



# Draft Sustainable Procurement Policy

Submission from the Illawarra Business Chamber to  
Wollongong City Council

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## Comments

- The Illawarra Business Chamber (IBC) welcomes the commitment of Wollongong City Council (Council) to consider options to increase procurement from local businesses, consistent with Council's [Economic Development Strategy 2019-2029](#) and commitment to supporting local businesses with the LGA, which is critical in the current climate.
- The IBC supports a local economic capacity criteria weighting of 10 percent or more. While this would benefit around 8 percent of tenders from local suppliers, representing \$3.2 million in value, it comes with minimal impact to, and financial incentive from, Council; \$71,000 across five (out of sixty) suppliers, based off modelling of tenders awarded in the preceding two years.
- Supporting this view is the example of City of Gold Coast's 'Buy Local' Procurement Policy highlighted in Council's Economic Development Strategy. The City of Gold Coast's policy comprises a target of 80 percent procurement spend with local suppliers and a 15 percent pricing advantage for tenders over \$200,000. City of Gold Coast saw minimal increases in procurement costs.

## Recommendations

The IBC recommends that Council:

1. Model the 2-year economic impact and consider adopting a 15 percent local supplier weighting criteria.
2. Set and commit to a target of procurement spend with local suppliers for 2021, to assess the efficacy of measures to improve local economic capacity.



## About the Illawarra Business Chamber and Illawarra First

The IBC is the peak business organisation and the regional chamber that supports businesses and local chambers across the Illawarra-Shoalhaven, primarily, as well the South East and Tablelands, and is a division of Business NSW (formerly known as the NSW Business Chamber).

We develop policy, advocate to all levels of government on issues affecting businesses, undertake research to guide greater public and private sector investment in economic infrastructure, and support the development of workforce capacity and skills in our region.

Illawarra First is the top tier of IBC membership, harnessing best practice and thought leadership to progress key priorities including improving connectivity with Sydney, realising greater value from existing strategic infrastructure and leveraging competitive advantages to bolster economic growth. Its membership comprises a select group of leading businesses in the Illawarra, sharing a commitment to driving the development and prosperity of the Illawarra.