

# Procurement Policy

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## 1 Introduction

- 1.1 The term 'procurement' covers all aspects of acquiring goods, works and services, including every aspect of the procurement lifecycle including determining and specifying the needs required to deliver the work programmes and levels of service detailed in Christchurch City Council's Long-Term Plan and Annual Plan. This includes the contract and relationship management of our chosen suppliers. The procurement lifecycle is sourcing, contract management and purchasing.
- 1.2 The procurement lifecycle ends with the completion of a service contract or the disposal or re-purposing of an asset at the end of its useful life.

## 2 Purpose

- 2.1 Councils must comply with the Auditor-General's guidelines, the Local Government Act, and Treaty of Waitangi obligations in their procurement activities. This Procurement Policy (the policy) sets policy direction for how the Council should conduct procurement in addition to meeting our legislative requirements.

## 3 Policy Scope

- 3.1 This policy applies to all procurement activity undertaken by Christchurch City Council (the Council), except:
  - Acquisition of art and similar unique items of interest
  - Employment
  - Grants and sponsorship
  - Land acquisition
  - Leasing of Council-owned property and the leasing of property to the Council
  - Payments to government and regulatory bodies
  - Procurement undertaken by Council Controlled Organisations that is not on behalf of the Council
  - Tax
  - Treasury and financial instruments

## 4 Policy Statement

- 4.1 The Council will maintain robust procurement procedures and guidance to ensure compliance with Auditor-General's guidelines, legislative requirements and alignment with the Council's strategic priorities.
- 4.2 The Auditor-General outlines six core principles for procurement by all public organisations, these are summarised below:
  - (i) Accountability: Public organisations must be accountable for their performance and able to provide complete and accurate accounts of how public funds are used. This includes having appropriate governance and management arrangements in place.

- (ii) Openness: Transparency is essential to support accountability and promote clarity in roles and obligations. Public organisations should be open in their administration of funds and procurement processes.
- (iii) Value for Money: Resources must be used effectively, economically, and without waste. This includes considering the total cost and benefits of procurement decisions and how they contribute to the organisation's outcomes.
- (iv) Lawfulness: Public organisations must act within the law and meet all legal obligations throughout the procurement process.
- (v) Fairness: Organisations must act fairly and reasonably and be seen to be impartial in their decision-making. This includes recognising and addressing any power imbalances in procurement relationships.
- (vi) Integrity: Those managing public resources must do so with the highest standards of integrity. This includes ensuring that suppliers and partners also meet expected ethical standards.

4.3 Additionally, under the Local Government Act 2002 (LGA) procurement:

- (i) should contribute to the social, economic, environmental, and cultural well-being of communities and
- (ii) be in accordance with the principles of section 14 of the LGA which include undertaking commercial transactions in accordance with sound business practices and ensuring prudent stewardship and the efficient and effective use of its resources in the interests of its district.

## 5 Ensuring Compliance with Legislative Requirements

5.1 Procedures and guidance to ensure that all our procurement activity is in accordance with legislative requirements will include:

- (i) Clear governance structures and accountability mechanisms
- (ii) Robust policies and staff training
- (iii) Conflicts of interest management
- (iv) Provisions for urgent procurement situations
- (v) Effective practices to ensure value for money and supplier compliance in contract management
- (vi) Encourages supporting community well-being, local businesses and sustainability
- (vii) Consider the cost-effectiveness of service delivery procurement options
- (viii) Consideration of the principles of the Treaty of Waitangi: partnership, participation, and protection
- (ix) Respect for Māori cultural values in procurement

## 6 Ensuring Alignment with the Council's Strategic Priorities

6.1 As the Council's strategic priorities evolve over time, procurement must remain responsive and aligned. To support this, the Council will maintain operational guidance and processes that reflect current priorities. This detail will be set out in separate operational procurement rules, which will be reviewed and updated as needed to ensure alignment with the Council's latest strategic objectives.

- 6.2 All Council suppliers must ensure that staff who are working on 'regular and ongoing' Council contracts are paid no less than the Living Wage.

## 7 Definitions

TERM	DEFINITION
<b>Council</b>	means the Christchurch City Council

## 8 References and related documents

- 8.1 This Policy is aligned with the following legislation, policies and other documents:

<b>New Zealand legislation &amp; guidelines</b>
<a href="#">Local Government Act 2002</a>
<a href="#">Fair Trading Act 1986</a>
<a href="#">Official Information Act 1982</a>
<a href="#">Health and Safety at Work Act 2015</a>
<a href="#">Local Government Official Information &amp; Meetings Act 1987</a>
<a href="#">Controller and Auditor-General - Procurement Guidance for Public entities</a>
<a href="#">New Zealand Transport Agency - Procurement Manual</a>
<a href="#">Government Procurement Rules</a>
<b>Christchurch City Council policies (external)</b>
<a href="#">Sustainability Policy</a>
<a href="#">Climate leadership</a>
<b>Christchurch City Council policies (internal)</b>
<a href="#">Employee Code of Conduct</a>
<a href="#">Staff Catering, Events, Gifts and Flowers Policy</a>
<a href="#">Conflicts of Interest Policy</a>
<a href="#">Risk Management Policy</a>
<a href="#">Delegations Register</a>
<a href="#">Fraud and Corruption Prevention Policy</a>
<a href="#">Protected Disclosures Policy</a>
<b>Christchurch City Council strategies and plans</b>
<a href="#">Strengthening Communities Together Strategy</a>
<a href="#">Biodiversity Strategy</a>
<a href="#">Christchurch Economic Ambition</a>
<a href="#">Long Term Plan and Annual Plan</a>
<a href="#">Resilient Greater Christchurch Plan</a>

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