

2026 ESG Procurement Conference

16 & 17 September 2026

Luke Kenny
Chief Executive Officer
Local Government Procurement

Acknowledgement of Country

I would like to acknowledge the Gadigal people of the Eora Nation; on whose land the LGP offices are situated and where are gathered together today.

I pay my respects to Elders past and present, and I celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of NSW.



Who is LGP?

Local Government Procurement

Strategic Procurement Solutions



LGP CONTRACTS

LGP TRAINING



LGP FY25 Measured Value

\$1.04 billion contract spend, exceeded \$100 million contract spend across three contracts

Saved the sector **\$84 million** in negotiated price savings, contract and tender avoidance

\$1.67 million in rebates paid to councils, ROCs, and JOs

Developed our draft **Innovate Reconciliation Action Plan**

Delivered specialised training to more than **380 people**

2,358 RFXs online with an estimated value of **\$892million**

Provided \$153,000 procurement-related funding across nine projects

Over **1,300** approved contractors assessed for modern slavery risk

Delivered Lunch and Learn event to more than **450 people**

Appointed a **First Nations Advisor**

Refreshed six major contracts

Implemented a new Contract Lifecycle Management System

Procurement delivers community value

Agenda

In the next 25 minutes we will....

1. Explore who is our 'community'?
2. Procurement value into community impact
3. Quantifying ESG procurement initiatives

How much 'community' can Procurement deliver?

Activity #1

Please write down 5-6 elements that define the 'community' for your organisation.

Who makes up our Community?

Government



Who makes up our Community?

Private Sector



Customers and end users



Suppliers and subcontractors



Partners and channels



Local places and economies



Regulators and civil society



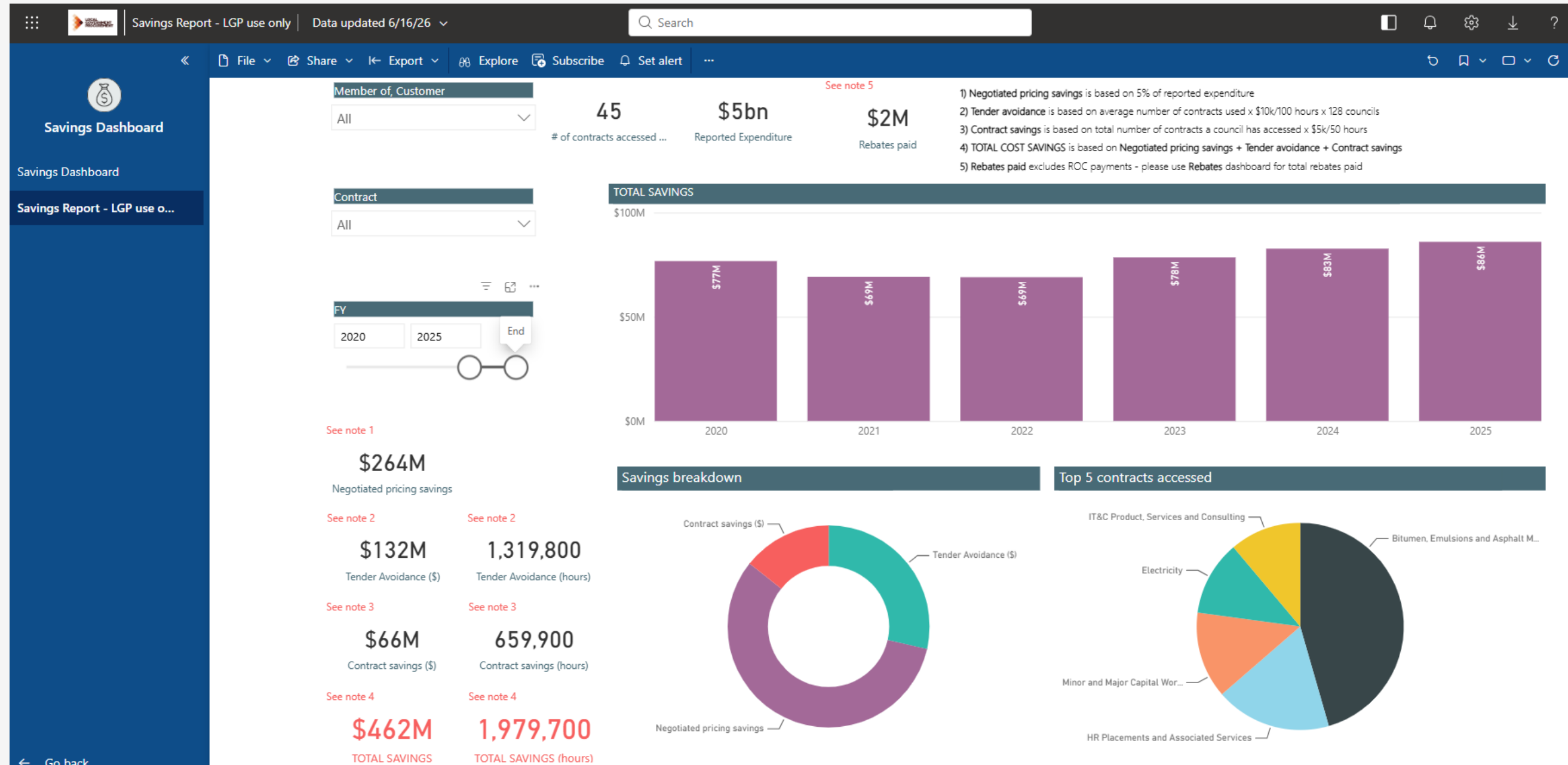
Future generations and the environment

Think of procurement as the invisible function that shapes every community.

Community members rarely see procurement processes, yet they experience the outcomes every day.....

Quantifying Community Impact

Are you trapping your procurement savings?



Procurement Delivers Community Impact

COMMUNITY VALUE EQUIVALENTS

What could \$84 million mean for communities?

FY25 negotiated price savings and contract/tender avoidance, expressed as illustrative asset equivalents

\$84m

REPORTED PROCUREMENT VALUE

Translated into tangible
community assets

Each comparison applies the
full \$84m independently



≈ 8

**BASIC OUTDOOR
PUBLIC POOLS**

Indicative unit cost: \$10m

$\$84\text{m} \div \$10\text{m} = 8.4$

OR



≈ 129

**INCLUSIVE COMMUNITY
PLAYGROUNDS**

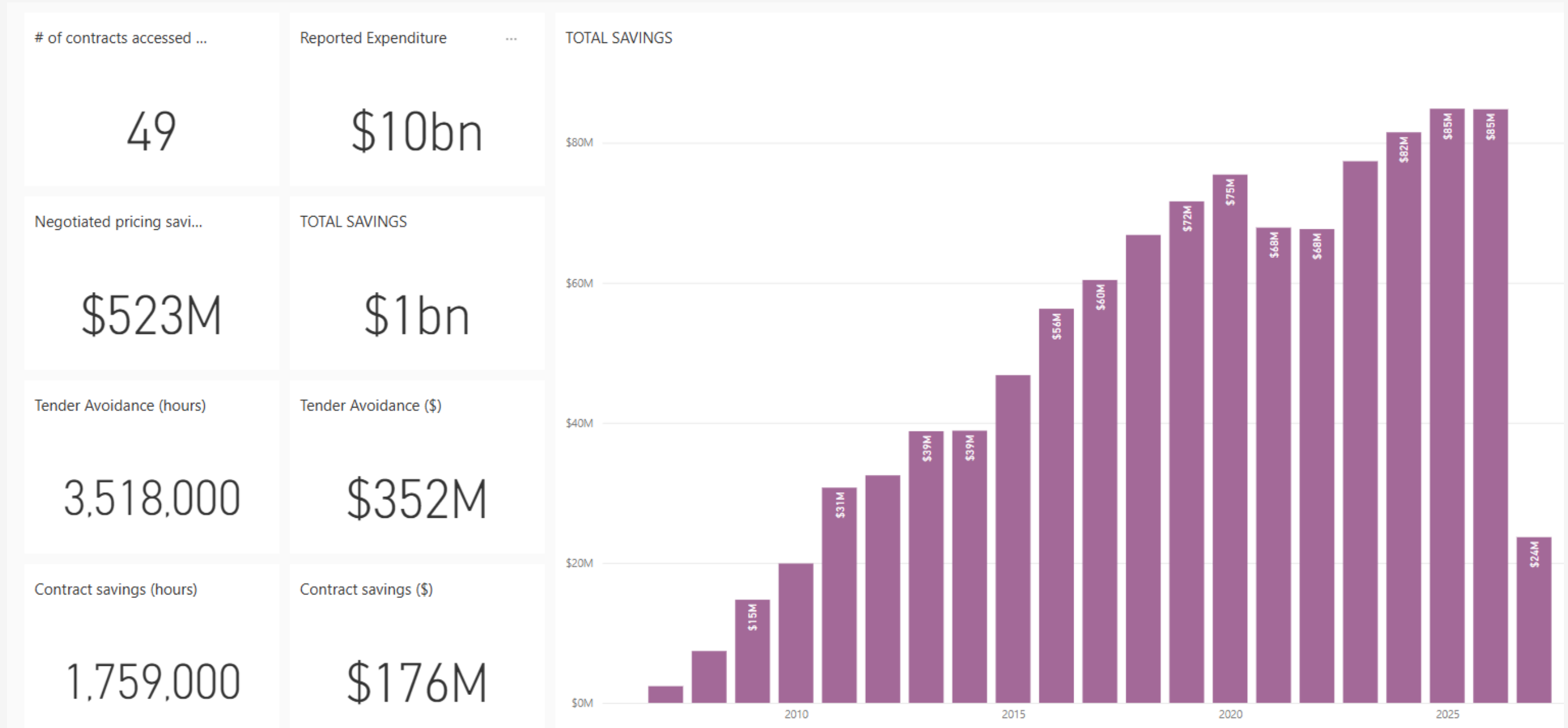
Indicative unit cost: \$650k

$\$84\text{m} \div \$650\text{k} = 129.2$

The community story

Procurement value at this scale could fund major assets that residents use every day.

Are you trapping your procurement savings?



Procurement Delivers Community Impact

COMMUNITY VALUE EQUIVALENTS

What could \$523 million mean for communities?

Illustrative equal allocation: \$104.6m to each of five community asset categories



≈ 16

COMMUNITY
CENTRES

\$6.6m each
from \$104.6m allocation

≈ 11

CHILD CARE
CENTRES

\$9.5m each
from \$104.6m allocation

≈ 35

SMALL REGIONAL
BRIDGES

\$3.0m each
from \$104.6m allocation

≈ 10

PUBLIC
SWIMMING POOLS

\$10.0m each
from \$104.6m allocation

≈ 161

INCLUSIVE
PLAYGROUNDS

\$650k each
from \$104.6m allocation

Private Sector Procurement Delivers Community Impact

COMMUNITY INVESTMENT EQUIVALENTS

What could \$5 million mean for an organisation's community?

Illustrative equal allocation: about \$833,333 across each of six investment categories



≈ 17	≈ 17	≈ 333	≈ 1,667	≈ 33	≈ 56
NEW CUSTOMER EVENTS	INTERNSHIP OR APPRENTICESHIP PLACES	STAFF TRAINING PLACES	PAID NFP VOLUNTEERING DAYS	LOCAL SPORTING TEAM SPONSORSHIPS	EMPLOYEE SOCIAL COMMITTEE EVENTS
\$50k each from = \$833k allocation	\$50k each from = \$833k allocation	\$2.5k each from = \$833k allocation	\$500 each from = \$833k allocation	\$25k each from = \$833k allocation	\$15k each from = \$833k allocation

Quantifying Sustainable Procurement Outcomes

Quantifying Sustainable Procurement

PROCUREMENT OUTCOME MULTIPLIERS

What does \$1 million of targeted procurement enable?

Illustrative Australian benchmarks across four priority outcome areas



Activity #2

What techniques can you use to amplify community impact from your RFX?

LGP Creating Community Value

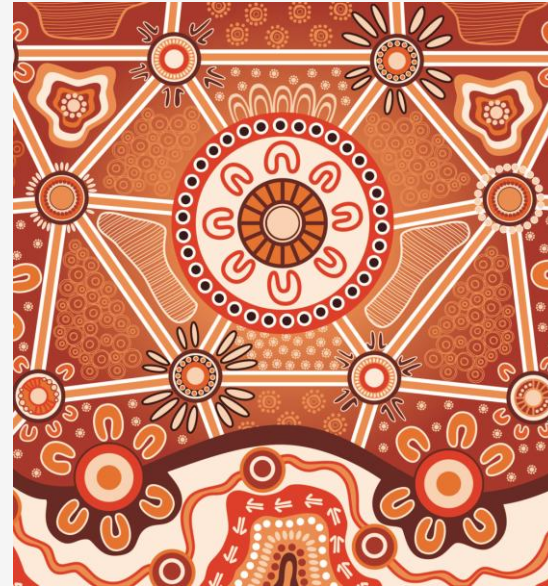
LGP Creates Community Value

Disaster Response & Recovery



- ▶ 3-tiered Supply Chain Model
 - ▶ Includes 15,000 sub-contractors
- ▶ Access to Disaster Response Experts
- ▶ 12hr - 48hr sourcing (no tendering)
- ▶ Pre-agreed Pricing (no exploitation)

First Nations Procurement



- ▶ First Nations business commercial growth
- ▶ Increased local and First Nations employment
- ▶ Drive regional economic development
- ▶ Enables new social procurement outcomes

Modern Slavery Prevention & Risk Detection



- ▶ Training Programs
- ▶ Buyer & Supplier Toolkits
- ▶ Annual Supplier Risk Assessment & Benchmarking
- ▶ Risk Management Plans

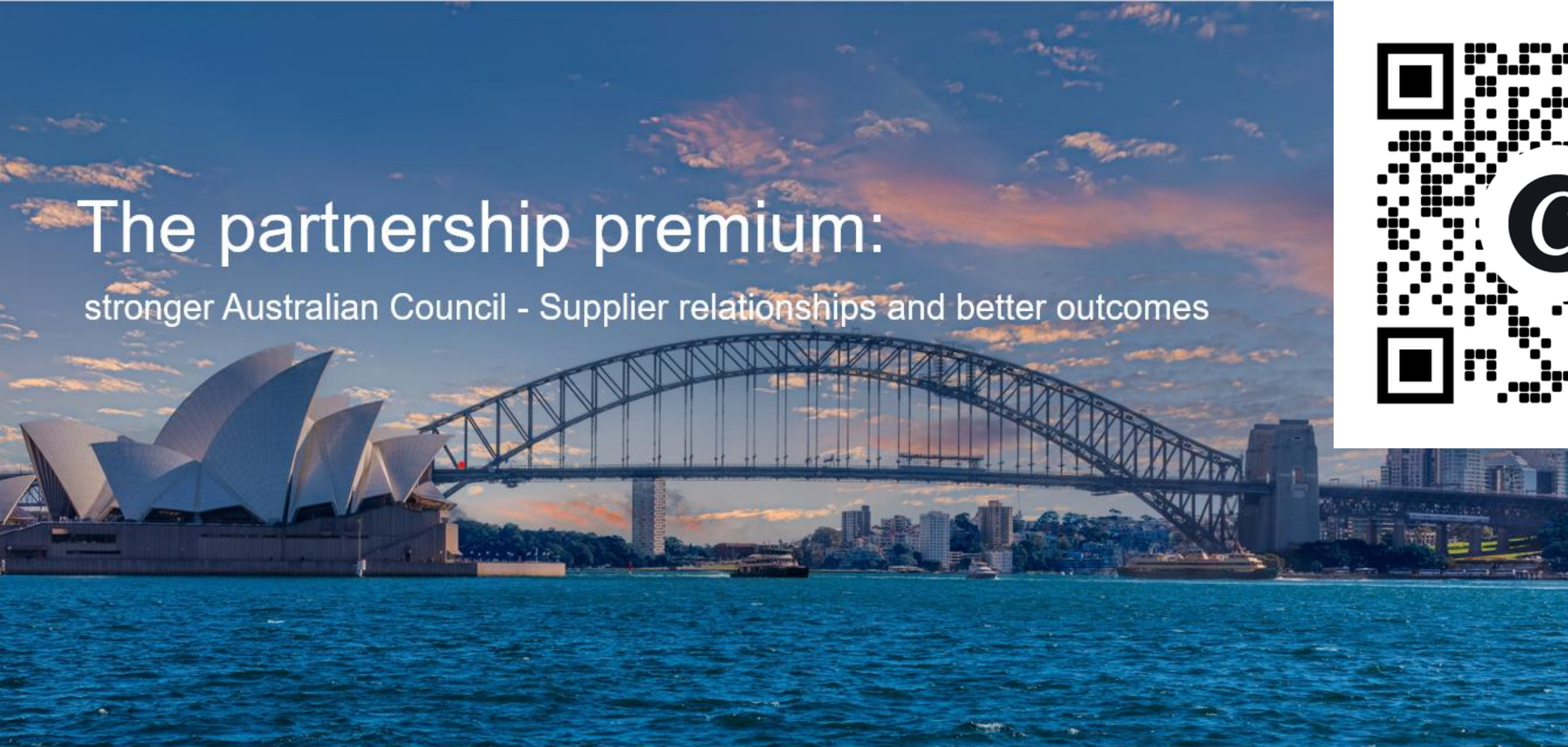
Takeaways

If you want to elevate your impact by demonstrating benefits to your community

1. Define your community
2. Procurement must quantify commercial value
3. Demonstrate strategic leadership with positive community impact

The partnership premium:

stronger Australian Council - Supplier relationships and better outcomes



In partnership with



Thank You