

Organisational Guideline

Social Benefit Procurement Guideline

Corporate Plan references and Strategic Pathways	Our strong community Our resilient economy Our outstanding organisation	
Endorsed by Chief Executive Officer		4 July 2022
Manager responsible for guideline	Manager Business & Innovation	

Introduction

Council's Corporate Plan 2021-2025 provides the goal "Our communities are connected and thriving places where people are included, treated with respect and opportunities are available for all".

The Sunshine Coast Community Strategy 2019-2041 has an outcome measure for "more than 20% growth in social enterprises operating in the Sunshine Coast Local Government Area."

Social benefit procurement uses procurement processes and purchasing power to generate positive social and economic outcomes in addition to the efficient delivery of goods, services and works. Council recognises the value of engaging in social procurement.

Council's support of social benefit procurement can enable local enterprise growth and responses to social issues that improve the quality of life for local residents.

The purpose of this guideline is to outline a framework for council to conduct social benefit procurement in its contracting activities.

Guideline details

This guideline applies to any contracting activities undertaken by Council.

Social Benefit Suppliers are organisations whose social mission is centred on benefitting a group of people who are considered disadvantaged in their local community. Such organisations channel economic and social resources into a community in response to an underlying social need/issue.

Social Benefit Suppliers may include:

- Community Organisations, including not-for-profit entities
- Australian disability enterprises
- Charitable business ventures
- Community development finance institutions
- Worker or community owned co-operatives

- Fair trade social enterprises
- Intermediate labour market companies
- Social enterprises

Application to Procurement Processes

Council will incentivise the engagement of Social Benefit Suppliers by facilitating a preference for Social Benefit Suppliers in its contracting activities as follows:

1. Conducting a restricted procurement process where capable Social Benefit Suppliers have been identified; or
2. Identifying contracting activities where the contract will require a supplier to reach a specific target relating to the engagement of local Social Benefit Suppliers in the delivery of the services under the contract; or
3. Inviting and assessing Tenders and Quotes from suppliers.

Forming Supplier Arrangements

Council creates Supplier Arrangements by conducting a public tender.

When conducting a public tender to create a Supplier Arrangement, council will, at a minimum, include the evaluation criterion for Social and Economic Factors which must receive a combined total weighting of no less than 20%. Council may, in appropriate circumstances, consider and apply other strategies in those tenders to support or drive greater Social Benefit Supplier engagement.

Contracts formed from External Supplier Arrangements

An externally created Supplier Arrangement is one that council did not form, but council is seeking to utilise for a particular procurement. The most common example of such arrangements are those created by Local Buy, and by Commonwealth, State, or other Local Governments.

Where a contract is sought to be formed using an externally created Supplier Arrangement, Council Officers should seek to identify if there are any Social Benefit Suppliers on that Supplier Arrangement. If there are, appropriate consideration should be given to inviting quote/s from those supplier/s.

Evaluation of Social Benefit Suppliers

When council undertakes a contracting activity where responses are to be evaluated against pre-determined evaluation criteria, then the evaluation criterion of Social Benefit Engagement must be included and evaluated.

The criterion will be evaluated having regard to the business of the Respondent and the Respondent’s explanation of their Social Benefit Engagement.

Evaluation of each submission will consider the above information and scoring will be applied as follows:

Supplier	Scoring:	% Score	Overall weighting
A Supplier that is a Social Benefit Supplier	5/5	100%	Up to 20%
A Supplier that is not a Social Benefit Supplier but demonstrates that they are engaging Social Benefit Suppliers in their supply chain	0-5/5	0-100%	
Not a Social Benefit Supplier and not engaging Social Benefit Suppliers in their supply chain	0/5	0%	

Drafting of specifications

When drafting specifications, the author should consider whether the goods or services sought can be delivered by a Social Benefit Supplier or whether a commercial supplier could engage members from a disadvantaged group.

If drafting of the specification is outsourced to a consultant, this should be conveyed to the consultant for consideration/inclusion in the specification.

Roles and responsibilities

Council Officers with a role or responsibility under this guideline are:

Chief Executive Officer is responsible for approving this Guideline.

Group Executive Business Performance is responsible for overseeing all financial management systems and services, including Contracting Activities.

Manager, Business & Innovation is responsible for implementing and maintaining this guideline. This includes reviewing and reporting on its effectiveness, Council's compliance with it, and recommending changes to improve its effectiveness.

All Managers are responsible for ensuring all Council Officers comply with this guideline when undertaking Contracting Activities.

All Officers are responsible for complying with this guideline when undertaking Procurement and Contracting Activities. Only officers delegated the authority to conduct Contracting Activities as per Delegation No 2 – Procurement and Contracting Activities and Payments Delegation are permitted to commence or bind Council in contract resulting from a Contracting Activity, and only within the limits of the relevant financial authority set in that delegation.

Definitions

The definitions in the *Procurement Policy* and *Contract Manual* apply to this guideline.

Related legislation, policies, strategies and documents

Public Sector Ethics Act 1994 (Qld)

Local Government Act 2009 (Qld)

Local Government Regulation 2012 (Qld)

2022/23 Procurement Policy

2022/23 Contact Manual

2022/23 Contracting Plan other guidelines for that policy

Sunshine Coast Council Corporate Plan 2021-2025

Sunshine Coast Council Community Strategy 2019-2041

Regional Economic Development Strategy 2013-2033 (REDS)

Version control:

Version	Reason/ Trigger	Change (Y/N)	Endorsed/ Reviewed by	Date
1.0	Create New		Council	21 June 2018
2.0	Annual Endorsement	N	Council	20 June 2019
3.0	Annual Endorsement	Y	Council (SM20/13)	11 June 2020
4.0	Annual Endorsement	Y	Council	