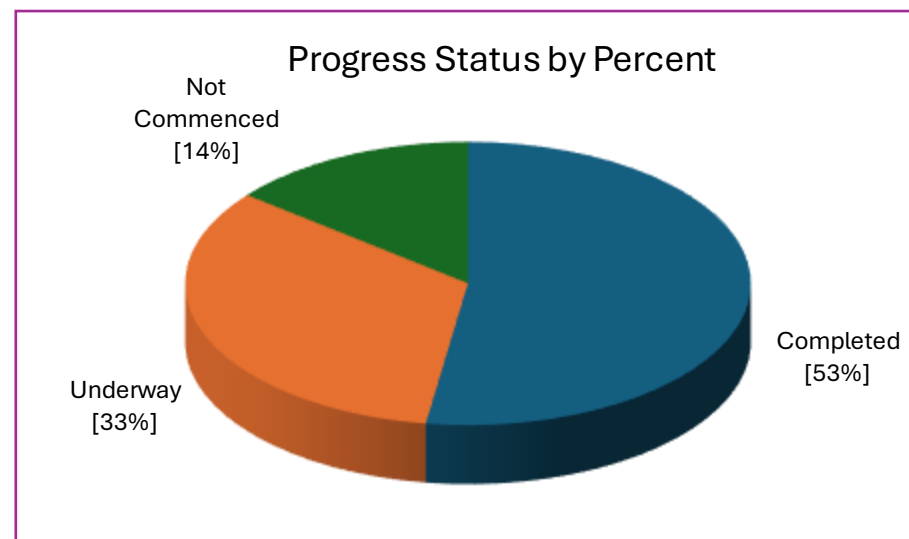
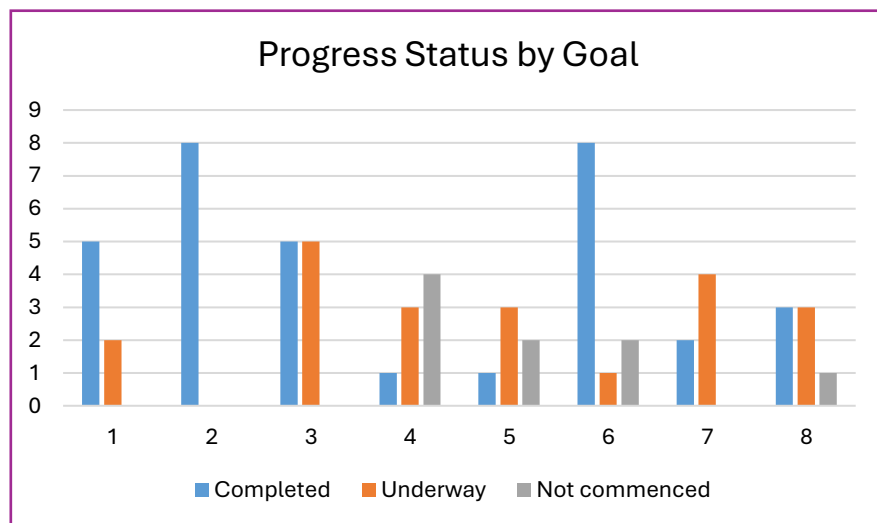


City of Hobart Procurement Strategy 2023-27 Action Plan Progress Report – as at 30 June 2025

The Procurement Strategy is being implemented across the period 2023 – 2027. The following 8 interrelated strategic procurement objectives provide the structure and framework from which work and priorities are implemented:

- 1 Procurement operations
- 2 Strategic sourcing and category management
- 3 Supplier engagement and contract management
- 4 Sustainable, responsible and social procurement
- 5 Innovation
- 6 Service delivery and performance
- 7 Procure to Pay efficiency
- 8 Optimised inventory management

The implementation of the 2023-27 Action Plan to date has seen the commencement of 86% of actions with 53% of those complete. As illustrated in the following graphs 53% of actions are complete, 33% are underway and 14% are not yet scheduled to commence.



1: Procurement Operations				Progress as at 30 June 2025	
Objectives	Ref #	Action	Benefits	30 June	Comments
A centre-led procurement model that supports the City to achieve value for money and community benefits aligned with the City's strategic objectives.	1.2	Keep abreast of professional development opportunities and best practice procurement through peak bodies, government and local government associations.	The City is supported by a centre-led procurement model and procurement professionals with contemporary skills.	✓	The City Procurement team provides services to whole of Council on the basis of the centre-led procurement model. The City Procurement Team actively engages with Procurement Australia, the National Procurement Network and the Local Government Association of Tasmania Procurement to ensure value for money outcomes for the community.
A procurement team with procurement professionals who have appropriate skills and training to perform their roles.	1.1	Develop and implement a Success Plan for each Team member.	Identification of personal development and training needs.	✓	A Success Plan is in place for each Team member to support their ongoing learning and professional development. Monthly in-house procurement professional development is provided for each team member.
The City is focused on best practice procurement.	1.3	Develop a Procurement Communications Plan to ensure widespread awareness of new Contracts, particularly for those for common use, opportunities to engage with supplier and opportunities to input to contract renewal.	To enhance City buyers knowledge and increase best practice procurement.	✓	Procurement provides regular communications to the City's buyers.
A procurement team that is customer and community focused and enables the creation of programs	1.4	Maintain and enhance the Procurement Portal to ensure a contemporary one-stop-shop accessible to all	To ensure use of current contracts and the City's prescribed forms and processes for buyer led procurements	✓	The City has an actively maintained procurement portal for the City's buyers providing advice, resources, guides, procedures, processes and work instructions as well as an online tool for seeking quotations for goods, services and works.

✓ Completed

⇒ Underway

X Not commenced

and services for the community as well as the infrastructure required of a Capital City council.		employees, easy to use and up to date.			
An integrated quote and tender program for goods, services and works aligned with the City's project and capital works program.	1.5	Develop an integrated quote and tender framework for all procurement types that is aligned with the operational and capital works budgets.	To enable details of forward and future procurements to be made available to the market in advance and increase the number of suppliers tendering for Council business as a result.	✓	The City has developed an integrated quote and tender program for goods, services and works.
Procurement activities are appropriately planned and procurement planning is an integral part of the procurement process.	1.6	Create and promote a procurement planning and sourcing framework and guidelines, including a Procurement Plan template. Proactively plan the sourcing strategy for key procurements.	Reduces supply chain issues, increases transparency and efficiency, increases value for money outcomes, increases supplier response and reduces risk	⇒	A procurement planning and sourcing framework and guidelines has been developed. It will be implemented during 2025-26.
A Contract Register that is automated and enables effective contract renewal, extension and variation.	1.7	Procure and implement an electronic Contracts Register for the City to replace the manual Contracts Register.	Ensures a single source of truth for all Contracts the City has, not just procurement contracts and ensures no duplicates and contracts are renewed or extended by contract expiry.	⇒	During 2024-25 Procurement has worked with ICT to develop in-house a Contract Register that will be used for all contract types at the City. Longer term consideration of an online contract management tool will be considered by the City in line with consideration of broader system requirements.

2: Strategic Sourcing and Category Management				Progress as at 30 June 2025	
Objectives	Ref #	Action	Benefits	30 June	Comments
The City leverages its consolidated purchasing power to achieve the best possible value in the marketplace.	2.1	Work with the Local Government Association of Tasmania (LGAT) on contracts for all Tasmanian councils use	Value for money outcomes achieved.	✓	The City's Procurement Team meets with LGAT Procurement on a regular basis to discuss key contracts for all Tasmanian councils use and is a member of the LGAT Procurement Reference Group.
The City has a category management approach that results in lower purchase costs, improved service from suppliers and lower internal costs.	2.2	Review Council's current contracts as they come up for renewal to ensure goods, services and works are bundled appropriately to achieve value for money for the City.	Bundling goods effectively i.e. gravel and sand instead of sand alone can create cost savings.	✓	All new Contracts and Contract renewals are the result of a category management approach. This continues to be a significant management focus.
The City is proactively engaged with LGAT and uses contracts established by the State Government, the National Procurement Network, Procurement Australia or another council, instead of undertaking its own tender process where value for	2.3	Reinforce the City's policy position that LGAT / National Procurement Network Contracts, State Government, other Council or procurement Australia Contracts are to be considered first rather than undertaking own tender processes, where value for money outcomes will be achieved.	Best value money outcomes for Council.	✓	Procurement proactively considers its procurement strategy for each individual procurement coming up for renewal or new. Options include tapping into a State Government, Procurement Australia, National Procurement Network (NPN) or other council Contract already formed as a result of a Tender process. The City's approach is to opt into a LGAT/NPN Panel unless it can be demonstrated that doing so does not represent best value for money for the City. The City currently opts into 16 Contracts that were established through a tender process run by the NPN (LGAT), Procurement Australia or the State Government.

✓ Completed

⇒ Underway

X Not commenced

money outcomes will be achieved.					
Panel arrangements are established where appropriate, refreshed when required and consistently used at Council	2.4	Review Panel arrangements, adopt a process for refreshing Panels where effective to do so and ensure panel suppliers have equitable access to business opportunities.	Clarity and legislative compliance	✓	The City has a Policy, conditions & criteria and process for Standing Contract Panel additions to ensure suppliers have equitable access to business opportunities. A review has been completed.
Sourcing from the City's Panels is done via VendorPanel, the City's online sourcing tool	2.5	Implement the eQuotation tool VendorPanel for all of the City's Panel arrangements enabling Council's buyers to seek quotes electronically rather than manually	Increased legislative compliance, probity, visibility of spend and reporting opportunities, achievement of best value for money and efficiencies for Council and CPT.	✓	VendorPanel, the City's online eQuotation tool for seeking quotes from the City's contracted suppliers went live on 1 July 2024 realising the cited benefits.
Contracts are packaged in a manner, where possible, which would make tendering more accessible for local suppliers, newly formed businesses, indigenous businesses and the not-for-profit sector.	2.6	Create common use agreements and / or contracts for Council spend over the tendering threshold or for high-risk works.	Value for money outcomes are achieved.	✓	The City has approximately 80% of its operational expenditure under a Contract, the result of a competitive procurement process.
Online ordering and online supplier catalogue usage is expanded but not so that this approach discourages local	2.7	Expand the use of online supplier catalogues and purchasing online to improve Council's sourcing activities where appropriate.	Ordering online can be faster and more efficient.	✓	The City utilises supplier online catalogues where applicable and encourages their use.

✓ Completed

⇒ Underway

X Not commenced

business from being able to supply to Council.					
Tender opportunities are available from one place, on tenderlink.com.au	2.8	Continue to utilise TenderLink to promote all business opportunities with the City over the tendering threshold.	Businesses receive a consistent approach from the City for Tenders.	✓	The City utilizes TenderLink for the provision of an e-tendering portal ensuring tender opportunities are available on a consistent platform.

3: Supplier Engagement and Contract Management				Progress as at 30 June 2025	
Objectives	Ref #	Action	Benefits	30 June	Comments
The City is an attractive place for suppliers to do business.	3.1	Hold an annual supplier briefing on the City's upcoming general and project business opportunities once the City's operational and capital works budgets are approved.	Suppliers are aware of upcoming business opportunities, maximizing participation in procurement processes to ensure competitive value for money outcomes.	✓	Supplier briefings are considered annually depending on the capital works program and held in August each year.
	3.2	Maintain the currency of the City's forward procurement program of upcoming business opportunities and a running list of awarded Contracts to the procurement area of the City's website.	Awareness of upcoming business opportunities accessible for all suppliers.	✓	Upcoming business opportunities are made available from the City's website and updated regularly.
The City actively promotes and engages suppliers on upcoming and future business opportunities	3.3	Introduce Procurement drop-in sessions for suppliers to engage with City Procurement.	Engaged and informed supplier base interested in doing business with the City. Reduction in supply chain issues.	⇒	Procurement drop-in sessions were conducted during 2023 as a trial of a more formal program. As a result of the review of the trial, these will be offered on an ongoing basis.
Local business and suppliers in general are supported through workshops and guidance on how they can do business with	3.4	Provide annual training and coaching sessions to enable suppliers to improve skills on how to bid for Council work.	Suppliers have the skills to be competitive when bidding for Council business.	⇒	Opportunities for suppliers are regularly provided including through the procurement drop-in sessions.

✓ Completed

⇒ Underway

X Not commenced

Council.					
Contracted suppliers have the opportunity to engage with the City about their service offerings.	3.5	Offer all suppliers post contract award the opportunity to present their offering to Council's buyers.	Increased knowledge and understanding amongst Council's buyers of new suppliers and their offerings.	✓	The City regularly provides this opportunity equally to its contracted suppliers for new contracts. The City runs an annual Procurement Showcase in the Town Hall ballroom to showcase new Contracts and related service offerings from suppliers. The last one undertaken was in November 2024.
Effective contract management practices are in place at the City of Hobart that enable the realisation of contract benefits.	3.6	Create an online contract management training program to complement the face-to-face training already offered to the City's contract managers.	Enhanced contract management skills.	⇒	Contract management training is provided to the City's contract managers through the LGAT Contract Management training program. An online contract management training program will be considered during 2025-26.
	3.7	Review and improve the City's contract management framework and templates, including KPI tools.	Contemporary contract management support tools and resources available for all contract managers.	⇒	The City has an existing contract management suite of tools and resources. The City's Procurement Team offers 1:1 training and corporate training is offered annually.
It is easy and straightforward for suppliers to bid for Council business opportunities.	3.8	Review the City's Request for Tenders documentation to ensure they are straightforward, easy to complete and allow the Tenderer to focus on the bid.	Suppliers are not discouraged from submitting a RFQ or Tender due to the complexity of the documents to complete.	✓	The review has been completed and revised tender forms have been created including a new WHS questionnaire to make it easier and more streamlined for supplier to apply to do business with the City.
Supply chain issues are minimized through effective, professional supplier relationships and diversity.	3.9	Review Council's Conditions of Contract on an annual basis to take legislative changes into consideration and to ensure they are	Equitable and fair terms and conditions that don't create a barrier to effective competition.	⇒	The City reviews its conditions of contract on an annual basis to ensure appropriate terms and conditions that don't create a barrier to effective competition.

		appropriate and our terms and conditions don't create a barrier to effective competition from local suppliers or specific groups.			
	3.10	Continually work with new and existing suppliers on supply chain issues, proactively sourcing alternatives through diverse supply chains.	To minimise supply chain issues that materially impact Council operations.	✓	The City proactively liaises with the City's suppliers to address supply chain issues.

4: Sustainable, Responsible and Social Procurement				Progress as at 30 June 2025	
Objectives	Ref #	Action	Benefits	30 June	Comments
The City is committed to procuring sustainably and on a whole of life basis.	4.1	Develop a sustainable procurement policy and embed the City's sustainable position in all procurement operations.	To have a consistent policy position.	⇒	The Council approved a new Modern Slavery in Supply Chains Prevention Policy, which has been integrated into tendering and procurement processes. This was a precursor to the broader sustainable, responsible and social procurement policy for the City, which has been drafted. It is currently being incorporated into the City's procurement framework.
The City procurement activities deliver positive economic, social and environmental outcomes.	4.2	Develop a social and responsible procurement policy for Council that incorporates the principles of the 'no business in abuse' pledge, enhances diversity and participation in supply chains and leads to economic development and employment opportunities.	To have a policy position that enhances diversity and participation in supply chains.	⇒	The Council approved a new Modern Slavery in Supply Chains Prevention Policy, which has been integrated into tendering and procurement processes. This was a precursor to the broader sustainable, responsible and social procurement policy for the City, which has been drafted. It is currently being incorporated into the City's procurement framework.
The benefits of sustainable procurement are promoted to all Council's buyers, understood and adopted in procurement and purchasing activities.	4.3	Review Council's current procurement principles in both the Code for Tenders and Contracts and the Purchasing Policy and Guidelines to ensure an appropriate policy position is included on environment protection and sustainability and the	Communicate a consistent policy position on sustainable procurement to suppliers and council officers.	X	Please see comments above, this item will be considered during 2025-26.

✓ Completed

⇒ Underway

X Not commenced

		City of Hobart Waste Management Strategy.			
	4.4	Create checklists of the types of things such as packaging, recyclable materials, reused materials and end of life costs that should be considered in procurement activities.	To make it easier for employees to procure sustainably and the things to look out for or include.	X	Please see comments above, this item will be considered during 2025-26.
The City supports local businesses and industry thereby encouraging local employment opportunities and generating economic growth.	4.5	Review the Council's Local Preference Procurement Policy.	To maximise the use of local businesses to supply, goods, services and works to the City thereby encouraging local employment opportunities and generating economic growth.	⇒	The Council's Local Preference Procurement Policy is implemented for all of the City's tendering and procurement processes. It is in process of being reviewed.
The risk of modern slavery in the City's supply chains and operations is managed.	4.6	Develop and implement an approach to managing the risk of modern slavery in the City's supply chains.	Prevent modern slavery and drive ethical practices.	✓	At its meeting in June 2024 Council approved a Modern Slavery in Supply Chains Prevention policy and implementation plan.
The City has diverse supply chains	4.7	Introduce social clauses into Council's suite of conditions of contract where appropriate.	To increase diversity in the City's supply chains.	X	Please see comments above, this item will be considered during 2025-26.
The City actively supports economic growth of First Nations businesses and employment opportunities for	4.8	Create and implement a First Nations Procurement Policy.	To actively support economic growth of First Nations businesses and employment opportunities for Aboriginal and Torres Strait Islander peoples.	X	The City currently has a small number of Contracts with First Nations owned businesses, including those operating in Tasmania. This work is scheduled for 2025-26.

✓ Completed

⇒ Underway

X Not commenced

Aboriginal and Torres Strait Islander peoples.					
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5: Innovation				Progress as at 30 June 2025	
Objectives	Ref #	Action	Benefits	30 June	Comments
Technologies are optimized to streamline procurement processes and improve compliance and information, support Council's buyers and increase access to the procurement function for potential suppliers.	5.1	Actively participate in internal reviews of the City's systems to support best practice procurement outcomes.	Streamline procurement processes, increase transparency and ease of reporting procurement performance.	⇒	This is a continual management focus.
New ideas and innovations from the market are encouraged and there is a fair and transparent process in place to consider proposals.	5.2	Develop an 'unsolicited proposals' policy and approach for the City.	A transparent and fair approach is in place to consider new ideas and supplier innovations.	⇒	An Unsolicited Proposals Policy and Guidelines has been drafted and will be considered by Council in early 2025-26.
	5.3	Review and improve the City's alternative tender process.	To ensure a best practice mechanism is in place to accept innovative proposals to the delivery of goods, services and works.	✓	The City has a current Alternative Tender process and has accepted alternative tenders submitted where they represent best value for money outcomes for the community. The review has been completed.
Procurement activities are supported by an integrated set of systems and tools that are fully automated to provide standardized and timely reporting.	5.4	Develop a suite of standardized PowerBI reports from the City's financial system that provides real time reporting of procurement expenditure for decision making purposes.	Access to real time procurement data to aid procurement decision making.	X	There is limited reporting functionality available from the City's current finance system for procurement. This will be in-scope when the City tenders for new business systems when current Contracts expire.

✓ Completed

⇒ Underway

X Not commenced

Efficiencies are delivered through innovative ways of working	5.5	Promote and lead the implementation of mobile solutions for ordering and procuring operationally.	Ease of ordering in the field.	X	This has not yet commenced and will be considered in the later years of this strategy.
eProcurement is embraced through electronic tendering and quotation systems, electronic payments and ecatalogues.	5.6	Review the sourcing, procuring and contracting approach to ensure innovation is appropriately considered.	The benefits of embracing technology for procurement activities includes making activity simpler, faster, more efficient, consistent across the business and cost effective.	⇒	The City has implemented VendorPanel, the City's online quotation tool from 1 July 2024 realising the cited benefits. The City also utilises supplier online catalogues where applicable and encourages their use.

6: Service Delivery and Performance				Progress as at 30 June 2025	
Objectives	Ref #	Action	Benefits	30 June	Comments
Best practice procurement policies and procedures are in place and readily accessible at City of Hobart.	6.1	Review the City's Purchasing Policy and Guidelines and provide regular training and awareness to all Council employees to ensure compliant purchasing occurs.	To increase legislative compliance and procurement processes that achieve best value for money for the City.	✓	Regular procurement training is provided to the City's buyers as well as an induction program for new employees and those seeking a refresher. The Purchasing Policy and Guidelines has been reviewed, updated and made available from the City's intranet for the City's buyers.
All procurement activities are conducted in accordance with legislative obligations, the City of Hobart Code for Tenders and Contract and the purchasing Policy and Guidelines.	6.2	Review and improve the City of Hobart Code for Tenders and Contracts.	An up-to-date Code for the City that reflects best practice procurement.	X	The Code for Tenders and Contracts was last reviewed and approved by Council in August 2022. It is a legislative requirement that it be reviewed and updated every 4 years.
Simple and streamlined procurement processes are in place with aspects of the procurement process that do not add value removed.	6.3	Conduct an annual review of procurement policies, procedures, templates and approved forms available to Council buyers from the City's intranet.	Accessibility of templates from centralised location. Updated templates that allow consistency in approach to the market.	✓	This occurs annually and last completed in March 2025 to ensure contemporary and streamlined procurement places are in place.
Supported and trained employees procure at Council	6.4	Deliver a high-quality training program for employees.	To increase knowledge and compliance with procurement rules.	⇒	Regular procurement and contract management training is provided to the City's buyers as well as an induction program for new employees and those

✓ Completed

⇒ Underway

X Not commenced

consistently, efficiently and in accordance with Council policy and legislative requirements.					seeking a refresher.
	6.5	Deliver regular procurement inductions for new employees and those seeking a refresher.	Awareness of procurement rules, help and resources available.	✓	A monthly induction program is provided for new employees and those seeking a refresher.
	6.6	Develop an online training program to complement the face-to-face training above.	To increase knowledge and compliance with procurement rules. To enable procurements to achieve best value for money outcomes.	X	Currently training is provided face-to-face. Consideration of an online training program will be made as part of future budget considerations.
Informed employees are aware of opportunities to participate in procurement processes and engage with contracted suppliers.	6.7	Create a regular procurement communications piece in the City's newsletter for Council employees.	To enhance awareness of the City's contracts and suppliers from which Council's buyers should source goods, services and works to achieve best value for money outcomes.	✓	Regular communications are provided for the City's buyers using a variety of communication methods. A dedicated newsletter was created in 2024-25 called 'The Buyers Guide'.
Procurement performance is reported to the Executive Leadership Team (ELT) on a quarterly basis and enhances decision making.	6.8	Report to ELT on the delivery of the procurement strategy and procurement performance on a quarterly basis.	To meet the City's procurement strategies.	✓	Quarterly performance reports on the achievement of the City's Procurement Strategy 2023-27 are being provided to ELT as at 30 September, 31 December, 31 March and 30 June each year.
Procurement reports to measure the effectiveness of procurement practices and the performance of suppliers are	6.9	Report to the community on the benefits achieved from the implementation of the procurement strategy annually.	To make the community aware of the benefits achieved for the community from implementation of the City's Procurement Strategy 2023-27.	✓	The is the second performance report to the community as at 30 June 2025. The 30 June 2024 performance report is available from the City's website at: https://www.hobartcity.com.au/Council/Strategies-and-plans/Procurement-Strategy

✓ Completed

⇒ Underway

X Not commenced

available, run regularly and used to identify areas for procurement.					
Spend outside of Council contracts is reduced	6.10	Promote existing and new Council contracts and procurement services through regular communications to all employees.	Reduce the spend outside of Council contracts and maximise value for money outcomes from all purchases.	✓	Regular communications are provided to the City's buyers using a variety of communication methods.
	6.11	Conduct annual audits of procurement activities to ensure legislative compliance and address the risk of legislative or policy breach.	To ensure legislative compliance and address the risk of legislative or policy breach.	✓	Procurement audits are conducted annually and improvements implemented.

7: Procurement to Pay Efficiency				Progress as at 30 June 2025	
Objectives	Ref #	Action	Benefits	30 June	Comments
Procure to pay process compliance is improved including the requirement to raise purchase orders.	7.1	Conduct regular interval compliance audits on the purchasing and accounts payable functions.	Transparency and awareness of procurement non-compliance, which will reduce the instances of non-compliance longer term.	✓	Procurement audits are conducted regularly and improvement implemented.
Buying and paying for goods, services and works is easier and less expensive.	7.2	Optimise purchasing card usage for high volume low value expenditure.	A reduction in the cost of purchasing low value high volume items for the City.	⇒	An audit of the City's Purchasing Card Policy has been undertaken and identified continual improvements will be implemented. Purchasing cards are the City's preferred payment method for low value high volume transactions.
Purchasing card usage is optimized and reconciliations performed in a timely manner.	7.3	Conduct regular internal compliance audits of the City's purchasing card policy and implement improvements.	Purchases made by Purchasing Card are compliant and efficiencies are realised	⇒	An audit of the City's Purchasing Card Policy has been undertaken and identified continual improvements will be implemented.
Expense claims are consistently made using electronic systems.	7.4	Finalise the roll-out of the City's expense management system.	Using one system for all expense claims will reduce manual costs and inefficiencies.	⇒	The expense management system is in place for all employees at the City. All expense claims are made electronically.
Use of core systems is supported to ensure timely	7.5	Provide regular finance system training for Council's employees.	To enable supplier payments to be made in a timely fashion and within payment terms.	✓	Regular finance systems training is provided and available to all Council employees.

✓ Completed

⇒ Underway

X Not commenced

supplier payments.					
Payment methods are standardized where appropriate and customers have access to accessible and flexible payment options.	7.6	Undertake a project to standardise payment methods across Council for a more streamlined customer experience.	To enable customers to have access to consistent, accessible and flexible payment options	⇒	BPAY is being introduced for sundry debtors. Consistency in payment methods receive continual management focus.

8: Optimised Inventory Management				Progress as at 30 June 2025	
Objectives	Ref #	Action	Benefits	30 June	Comments
A centralized system of inventory management is in use at Council.	8.1	Implement a centralised inventory management system and processes for all items held in stock across Council.	A coordinated Council wide approach to inventory management and a reduction in new items ordered when another store has the item held.	⇒	The project to review the centralization of inventory management across Council and a 2-stage implementation plan has been approved. Work has commenced on stage 1 being an audit of inventory held across Council.
A well-managed inventory and stock management system is in place across the business.	8.2	Continually review all stock lines currently held at Council so that no unnecessary items are held and maximum and minimum levels are appropriate to support efficient Council operations.	Continually optimize and reduce the Council's cost of inventory held	✓	This has been actioned. Max/mins are place for all inventory items to ensure no unnecessary inventory is held.
Suppliers hold the City's stock on hand and can deliver just in time.	8.3	Implement 'Just in time delivery' in consultation with the relevant suppliers – delivering direct to work site where applicable and cost effective to do so.	Reduce the cost of inventory held by Council.	✓	This has been actioned delivering better value for money outcomes for the community.
The level and type of inventory held is visible and optimized	8.4	Review the City's Disposal of Surplus Goods and Equipment Policy.	Contemporary disposals policy that is focused on reducing waste to landfill.	⇒	The City's Disposal of Surplus Goods and Equipment Policy was last reviewed and adopted by Council in November 2022. The review is underway.
	8.5	Promote the sharing of excess goods and	Reduce the City's waste to landfill.	⇒	The City has systems in place to offer items no longer required to other departments before disposing of

✓ Completed

⇒ Underway

X Not commenced

		equipment.			them.
	8.7	Clean up all storage areas, disposing of Council assets in accordance with Council's asset disposal policy.	Create space and realise monetary return for items no longer required.	✓	This is a regular process in place.
Requisitioning key items from stores is efficient and achieves value for money for the City.	8.6	Implement the use of mobile handheld devices for ordering in the field from a catalogue of approved standard product lines.	Ease and efficiency of ordering and requisitioning.	X	This has not yet commenced and will be considered in the later years of this strategy.