

MEDIA RELEASE - THURSDAY, 30 MARCH 2023

Auditor-General tables report to Parliament on Strategic procurement in local government

Mr Whitehead said, ‘the intent of the audit was to assess whether councils implemented strategies to derive value through procurement beyond compliance with legislative requirements’.

In expressing his conclusion Mr Whitehead said, “the 6 councils examined were broadly effective in identifying, embedding and monitoring strategies to derive value through procurement’.

The report found that all 6 councils had identified strategies to achieve value through procurement, which were set out in their Codes for Tenders and Contracts and/or procurement policies. All had processes for selection of the best supplier that considered elements beyond cost considerations, such as value for money. Most councils had linked, at a high level, major procurement decisions to goals and objectives in their strategic plan.

Mr Whitehead said, “while all 6 councils were effective in implementing their strategies in their procurement practices, their approach to monitoring value from procurement was less effective, with most councils not measuring or assessing the value derived”.

The Report makes 3 recommendations to strengthen the approach taken by councils to derive value from procurement. The recommendations included:

- documenting how procurement-related activities support the achievement of strategic goals and objectives
- providing staff carrying out procurement with regular procurement related training
- developing processes to monitor and review the value derived from procurement activities, including the establishment of performance targets and measures.

Mr Whitehead also recommended local government stakeholders collaboratively enhance strategic procurement guidance and opportunities for councils.

[Click on this link to read the Report.](#)

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