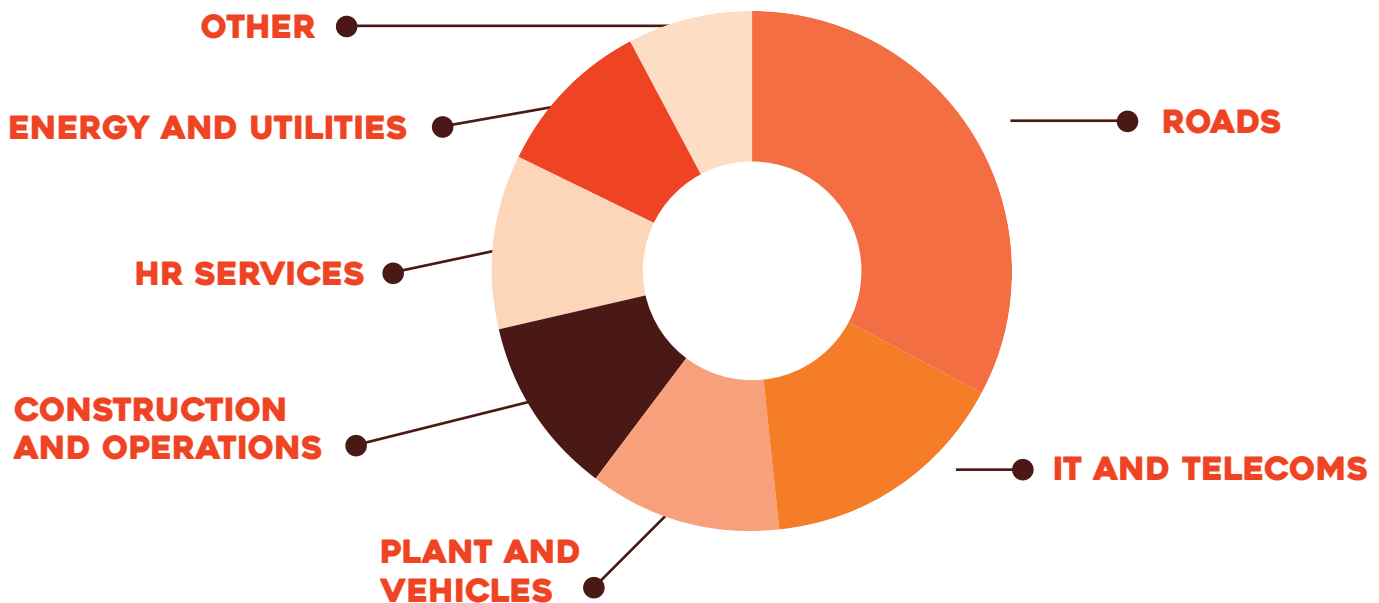
... deposit shall be forfeited

... starting any other legal

TENDERING & CONTRACTS

IN 2021/22 THE NSW LOCAL GOVERNMENT SECTOR SPENT \$720 MILLION THROUGH LGP CONTRACTS

CATEGORY SPEND



The contracts with the **biggest spend** during the year were:

- ▶ \$199 million – Bitumen, Emulsions and Asphalt Materials and Services
- ▶ \$81 million – HR Placements and Associated Services
- ▶ \$68 million – Electricity
- ▶ \$48 million – ITC Product, Services and Consulting
- ▶ \$43 million – Minor and Major Capital Works

DURING THE YEAR WE ESTABLISHED THREE NEW CONTRACTS.

LGP established **THREE new** contracts for:

- ▶ Fleet Management and Telematics
- ▶ Electric Vehicles and Charging Stations
- ▶ 100% Renewable Energy contract

LGP **refreshed THREE** contracts for:

- ▶ Industrial, Construction, Electrical, Domestic, Urban & Civil Consumables, General Hardware & Materials
- ▶ IT&C Products, Services & Consulting
- ▶ Professional Consulting Services



TENDERING & CONTRACTS

LGP HAD 33 CONTRACTS IN OPERATION, ENCOMPASSING 1,060 LGP APPROVED CONTRACTORS

During the year **four tender processes were conducted** with 397 submissions received from tenderers.

LGP is now focused on providing councils a greater supply coverage through new contracts in FY22. Leading the way were the addition of **Fleet Management and Telematics** contract along with the **Electric Vehicles and Charging Stations**. The first **100% Renewable Energy** contract was also launched to help our sector take action towards their net zero commitments.

Two new positions were recruited to drive further value: a Contract Administrator and a Process and Technology Analyst.

The **Contract Administrator** enabled a successful refresh of the **Minor Major Works contract** as the team focused on product development with deep customer engagement. This contract has been widely used, growing **from \$3 million in FY21 council spend to over \$43 million in FY22**. This has been delivered in parallel with one of the largest tender programs in LGP's history.

The **Process and Technology Analyst** enabled process improvements, technology automation, and dashboards. So far, **90 improvement initiatives have been identified**: 23 initiatives have been delivered with over 2,000 hours of annualised efficiency benefits; another 17 initiatives are currently in progress. These hours are being progressively reinvested to create greater value for the sector through new and refreshing contracts with deep sector engagement.

LGP's Chief Procurement Officer (CPO) has been engaged in **supporting strategic goals**. These include:

- ▶ developing **connections with indigenous sector** (e.g. the NSW Indigenous Chamber of Commerce),
- ▶ **promoting procurement** (e.g. through active participation with the Australian Procurement and Construction Council and the World Commerce and Contracting association),
- ▶ conference **presentations and webinars, workshops** on empowering local government staff,
- ▶ developing closer relations with some of our A class contractors; and
- ▶ communication with the Office of Local Government (OLG)



**LGP
SUPPORTING
OUR
COMMUNITIES**

LGP SUPPORTING OUR COMMUNITIES



THE HILLS
Sydney's Garden Shire

THE HILLS SHIRE COUNCIL AND LGP DELIVERING VALUE TO LOCAL COMMUNITIES

The Hills Shire is a large local government area (LGA) located in western Sydney. Two-thirds of the Shire is rural land used for farming and other agricultural industries. The area has been growing rapidly in recent years and is now home to over 180,000 residents. It is projected the population will grow to almost 300,000 in the next 15 years**.

As with all councils, The Hills Shire Council undertakes many procurement activities throughout each year to source goods, works and services to support the work it does for its local community. Procurement in local government is highly regulated and takes a significant amount of time and effort. Finding more efficient ways to procure goods, works and services means staff can spend more time on other value-adding activities such as project delivery and contract management to ensure they are providing quality services for their community and achieving value for money.

The Hills Shire Council has worked closely with Local Government Procurement for a number of years and **this year it doubled the amount it spent through LGP contracts**. This has **saved council staff many hours in tendering and contract administration** tasks instead undertaken by LGP.

Additionally, The Hills Shire Council has been able to source a significant amount of goods, works and services from its local suppliers through LGP contracts. This year, council spent over \$4 million with suppliers located in its LGA. According to the American Express Shop Small Report 2019*, **this spend with local suppliers is equivalent to local economic investment of almost \$2 million**.

THROUGH THEIR USE OF LGP CONTRACTS, THE HILLS SHIRE COUNCIL HAS BEEN ABLE TO DELIVER SIGNIFICANT ADDITIONAL VALUE FOR ITS LOCAL COMMUNITY



BUSINESS TRANSFORMATION USING CONSTRUCTIVE THINKING

Business transformation hits most, if not all organisations, whether we are ready for it or not. Changing landscapes, advancing technology, shifting and emerging markets, knowing precisely what transformation is and having a vision can become murky unless you have a clear strategy.

Encountering challenges on the way and learning throughout the process is fundamental to a successful business transformation. **Taking Risks is Key to Successful Business Transformation.** Knowing what risks one should take is the ‘million-dollar’ question.

This year LGP Consulting was fortunate in assisting a sister organisation. LGAT Procurement a business arm of the Local Government Association of Tasmania (LGAT) provides similar services to LGP. Like many organisations there comes a time when growth and expansion become questions that cannot be ignored. The decision of what to do can become clouded by operational solutions instead of strategic goals, innovation can be set aside by conservatism, staying within the comfort of what we know, instead of pushing the boundaries of our appetite for risk.

Sometimes we need people from the outside to hold up a mirror and help us see what we may not be able to see. LGAT Procurement took a brave but determined step to look at itself, ask and listen to what others think, to absorb feedback and recommendations, and to challenge itself, raise its risk-appetite, and invest in its future, towards lifting and expanding its services to Councils across Tasmania.

LGAT PROCUREMENT AND LGP CONSULTING AGREED TO CONDUCT A BUSINESS TRANSFORMATION BASED UPON TRUST, TRANSPARENCY, AND TRUTH

Trust was critical to share information, insights, and knowledge, transparency elicited candour and the truth enabled us to take a deep dive into facts, myths, and aspirations. Once exposed, we worked through what was negligible, what was challenging, what was reasonable, and what was critical.

We left no stone unturned, we lifted all and reached beneath to ensure that no skeletons were left behind. To achieve a successful strategic plan, all stakeholders needed to be heard, all ideas and concerns considered and the reality of spending money to create positive outcomes digested and supported.

LGP Consulting – as neutral party to the business transformation – provided stakeholders with a safe space for all to discuss challenges and opportunities. As an advisor to LGAT Procurement we discussed ‘cleansed’ feedback from all angles, we looked at risk and we **challenged conventional thinking with constructive thinking** that enhances innovation, high-performance and achievement.

A report was penned, discussed, amended, presented to the LGAT board and approvals sought and gained. We look forward to seeing the fruits of this engagement, to seeing our sister flourish and realise all that it has set out to achieve.

A close-up photograph of several hands holding white puzzle pieces. The hands are positioned around the pieces, with some holding them together and others holding them apart. The background is a soft, out-of-focus blue and purple gradient. A diagonal line runs across the image from the top right to the bottom left. The text 'LGP SERVICES' is overlaid in the center-left area.

LGP SERVICES



DURING 2021/22 LG TRAINING ACADEMY (LGTA) (CODE 45450) DELIVERED SPECIALISED PROCUREMENT AND CONTRACT MANAGEMENT TRAINING INCLUDING ELEARNING PROGRAMS TO ALMOST 400 PEOPLE



A planned **performance audit was conducted** by Australian Skills Quality Authority (ASQA) the regulator. LGTA successfully met the audit requirements and **registration was renewed** without any conditions attached for the maximum tenure of 7 years, until June 2028.

LGTA offers three qualifications: Diploma of Project Management, Diploma of Leadership and Management, and Diploma of Business – with eligibility to deliver across Australia. Over time and based on industry needs, more courses are being considered.

During 2021/22 **51 students completed or started one of four accredited qualifications.** More than **25 non-accredited and customised on-site training courses were delivered** in Sydney, regionally and online. The most popular courses were:

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

DURING 2021/22 THE CONSULTING TEAM SUCCESSFULLY SECURED 33 OPPORTUNITIES

We have **delivered 14 procurement projects**, including probity services, procurement transformations, independent chairperson engagements, video tutorials for council staff and local contractors and the traditional facilitation of Requests for Tenders.

Project Delivery

Our team assisted councils in NSW to deliver over 20 projects, including the facilitation of tenders: to establish a Panel of Architects and Project Managers; to appoint a contractor for the Processing of Food Organics and Garden Organics; to Construct a Library & Archive building; for the provision of Scrap metal purchase and removal; to appoint a contractor for Waste Collection & Processing; to select a technology solution to deliver a Document Management System; and to appoint a contractor to lease, operate and provide innovative use of a councils asset, facility and land.

Our consultants also delivered a Business Transformation engagement for one of our sister organisations, producing a three-year Strategic Plan to achieve growth and expansion.

We have assisted a council to ensure procurement was represented as the “acting procurement manager” in the roll-out of its newly acquired enterprise resource planning (ERP) system. We chaired the evaluation panel for another council, securing the outcome of transparency and probity where separation of duties was identified as a procurement risk. We conducted a Procurement Transformation for a council that wanted to understand how procurement was represented and what ‘good practice’ procurement could look

like. We produced two Video Tutorials: one designed for a council’s local suppliers to make awareness convenient and available anytime and ensure information dissemination was consistent; the other for the ‘foundation learning’ for staff, again ensuring staff received consistent and accurate information.

Webinars and Networking events

The Consulting Team identified an area for improvement in **raising awareness of our range of services** to assist councils. LGP Consulting together with LGP Marketing developed the **Product Webinar series**. This initiative would deliver 3 or 4 webinars annually, focusing on topics that aligned with the services we provide and the experiences we could share, or knowledge and relevant business cases that would inform or assist councils. So far, we have delivered 5 webinars, talking to Local Government in NSW about probity, creating value through sustainable procurement, building valuable leadership habits, relaunching ISO20400 Sustainability and what is “Procurement as a Service”.

In 2022 after the pandemic, we re-commenced the **LGP Networking sessions hosted by our BDMs**. Consulting works closely with our business development team. This year Consulting decided to focus on “Not Just Tenders”. We know that being part of LGP, there is the natural assumption that we could and do facilitate the running of tenders. But we do a lot more, as those councils that have experienced our probity services or transformations or video tutorials know. However so many didn’t know, so we decided to take the message and share it at the Networking events.

SUSTAINABLE CHOICE



64 COUNCILS HAVE COMMITTED TO SUSTAINABLE PROCUREMENT BY JOINING SUSTAINABLE CHOICE

Membership is free and provides access to webinars, a comprehensive suite of online resources and general advice and guidance.

In addition **14 councils participated in the Sustainable Choice annual sustainable procurement survey.** The survey is a health check against the ISO 20400 guidance standard on sustainable procurement. Participating councils received an individual scorecard and a performance report, which provided guidance on how they can progress their sustainable procurement practices.

Modern Slavery

In response to new legislative requirements requiring councils to take steps to ensure the goods and services they procure are not the product of modern slavery, **LGP developed an online Modern Slavery Toolkit.** The toolkit provides resources to assist councils to identify, assess and manage modern slavery risks.

LGP also developed a **Modern Slavery Awareness training module** for councils.

LGP's **second annual modern slavery risk assessment was completed across all LGP approved contractors** in November 2021.

Refreshed supplier modern slavery risk ratings are now available in VendorPanel when accessing LGP contracts, enabling councils who purchase through the contracts to better meet the new legislative requirements related to modern slavery.

Many contractors who responded to the risk assessment improved their risk rating score from 2020, particularly those contractors that had utilised the LGP Modern Slavery Toolkit for Small to Medium Sized Enterprises (SMEs).

Sustainability Filter Tags

Sustainability filter tags are now available for some LGP Contracts in VendorPanel. These Contracts include LGP115-2 IT&C Products, Services and Consulting, LGP420 Minor and Major Civil Works including Construction Materials, and LGP321 Electric Vehicles and Charging Infrastructure. In 2022/2023 we will continue to collect data and assign filters to all other contracts.

Some of the **Filters available include:**

Sustainable Business Practices, Products Containing Recycled Content, Water Efficient, Energy Efficient, Certified Carbon Neutral, Reduced Carbon, Indigenous Owned Business, Social Enterprise, Recyclable Products, Circular Economy Initiatives Implemented and End of Life/Collection/Recycling Service.

EVENTS

**DURING
2021/22 THE
LGP EVENTS
PROGRAM
DELIVERED
24 EVENTS
TO MORE
THAN 1,030
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.

Due to the ongoing pandemic, the 14th LGP Annual Conference, originally scheduled for October 2021, was postponed until October 2022.

In 2021 we launched our **first ever IT Networking Meeting**. The inaugural event was attended by Chief Information Officers (CIOs), IT Directors and IT Managers. The procurement, engineering and IT 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, IT and sustainable initiatives within local government and best practices.

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

8 **PROCUREMENT,
ENGINEERING
AND IT NETWORK
MEETINGS**

attended by more than **230**
DELEGATES

16
**ENGAGEMENT
EVENTS**
attended by more than **800**
PARTICIPANTS

STAKEHOLDER SENTIMENT IS 70% 

 **APPROVED CONTRACTOR SATISFACTION IS 71%**

EMPLOYEE ENGAGEMENT IS 80.5% 

Coming through the challenges of FY22, LGP is a stronger organisation.

IN 2023 LGP WILL CONTINUE TO LOOK FOR OPPORTUNITIES TO PROVIDE LEADERSHIP FOR THE NSW LOCAL GOVERNMENT SECTOR.

Some of these **key areas include delivering new solutions that support council's net zero strategy and deadlines.** We will build on our new Electric Vehicles contract, release new 100% renewable energy contracts, support council investment in renewable energy generation, find ways to support the circular economy and provide innovative solutions to help decarbonise our communities.

LGP is a recognised thought leader in **social procurement for councils.** Our existing services will be expanded upon to help councils detect and prevent modern slavery in their supply chains, support regional suppliers as well as small and medium sized enterprises, source more products made from recycled materials. We will support the sector to understand how an organisation is managing risks and opportunities related to environmental, social, and governance criteria.

We continue to invest in **building sector capability** through the **LG Training Academy**, our Registered Training Organisation. We will continue with the new **Procurement Capability Grant Program** to fund council procurement projects that help lift the quality of procurement activity among NSW councils.

Our contracts will continue to be optimised to **overcome supply chain challenges** and deliver even greater value by advocating for innovative sourcing techniques. We will continue to make changes to our processes and procedures to become more efficient to better focus our resources, as well as reduce the cost of doing business for councils and our suppliers.



**LOCAL
GOVERNMENT
PROCUREMENT**

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