

Building Community Centred Economies Conference

Brisbane City Council Social Procurement



Ian Maynard - 18 June 2009

Dedicated to a better Brisbane

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Social Procurement in Brisbane City - A Grass Cutting Opportunity

A CEO initiative in 2002

- Council grassed areas including parks, road side and drainage areas cut by commercial contractors
- Small / disparate areas not viable for the commercial operators - can't get the tractor in. An opportunity for Social Enterprise?
- Nundah Co-op start with three small parks and limited equipment – Cutting grass, landscaping and park maintenance

The Benefits

- Community and employment outcomes
- A high quality service for Council
- No additional management requirements
- A reduction in graffiti and vandalism
- Sustainable businesses



A Grass Cutting Opportunity (cont.)

Today

- Nundah Co-op now maintain some 19 Council parks
- Cerebral Palsy Australia maintain 6 Council parks
- Sustainable Garden Services maintain 3 Council parks in West End
- Discussions underway with Sandbag to maintain some Council parks



Driving Social Procurement in Council

Council's Annual Procurement & Disposal Plans

- Contains annual objectives on Social Procurement including:
 - Initiatives
 - KPIs
 - Targets
 - Accountabilities
- Contains exemptions from standard procurement processes



Social Procurement - Success Stories 2007/08

Services provided to Council by Social Enterprises in 2007/08

- Parks maintenance and landscaping
- Graphic Design Services
- Catering Services

Spend with Social Enterprises in 2007/08 and Council's active involvement

- \$243,000 in 2007/08
- Forum with Social Enterprises on how to win Council business

Winning public Tenders

- Graphic Design Services – Council Panel Arrangement contract for four years commenced in June 2007



Social Procurement - Success Stories 2008/09

Services provided to Council by Social Enterprises in 2008/09

- Parks maintenance and landscaping
- Graphic Design Services
- Catering Services
- Pest Control Services
- Provision of wooden stakes

Spend with Social Enterprises in 2008/09 and Council's active involvement

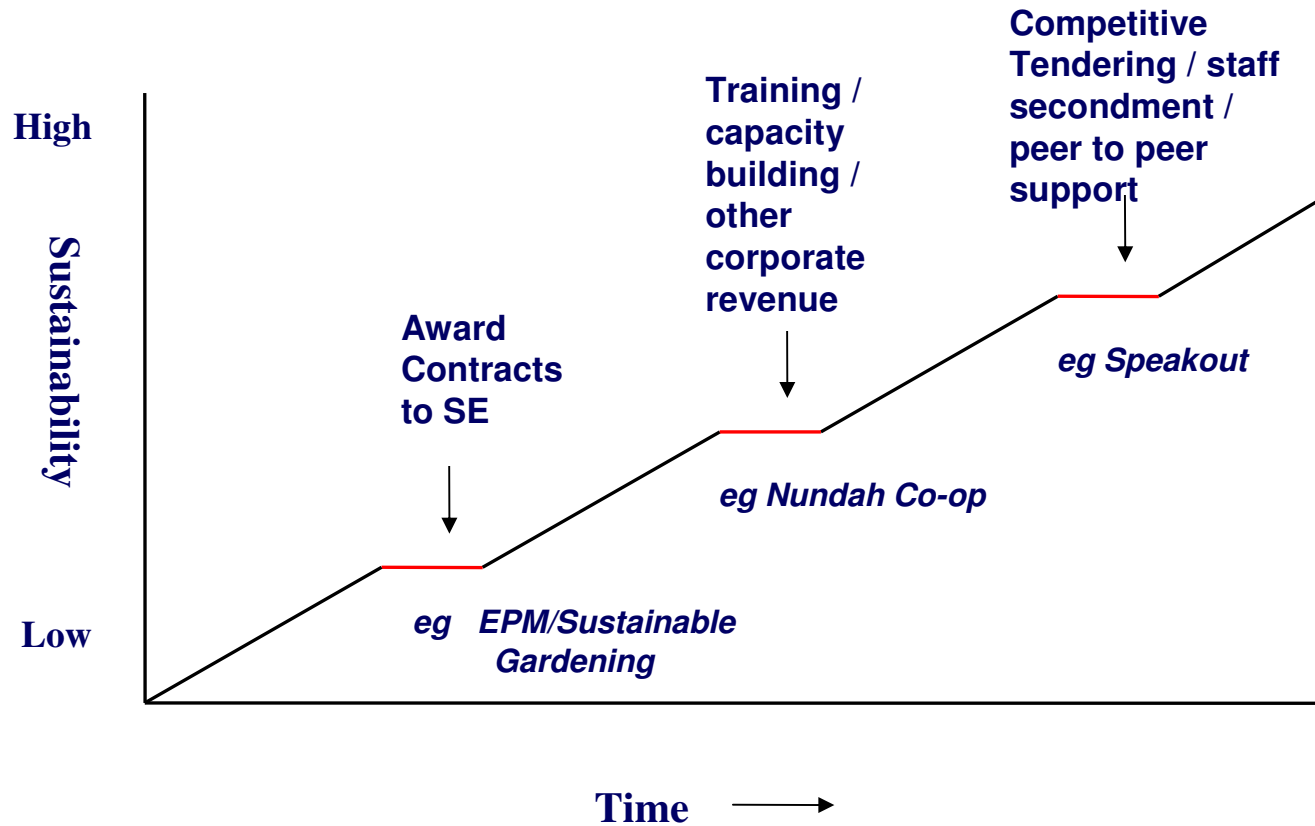
- \$245,000 spend (estimated)
- Training and mentoring sessions with Social Enterprises

Winning public Tenders

- Wooden stakes and posts used by Council for tree stabilisation and road edge guide posts – Part of a General Hardware Tender in October 2008
- Speakout maintained their position on Council's Graphic Design Service Panel



The Future Focus of Social Procurement for Council



The Future Focus of Social Procurement for Council

- **Increase spend with Social Enterprise** - \$500,000 targeted for 2009/10
- **Increase capacity of local Social Enterprises** to meet demand in a sustainable fashion through training, mentoring and working with partners
- **Encourage business areas to look for opportunities** to award work or purchases to local Social Enterprises – Raise awareness, provide a process to facilitate, celebrate successes
- **Develop Champions** – among Council personnel



The future focus of social Procurement for Council (cont)

- **Identify and pursue opportunities:**
 - Match SE capability / capacity with Council requirements
 - Invite the market to create a new SE to meet an opportunity
 - Reward commercial Tenderers who include SEs in subcontracting arrangements or further Council objectives
- **Broaden definitions** - to encompass procurement from other marginalised segments of the community
- **Promotion of indigenous employment**



Procurement Processes

Incorporate into main stream procurement processes:

- Where required to get at least three quotes – “Have you thought about getting a quote a from a Social Enterprise? Here’s the ones we know about..”
- Use of Tender evaluation criteria to reward Social Enterprise or solutions incorporating Social Enterprise on suitable contracts
- Stimulate Corporate Suppliers to contribute

Awarding contracts directly to SEs (Sole and Select Sourcing) – the public interest test:

- Process set out in the Annual Procurement & Disposal Plan to provide a consistent and clear approach, definitions and a framework for establishing whether it is in the public interest to award a contract directly to a SE (or undertake a restricted procurement)
- Ever increasing list of qualifying enterprises



The Public Interest Test

The Social / Micro / Community Enterprise public interest Test – key features:

- The basis upon which the organisation is considered to be a Social, Micro or Community Enterprise
- How the contract will develop the capacity and/or capability of the Social, Micro or Community Enterprise or otherwise contribute to Council's Procurement objectives or 2026 Vision;
- Consideration given to commercial enterprises operating in the sector and whether they would be unduly prejudiced by the award of such a contract;
- Consideration of other known Social, Micro or Community Enterprises and whether it would be appropriate for the those organisations to compete with each other for the contract;
- How quality of the goods and/or services is to be ensured;
- How value for money will achieved by Council; and
- Past performance of the supplier where a repeat contract is being considered.



Summary

- **Value in growing new competitive suppliers** – Award appropriate contracts directly to SE's to nurture growth / capability
- **Driving Value for Money** – For appropriate contracts, undertake restricted 'SE only' competitive process, driving value for money and improving efficiency
- **Use Tender evaluation criteria** - To reward Social Enterprise on suitable contracts - Working towards SEs competing with the open market

