Queensland

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BUYER COMPANION GUIDE TO THE QUEENSLAND PROCUREMENT POLICY 2023



Buyer companion guide to the Queensland Procurement Policy 2023

Interpreter statement



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Purpose

To help Queensland Government buyers understand and apply the <u>Queensland Procurement Policy 2023</u> (QPP 2023) available at forgov.qld.gov.au/finance-and-procurement/procurement/procurement-resources/procurement-policiesand-frameworks/queensland-procurement-policy-2023 and the benefits of complying with the QPP 2023. This will improve buyers' understanding of the impacts of government procurement, leading to better policy application and advancement of the *Buy Queensland 2023* approach to government procurement.

Guidance materials, tools and templates supporting the QPP 2023 can be found on the <u>Procurement guidance</u>. <u>ForGov webpage</u> at forgov.qld.gov.au/finance-and-procurement/procurement/procurement-resources/procurementguidance. Guidance, tools and templates will be progressively updated to reflect the QPP 2023. For detailed information on applying the QPP 2023, refer to agency procurement policies and/or procedures.

Who is this guide for

Anyone who is involved in procurement and is employed by an agency subject to the QPP 2023 – this includes students, volunteers, contractors, consultants, and employees generally. People who are involved in procurement vary widely, for example procurement officers; people who purchase from time to time as part of their broader role – like administration officers; executives who sign off on procurement decisions and people who sit on evaluation panels.

How to use this guide

This guide should be read alongside the QPP 2023. It specifies relevant QPP 2023 sections and corresponding clauses, and refers to supporting resources where applicable.

If there is any inconsistency between the contents of this guide and QPP 2023 provisions, or between supporting guidance, tools and templates referred to in this guide, the QPP 2023 provisions take precedence.

Section 1. Application

1.1 What is the QPP 2023?

The QPP 2023 is the Queensland Government's overarching policy for the procurement of goods and services, including construction. It works with the <u>Queensland Procurement Strategy 2023 – Jobs, Economy, Legacy, Confidence</u> (QPS 2023) available at forgov.qld.gov.au/finance-and-procurement/procurement/procurement-resources/procurement-policies-and-frameworks/queensland-procurement-strategy-2023 to form the *Buy Queensland 2023* approach to government procurement. In other words, the QPS 2023 sets the vision and future direction of procurement in Queensland Government, and the QPP 2023 sets out how to get there.



Complying with the QPP 2023 helps ensure an outcome that meets agency business needs, while supporting quality, local jobs and the economy, leaving a lasting positive legacy for Queenslanders.

1.2 When does the QPP 2023 take effect?

The QPP 2023 takes effect from 1 June 2023. This means that from this date onwards, the QPP 2021 is superseded, except for those clauses in the QPP 2023 which are subject to transitional provisions. Further details of transitional provisions are set out in each relevant QPP 2023 clause.

1.3 What organisations does the QPP 2023 apply to?

The QPP 2023 applies to budget sector agencies, statutory bodies, government-owned corporations and special purpose vehicles. This means that any employee¹ of an organisation that is subject to the QPP 2023 is required to comply with the QPP 2023 regardless of whether they are involved in small purchases or major infrastructure procurement.

1.4 Out of scope expenditure

Generally, any expenditure used to obtain goods and/or services, which include all property (except for real property) and all types of services, is covered by the QPP 2023.

The QPP 2023 outlines that expenditure in the form of real property transactions, grants, investments, loans, guarantees and public employment contracts is not considered to be procurement.

^{1.} Employee means, for the purposes of the QPP 2023, any employee of an agency whether permanent, temporary, full-time, part-time or casual, and any volunteer, student, contractor, consultant or anyone who works in any other capacity for an agency.



Section 2. Procurement principles

Applying the six principles to all procurement – whether organising catering for a meeting or conducting a major infrastructure procurement – supports *Buy Queensland 2023* outcomes and helps to achieve value for money by making responsible public procurement choices.

Each clause in the QPP 2023 supports the achievement of a principle. These principles, and why they are important, are:

Principle 1: Achieve value for money

As the stewards of government investment, ensuring value for money in all procurement is paramount. This is more than just getting the lowest price, it is about using the government's procurement power to support relevant economic, ethical, social and environmental objectives while meeting business needs for fit-for-purpose services or products.

Principle 2: Apply a responsible public procurement approach

Applying a responsible public procurement approach ensures government's procurement investment leaves a lasting positive legacy for current and future generations of Queenslanders.

Principle 3: Behave ethically, and embed integrity, probity and accountability

Demonstrating a high standard of ethics, integrity, probity and accountability in procurement supports greater public confidence and transparency in how taxpayer funds are used, and reduces the risk of fraud and corruption. It also facilitates delivery of contracted commitments and assists suppliers with understanding and learning from each tender process.

Principle 4: Be leaders in procurement practice

In the current environment where there is a need to do more with less, and to optimise the power of the QPP 2023, having the capability to conduct procurement efficiently, effectively and economically is essential – this is underpinned by best practice procurement capability, systems and information.

Principle 5: Collaborate for more effective outcomes

Collaboration within and across agencies not only supports more efficient, effective and economic procurement outcomes, but also results in greater coordination of demand, making it easier for buyers and suppliers alike to plan and deliver procurement.

Principle 6: Support strong governance and planning

Good governance helps achieve the organisation's objectives, drive improvement and maintain legal and ethical standing. Good planning has a range of benefits, including making sure goods and services meet requirements, reducing risk and delivering greater value in procurement outcomes.

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Section 3. The procurement process

3.1 Planning

Clauses 1, 2 and 3

Good procurement planning involves having a clear understanding of what is to be procured, why, when and how, and who should be involved. This is fundamental to achieving value for money. Not planning, or undertaking poor planning, can take more time and cost to remedy than doing it properly in the first place.

It is important not to under-plan or over-plan, which can lead to loss of potential value for money, or unacceptable risk. For example, a one-off, low value and low risk purchase of pens and paper will not require a detailed assessment of whole-of-life costs compared to a complex, high value and high risk procurement of a life-saving medical device.

Clause 3 steps out the basic elements which contribute to a clear understanding of the procurement task at hand, and what will constitute value for money. Having a clear understanding of what value for money is for each procurement helps to better deliver on the business need. It also helps identify situations where government objectives and targets can best be pursued to deliver added value for economic, ethical, environmental and/or social outcomes.

Relevant resources

<u>Putting Queenslanders first when securing value for money guide</u> available at forgov.qld.gov.au/finance-and-procurement/procurement-resources/search-for-procurement-policies-resources-tools-and-templates/putting-queenslanders-first-when-securing-value-for-money

Significant procurement

Clause 4

Significant procurement is either high value or high risk, or both. Therefore, for significant procurement, including establishing common-use supply arrangements, a greater level of effort and detail invested in the planning stage is appropriate to ensure government's significant investment yields best value for money, and risks are properly managed.

Relevant resources

• <u>Planning for significant procurement guide</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/ procurement-resources/search-for-procurement-policies-resources-tools-and-templates/planning-for-significantprocurement

Use the most appropriate procurement strategy and method

Clauses 5 and 6

An appropriate procurement strategy can only be formulated after identifying the procurement objective(s), and understanding its complexity, scope, opportunities and risks. The procurement strategy sets out the 'how' to achieve the procurement objective, and focuses buyers on thinking about mechanisms to achieve this – whether this is through early market engagement, coordinating with other agencies or pursuing relevant government objectives.

Flexible procurement techniques

Clause 7

Using flexible procurement techniques such as limited offer methods and set-asides helps to provide more opportunities for different types of suppliers to do business with government, and advancing government objectives. It can be a powerful tool for helping achieve targets and objectives, but must also be used with care to ensure it does not result in anti-competitive outcomes, erosion of value for money or opportunities for corruption. Good planning can help avoid these issues.

Disclosing the use of these techniques on the Queensland Government Forward Procurement Pipeline supports improved transparency for the market and helps these suppliers to be better informed of, and prepare for, these opportunities.

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- <u>Optimising opportunities for local suppliers guide</u> available at forgov.qld.gov.au/finance-and-procurement/ procurement/procurement-resources/search-for-procurement-policies-resources-tools-and-templates/optimisingopportunities-for-local-suppliers
- <u>Small and medium enterprise procurement target guide</u> available at forgov.qld.gov.au/finance-and-procurement/ procurement/procurement-resources/search-for-procurement-policies-resources-tools-and-templates/small-andmedium-enterprise-procurement-target-guide
- <u>Queensland Government Forward Procurement Pipeline</u> available at qtenders.epw.qld.gov.au/fpp/

Clause 8

As part of developing an appropriate procurement strategy, this clause facilitates consideration of whether the procurement objective can be best met, and value for money achieved, in-house or through other Queensland Government agencies, including commercialised business units (CBUs). That is, if the most appropriate procurement approach is to use a particular CBU, then this clause allows direct sourcing with that CBU.

Relevant resources

• <u>Advisory note - Intragovernmental procurement</u> available at forgov.qld.gov.au/finance-and-procurement/ procurement/procurement-resources/procurement-guidance

Use common-use supply arrangements

Clause 9

It is simpler and faster to engage suppliers on common-use supply arrangements. These suppliers have already gone through a procurement process including due diligence processes, and are bound by government terms and conditions of the relevant arrangement. Given the aggregation of government spend through common-use supply arrangements, suppliers are also likely to offer more competitive prices.

To help achieve certain government objectives (for example, increasing expenditure with social enterprises, or using a local supplier in a remote location) buyers may depart or 'buy outside' of arrangements. A relevant agency delegate must approve exemptions from using an applicable arrangement – this ensures appropriate oversight and minimises spend leakage outside of arrangements. Leakage can result in duplication of process, inefficiencies and increased risk exposure – costing more time and money for buyers and suppliers.

Relevant resources

• Refer to Section 5 QPP 2023 for a policy definition of 'common-use supply arrangement'.

Publish potential future procurement

Clauses 10 and 11

Category lead agencies collect information about upcoming procurement activities and facilitate its publication. Publishing potential future procurement as early as possible supports better transparency, and improved business certainty and confidence. This is so even if there are a number of factors (for example, project/program direction, funding) impacting on progressing with the potential future procurement, so long as these factors are disclosed as part of publication.

Publishing potential future procurement helps suppliers, particularly small and medium enterprises, be better informed of opportunities, improving access to government business and helping with their demand management. This helps to create more competition, fosters innovation and drives value for money. It also assists in collaboration when agencies can see upcoming procurement in their regions.

Relevant resources

• <u>Queensland Government Forward Procurement Pipeline</u> available at qtenders.epw.qld.gov.au/fpp/

Modern slavery

Clause 12

This clause responds to growing awareness and community concern, as well as Australian Government law, about modern slavery. A key activity as part of applying a responsible public procurement approach is to ensure modern slavery risks are identified and either eliminated and/or managed in the supply chains of the Queensland Government.

Making responsible public procurement choices fosters a culture of 'leading by example' in preventing harm. This means that procurement activities are positively focused on promoting community wellbeing and don't facilitate harmful practices or outcomes.

Relevant resources

• <u>Eliminating modern slavery toolkit</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/procurement-policies-and-frameworks/eliminating-modern-slavery

When procuring under a declared Supply Chain of State Significance

Clause 13

A Supply Chain of State Significance is declared to manage disruption risks to the state's critical supply chains, boost Queensland content and ensure Queensland has a capable and competitive manufacturing sector.

When procuring in a Supply Chain of State Significance and a decision is made to not use a Queensland supplier, recording an 'if not, why not' statement, and reflecting what engagement has taken place with local suppliers, makes it transparent to government and suppliers why the decision was made, and will help with targeting local industry development activities to build better capacity and capability – supporting more quality, local jobs and boosting the economy.

Important: This clause is subject to a transitional provision such that it is activated on declaration of a Supply Chain of State Significance.

When procuring food and beverages - Buy Queensland first

Clause 14

Prioritising food and beverages that are made, grown or produced in Queensland helps to support quality, local jobs and businesses.

The Queensland Government Food and Beverage Supplier Directory helps buyers identify potential suppliers. Suppliers listed on the directory have demonstrated that they have a physical Queensland presence, employ Queenslanders, and supply food and beverages that are either grown, made or produced in Queensland.

Relevant resources

- <u>Buy Queensland first Serving up support for local food and beverages: Guidance for government buyers</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/procurement-resources/search-for-procurement-policies-resources-tools-and-templates/for-buyers-supporting-local-food-and-beverages
- <u>Queensland Government Food and Beverage Supplier Directory</u> available at foodandbeverage.hpw.qld.gov.au/ directory

When procuring paper products

Clause 15

Procuring Australian-sourced, environmentally accredited paper products not only advances the government's environmental objectives of prioritising a decarbonised and circular economy, but also provides more opportunities for local businesses that support resource efficiency.

Relevant resources

- <u>Integrating sustainability into the procurement process guide</u> available at forgov.qld.gov.au/finance-and-procurement/procurement-resources/procurement-guidance
- <u>Sustainable procurement guide Office paper</u> available at forgov.qld.gov.au/finance-and-procurement/ procurement-resources/procurement-guidance



3.2 Sourcing, evaluation and contract formation

Invitation and contract documentation

Clause 16

Simplifying government procurement documentation and only including relevant information saves time and money for buyers and suppliers. For buyers, it makes it easier to interpret and use in tendering, evaluation and contract management. For suppliers it makes government procurement more accessible and attractive, and creates more diversity in the government's supplier pool. This can lead to greater competition and new opportunities to deliver positive outcomes for the long-term wellbeing of the community.

Important: This clause is subject to a transitional provision to provide time for agencies to review documentation and embed this enhanced policy requirement into their respective procurement policies, procedures and processes.

Relevant resources

- <u>Optimising opportunities for local suppliers guide</u> available at forgov.qld.gov.au/finance-and-procurement/ procurement/procurement-resources/search-for-procurement-policies-resources-tools-and-templates/optimisingopportunities-for-local-suppliers
- <u>Small and medium enterprise procurement target guide</u> available at forgov.qld.gov.au/finance-and-procurement/ procurement/procurement-resources/search-for-procurement-policies-resources-tools-and-templates/small-andmedium-enterprise-procurement-target-guide

Clause 17

Using templates relevant for the category being procured when developing invitation and contract documentation, including template clauses enabling pre-qualification and post-contract compliance functions, presents a consistent, standardised approach to how government engages suppliers and applies the QPP 2023 to procurement. It also enables agency access to all information relevant to assessing compliance with the Ethical Supplier Threshold and Ethical Supplier Mandate. This provides greater certainty to suppliers and makes it easier for them to supply to the Queensland Government. It also makes it easier for buyers moving between different agencies, or different parts of agencies, who don't have to become proficient with varying documentation. Category lead agencies will ensure these templates are published and maintained for use by agencies.

Relevant resources

- <u>Building construction and maintenance category templates</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/buy-for-queensland-government/buying-categories/building-construction-and-maintenance/bcm-contract-selection-management-and-advice/bcm-contracts-templates
- <u>General goods and services category templates</u> available at forgov.qld.gov.au/finance-and-procurement/ procurement/procurement-resources/templates-including-terms-and-conditions/general-goods-and-servicestemplates
- <u>Social services category templates</u> available at forgov.qld.gov.au/finance-and-procurement/procur
- <u>Information and communication technology category templates</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/buy-for-queensland-government/buying-categories/ict-products-and-services/create-an-ict-contract

Animal welfare

Clause 18

This clause responds to community expectations about animal welfare and doing business with ethical suppliers. Ensuring that invitation and contract documentation used for the procurement of food and beverages reinforces animal care and protection law and related instruments demonstrates the application of a responsible public procurement approach.

Ethical Supplier Threshold

Clause 19

This clause is about ensuring that government only does business with suppliers that meet the wage and entitlement standards as outlined in the Ethical Supplier Threshold.



The Ethical Supplier Threshold has been strengthened to ensure that all workers, including people with disability, are paid fairly. By ensuring supplier compliance with the Ethical Supplier Threshold, this helps to ensure that all workers are fairly and duly remunerated in accordance with their effort and the law.

Relevant resources

• <u>Guidelines: Ethical Supplier Threshold</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/ procurement-resources/search-for-procurement-policies-resources-tools-and-templates/guidelines-ethicalsupplier-threshold

Queensland Government Supplier Code of Conduct

Clause 20

This clause is about ensuring that government only does business with suppliers that meet the ethical, environmental and social expectations as outlined in the Queensland Government Supplier Code of Conduct. The Queensland Government Supplier Code of Conduct has been strengthened to ensure modern slavery risks are addressed in vulnerable industries, and compliance with animal care and protection legislation and related requirements as applicable to suppliers of food and beverages to government. By ensuring supplier compliance with the Queensland Government Supplier Code of Conduct, this demonstrates that government is leading by example in preventing harm through its procurement.

Relevant resources

• <u>Queensland Government Supplier Code of Conduct toolkit</u> available at forgov.qld.gov.au/finance-and-procurement/procurement-resources/procurement-policies-and-frameworks/queensland-government-supplier-code-of-conduct

Dumped goods

Clause 21

This clause is about ensuring that government only does business with suppliers that do not supply dumped goods. The QPP 2023 defines 'dumped goods' as 'goods resulting from a practice whereby a supplier exports goods to another country at a price below the price charged in the country of manufacture, or below the cost of manufacturing the good'. By ensuring supplier compliance with this clause, this helps to level the playing field for local industry and manufacturers who may struggle to compete against the lower prices of dumped goods.

Relevant resources

• Australian Government Anti-Dumping Commission available at industry.gov.au/anti-dumping-commission

Publish tender opportunities

Clause 22

Publishing all tenders where an open offer method is used on the Queensland Government's QTenders website supports better transparency, and improved business certainty and confidence. It helps suppliers, particularly small and medium enterprises, to be better informed of opportunities, improving access to government business and helping with managing their capacity to respond to market demand. This helps to create more competition, fosters innovation and drives value for money.

Relevant resources

• <u>QTenders</u> available at qtenders.epw.qld.gov.au/qtenders/

Specifications

Clauses 23 and 24

Good specifications are a result of the buyer's clear understanding of what is to be procured, and increase the chances of getting quality responses from suppliers offering fit-for-purpose products or services. Getting the type of specification right for the buying activity – for example, outcome-based, functional, performance, or technical – is important and can open up access to innovative solutions.

These clauses help to:

- save time and avoid waste for buyers and suppliers
- facilitate fair and open competition, inclusivity and accessibility in government procurement
- support increased market innovation by facilitating innovative solutions from suppliers, delivering increased efficiencies, service levels and cost savings
- support quality, local jobs and Queensland businesses, including manufacturers
- ensure procurement is effective, efficient and achieves value for money.

Relevant resources

- <u>Using an outcome-based procurement approach guide</u> available at forgov.qld.gov.au/finance-and-procurement/ procurement/procurement-resources/procurement-guidance
- <u>Developing specifications guide</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/ procurement-resources/search-for-procurement-policies-resources-tools-and-templates/developing-specifications

Create genuine, quality, secure ongoing jobs for Queenslanders

Clause 25

Applying a local benefits approach to all procurement generates greater opportunities for local suppliers and local workforces. Buying locally means that money remains in the local community, boosting local economic growth.

Part of applying a local benefits approach includes conducting a Local Benefits Test for significant procurement. The purpose of the Local Benefits Test is to assess the benefit that any supplier can bring to the local area from using local workforces. It is a policy mechanism which focuses both the buyer and potential suppliers on maximising local jobs and consequently, local economic benefit.

Important: This clause is subject to a transitional provision to provide time for agencies to embed this enhanced policy requirement into their respective procurement policies, procedures and processes. Note QPP 2021 policy requirements apply until agencies have implemented this clause fully or until updated guidance is released in 2023, whichever is sooner.

Clause 26

By applying the best practice principles and progressing opportunities to create enduring community value for projects of \$100 million or more, government's significant procurement investment supports quality, local and safe jobs and workplaces, and long-term economic, ethical, social and environmental benefits for current and future generations of Queenslanders.

Important: This clause is subject to a transitional provision to provide time for agencies to embed this enhanced policy requirement into their respective procurement policies, procedures and processes.

Relevant resources

• <u>Best practice principles: Quality, safe workplaces guide</u> available at forgov.qld.gov.au/finance-and-procurement/ procurement/procurement-resources/search-for-procurement-policies-resources-tools-and-templates/bestpractice-principles-quality-safe-workplaces

Encourage innovation

Clause 27

Pursuing innovation in procurement processes through practices like using outcome-based specifications and conducting trials and/or pilots, helps facilitate innovative solutions from the market. This potentially delivers newer, better and more efficient solutions. Early engagement can help broaden thinking around innovation opportunities, and thus inform the development of outcome-based specifications.

Relevant resources

- <u>Planning for significant procurement guide</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/ procurement-resources/search-for-procurement-policies-resources-tools-and-templates/planning-for-significantprocurement
- <u>Early market engagement in procurement quick reference guide</u> available at forgov.qld.gov.au/finance-and-procurement/procurement-resources/search-for-procurement-policies-resources-tools-and-templates/early-market-engagement-in-procurement-quick-reference-guide



• <u>Using an outcome-based procurement approach guide</u> available at forgov.qld.gov.au/finance-and-procurement/ procurement/procurement-resources/procurement-guidance

3.3 Supplier selection

Ethical Supplier Mandate

Clause 28

The Ethical Supplier Mandate (ESM) outlines how the Queensland Government will manage instances where a supplier fails to comply with a policy requirement, regulatory requirement or contractual obligation and how penalties may be applied. Observing requirements under the ESM helps to:

- ensure suppliers are treated on a level playing field and are not exposed to undercutting and unjust competition
- make Queensland workplaces fairer and safer
- ensure that Queensland Government's procurement investment is used to build the local economy and support quality, local jobs.

Important: Refer to the <u>Ethical supplier mandate and ethical supplier threshold webpage</u> at epw.qld.gov.au/about/ strategy/buy-qld/compliance-complaints/ethical-suppliers for more information on applicability of the ESM to budget sector agencies, government-owned corporations, statutory bodies and special purpose vehicles.

Relevant resources

- <u>Ethical Supplier Mandate available</u> at forgov.qld.gov.au/finance-and-procurement/procurement/procurement-resources/search-for-procurement-policies-resources-tools-and-templates/ethical-supplier-mandate
- <u>Guidelines: Ethical Supplier Mandate</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/ procurement-resources/search-for-procurement-policies-resources-tools-and-templates/guidelines-ethicalsupplier-mandate
- <u>Queensland Government online ethical supplier register</u> available at forgov.qld.gov.au/finance-and-procurement/ procurement/buy-for-queensland-government/complete-a-supplier-check

Preventing and ending domestic and family violence

Clause 29

Recommendation 42 of the Not Now, Not Ever report identified that procurement can play a role in supporting the Queensland Government's aim to end domestic and family violence. Ensuring invitation documentation raises awareness of the government's commitment to prevent and end domestic and family violence, and tailoring requirements so they are proportionate to the size of the supplier, value and risk of the procurement, sends a strong signal to the market about the Queensland Government's commitment to eradicate domestic and family violence in its supply chains.

Relevant resources

- Not Now, Not Ever report available at justice.qld.gov.au/initiatives/end-domestic-family-violence
- <u>Ending domestic and family violence guide</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/procurement-policies-resources-tools-and-templates/ending-domestic-and-family-violence-guidance-for-government-buyers
- <u>Queensland Government Supplier Code of Conduct toolkit</u> available at forgov.qld.gov.au/finance-and-procurement/ procurement/procurement-resources/procurement-policies-and-frameworks/queensland-government-suppliercode-of-conduct

3.4 Award

Debrief suppliers

Clause 30

Providing supplier debriefs helps suppliers understand the evaluation process and why their tender was successful or unsuccessful. This feedback helps suppliers to understand the tender process and improve the quality of their future tenders, and competitiveness to win future work. It is an important transparency measure helping demonstrate the fairness of the tender process.



It also allows suppliers to give feedback to buyers on the tender process, helping buyers improve their processes and contributing to higher quality responses in future processes which are easier for buyers to evaluate and potentially deliver better value to government.

Relevant resources

• <u>Debriefing a supplier toolkit</u> available at forgov.qld.gov.au/finance-and-procurement/p

Disclose contracts

Clause 31

Publishing details of awarded contracts supports better transparency, and reduces the risks of fraud and corruption. This results in greater confidence and trust in government procurement. It also helps government meet international disclosure commitments.

It also means that suppliers, particularly small businesses, can search the data to find agencies that may be buying the products or services they are offering.

Relevant resources

- <u>Procurement guidelines: Contract disclosure</u> available at forgov.qld.gov.au/finance-and-procurement/ procurement/procurement-resources/search-for-procurement-policies-resources-tools-and-templates/contractdisclosure-guidelines
- <u>Open data portal publishing user manual for contract disclosure</u> available at forgov.qld.gov.au/finance-and-procurement/procurement-resources/search-for-procurement-policies-resources-tools-and-templates/contract-disclosure-user-manual

Share arrangement details

Clause 32

Entering details of new and updated common-use supply arrangements (where these can be accessed by more than one agency) into the Queensland Government arrangements directory (formerly the Queensland Contracts Directory) helps other buyers to have access to up-to-date information on arrangements. This makes the procurement process more efficient for both buyers and suppliers, and reduces the risk of duplication.

Buyers are encouraged to search the directory to identify common-use supply arrangements to meet their business needs, prior to making a decision to establish a new common-use supply arrangement or source outside an arrangement.

Up to date information on the directory assists suppliers to locate agencies which may buy their goods and services, and to identify in advance the timing for when arrangements may be refreshed or new contracts tendered.

Relevant resources

• <u>Queensland Government arrangements directory</u> available at forgov.qld.gov.au/finance-and-procurement

3.5 Contract management

Develop a contract management plan

Clauses 33 and 34

A well-managed contract allows contract managers to drive more value from a contract than if a contract is not managed. It means contract managers will be well prepared for the contract end date and transitioning out, and preparing for going to market (if applicable) to form a new contract. It can avoid a requirement to extend contracts because an agency is unprepared leading up to the contract end date. Establishing policies, procedures and plans to manage contracts helps with:

- both parties to the contract understanding their roles and obligations
- realising value for money throughout the life of the contract, by facilitating supplier delivery of contracted commitments



- early identification and management of risk of contractor non-performance, and avoiding disputation
- improving transparency and reducing fraud and corruption risks, driving greater confidence and trust in government procurement.

- <u>Contract management toolkit (including Contract Management Framework)</u> available at forgov.qld.gov.au/financeand-procurement/procurement-resources/manage-a-contract
- <u>Managing and monitoring supplier performance guide</u> available at forgov.qld.gov.au/finance-and-procurement/ procurement/procurement-resources/search-for-procurement-policies-resources-tools-and-templates/managingand-monitoring-supplier-performance
- <u>Complaints management guide</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/ procurement-resources/procurement-guidance

Section 4. Governance

4.1 Structure

Procurement in the Queensland Government follows an agency-led, centrally enabled procurement operating model, whereby agencies are accountable for their own procurement, supported by Queensland Government Procurement within the Department of Energy and Public Works. This provides a flexible approach, taking account of agency-specific business needs and expertise.

Supporting this operating model is a governance structure, comprised of a number of procurement governance groups, which facilitate information sharing, strategic input and collaboration across government, industry, unions and other sectors. This fosters greater cooperation and creates opportunities to leverage the strengths of each sector.

The procurement framework is based on a category management approach within a whole-of-government framework of legislation, policies and guidance. Category councils, with the support of category lead agencies, oversee and direct strategic procurement activities for the six categories of government expenditure. Category management represents best practice and helps to:

- develop and achieve shared longer-term goals
- better support the government's broader economic, ethical, social and environmental objectives
- develop supply markets and drive innovation into the delivery of government services
- identify what represents value and how this can be assessed during procurement processes.

4.2 Roles and responsibilities

There are a number of roles and responsibilities within Queensland Government procurement, each playing an important part in ensuring procurement is effective, efficient and delivers on *Buy Queensland 2023* outcomes:

Minister responsible for Government Procurement

The Minister responsible for Government Procurement is the Minister allocated responsibility for Government Procurement via the *Administrative Arrangements Orders*.

Declarations

Clause 35

This clause sets out the things that the Minister responsible for Government Procurement can make declarations about, in one place. To ensure better coordination and alignment of government priorities, consultation between the Minister responsible for Government Procurement and the responsible Minister, followed by approval of the Premier, is required before declarations regarding Best Practice Principles, Local Benefits Tests or Supply Chains of State Significance are made.

Relevant resources

• <u>Best practice principles: Quality, safe workplaces guide</u> available at forgov.qld.gov.au/finance-and-procurement/ procurement/procurement-resources/search-for-procurement-policies-resources-tools-and-templates/bestpractice-principles-quality-safe-workplaces

Accountable officers

Accountable officers are those Directors-General, Chief Executives or their equivalent, who are accountable for the operation of their respective agencies, with specifics usually set out in legislation. This includes, but is not limited to, areas relating to procurement such as:

- policy compliance
- quality planning and information
- probity and integrity

- efficiency and effectiveness
- procurement-related policies
- emergency procurement.

These clauses recognise the role accountable officers play in fostering culture, policies and practices that support good procurement.

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Compliance

Clauses 36 and 37

These clauses recognise that agencies are accountable for their own procurement, having regard to the Queensland Government's agency-led, centrally enabled procurement operational model. These clauses help to:

- ensure accountable officers discharge their legislative obligations
- enable the Queensland Government Procurement Compliance Branch to effectively carry out its responsibilities to ensure buyers are complying with the QPP, and suppliers are delivering on their contracted commitments, ensuring everyone plays by the rules
- ensure agency procurement is planned, coordinated, effective, efficient and achieves value for money
- embed QPP into policies and practices.

Relevant resources

- <u>Agency procurement planning guide</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/ procurement-resources/search-for-procurement-policies-resources-tools-and-templates/agency-procurementplanning
- <u>Financial and Performance Management Standard 2019</u> available at legislation.qld.gov.au/view/html/inforce/ current/sl-2019-0182
- <u>Procurement governance ForGov</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/ understanding-procurement/procurement-governance

Quality planning and information

Clause 38

Agency procurement plans are not only integral to ensuring procurement is coordinated, effective, efficient and achieves value for money, but they provide a clear line of sight of how procurement as a function contributes to the organisation's strategic objectives. This helps to contextualise the important contribution that procurement makes in both enabling service delivery and as a strategic partner.

Clause 39

Devolving procurement decision-making for routine procurement to a level closest to the geographical location where the good or service is to be supplied enhances the prospect of local buying close to the source of delivery, reduces red tape and harnesses local decision-making expertise, helping to ensure procurement is coordinated, effective, efficient and achieves value for money.

Clause 40

A whole-of-government picture of procurement performance helps with understanding whether policy settings are achieving the intended outcome, capitalise on strengths and implement improvements. This clause helps to:

- facilitate informed and effective procurement decision-making
- support the establishment of better procurement data analytics capabilities, which leads to improved business performance, policy and compliance outcomes
- identify if QPP targets and requirements are being met, and evaluating policy impacts
- identify opportunities for improvement and informing a targeted approach to buyer capability development.

Important: This clause is subject to a transitional provision to provide time for agencies to embed this enhanced policy requirement into their respective procurement policies, procedures and processes. Note QPP 2021 policy requirements apply until endorsement of the whole-of-government procurement reporting framework by the Queensland Government Procurement Committee.

Integrity

Clause 41

Demonstrating integrity in perception and fact is core to retaining the trust of all stakeholders, including suppliers and the public. This clause helps to:

- foster a culture where purchasing and procurement are conducted with probity, integrity, transparency and accountability, relative to value and risk
- reduce fraud and corruption risks, driving greater confidence and trust in government procurement.

Relevant resources

• <u>Probity and integrity in procurement guide</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/procurement-policies-resources-tools-and-templates/probity-and-integrity-in-procurement

Effectiveness

Clauses 42 and 43

These clauses give further expression to fundamental roles of accountable officers in managing their organisations efficiently, effectively and economically from a procurement perspective. These clauses help to:

- identify opportunities for improvement and informing a targeted approach to buyer capability development
- ensure buyers have a basic understanding of, and be able to apply, *Buy Queensland* and agency-specific procurement policies and/or procedures
- ensure agency procurement is coordinated, effective, efficient and achieves value for money.

Important: Clause 43 is subject to a transitional provision to provide time for departments to complete their first procurement functional maturity assessment, and establish procurement certification targets. Note that, for the purpose of this clause, references to 'departments' are intended to only capture a department of government under section 197 of the *Public Sector Act 2022*.

Relevant resources

- <u>Procurement capability and training toolkit (including agency procurement functional maturity assessment tools)</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/procurement-capability-and-training
- <u>Financial and Performance Management Standard 2019</u> available at legislation.qld.gov.au/view/html/inforce/ current/sl-2019-0182

Procurement-related policies

Clause 44

This clause provides detail to assist accountable officers to most effectively engage with procurement when a potential policy that leverages procurement is being considered. This clause helps to:

- demonstrate a clear understanding of the needs of, and potential impact on, government agencies, businesses and supply markets
- support achievement of value for money
- take a collaborative, whole-of-government approach to policy development
- ensure procurement-related policies are consistent with the QPP and other already approved procurement-related policies
- support implementation including measurement and management of outcomes and benefits.

 <u>Procurement-related policies: Guideline</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/ procurement-resources/search-for-procurement-policies-resources-tools-and-templates/procurement-relatedpolicies-guideline

Declared emergencies

Clause 45

This clause helps to ensure employees involved in procurement, including decision-makers, make fast, informed and transparent procurement decisions consistent with the *Buy Queensland* approach during a declared emergency. A recent example of such a situation is the emergency declared with respect to the pandemic.

Relevant resources

• <u>Procuring during an emergency guide</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/ procurement-resources/search-for-procurement-policies-resources-tools-and-templates/procuring-during-anemergency

Employees

Generally, this refers to anyone who works in any capacity for an organisation subject to the QPP 2023, which includes the whole spectrum of those who purchase on an ad-hoc basis through to Chief Procurement Officers who manage a procurement function.

Clause 46

Good procurement is the responsibility of everyone who either spends money on goods and services directly, or participates in decision making processes regarding the spending of money. This clause helps to:

- ensure agency procurement is coordinated, effective, efficient and achieves value for money
- ensure agency procurement is compliant with other government legislative and policy requirements
- demonstrate a responsible public procurement approach, supporting positive, long-term outcomes for Queenslanders
- foster a culture where purchasing and procurement is conducted with probity, integrity, transparency and accountability, relative to value and risk
- reduce fraud and corruption risks, driving greater confidence and trust in government procurement.

Relevant resources

- <u>Putting Queenslanders first when securing value for money guide</u> available at forgov.qld.gov.au/finance-and-procurement/procurement-resources/search-for-procurement-policies-resources-tools-and-templates/putting-queenslanders-first-when-securing-value-for-money
- <u>Accessibility compliance in procurement Ensuring accessibility for people with disability guide</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/procurement-resources/search-for-procurement-policies-resources-tools-and-templates/accessibility-compliance-in-procurement-ensuring-accessibility-for-people-with-a-disability
- <u>Probity and integrity in procurement guide</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/procurement-policies-resources-tools-and-templates/probity-and-integrity-in-procurement

Agency delegates

Agency delegates are those officers who are authorised to exercise a financial and/or procurement delegation in accordance with their agency financial and/or procurement delegations, policies and/or procedures.

Clause 47

Agency delegates are an important part of the internal control systems in agencies, providing a check and balance. This clause helps to:

- ensure good governance in procurement
- ensure that *Buy Queensland 2023* outcomes are achieved
- reduce fraud and corruption risks, driving greater confidence and trust in government procurement.

- *Financial Accountability Act 2009* available at legislation.qld.gov.au/view/html/inforce/current/act-2009-009
- <u>Financial Accountability Handbook</u> available at treasury.qld.gov.au/resource/financial-accountability-handbook/

Queensland Government Procurement Committee

The Queensland Government Procurement Committee (QGPC) provides direction, informed deliberation and strategic advice about whole-of-government procurement and category management activities.

The QGPC includes senior executives from central agencies and senior officers from lead agencies that are in charge of managing their respective category council.

Clause 48

This clause sets out the key functions of the QGPC, ensuring agency procurement is coordinated, effective, efficient and achieves value for money.

Relevant resources

• <u>Procurement governance ForGov</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/ understanding-procurement/procurement-governance

Procurement Ministerial Advisory Council

The Procurement Ministerial Advisory Council (PMAC) advises the Minister responsible for Government Procurement, providing coordinated, strategic level input regarding procurement.

The PMAC includes senior representatives from industry, employer groups and unions.

Clause 49

This clause sets out the purpose of the PMAC, ensuring government procurement activities are informed by industry insights.

Relevant resources

• <u>Procurement governance ForGov</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/ understanding-procurement/procurement-governance

Category councils and category lead agencies

Category councils oversee and direct strategic procurement activities for the six categories of government expenditure, including governing the category strategy and consulting with industry reference groups.

Each council is led by a category lead agency and comprises other agencies, including statutory bodies, which have relevant experience and expertise in the category concerned.

Category lead agencies are the agencies which are responsible for managing the six categories of government expenditure.

Clause 50

This clause helps to drive a category management approach to delivering local benefits consistent with the Queensland Government's procurement operating model. This allows a more nuanced and effective method of pursuing local benefits which is informed by the unique nature, characteristics and objectives of each procurement category.

Important: This clause is subject to a transitional provision to provide time for each category council to set minimum weightings for local benefits for their category. Until these minimum weightings are set, agencies must use a local benefits minimum weighting of at least 10 per cent when applying the Local Benefits Test.



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• <u>Procurement governance ForGov</u> available at forgov.qld.gov.au/finance-and-procurement/procurement/ understanding-procurement/procurement-governance

Clause 51

Category lead agencies have a pivotal role in Queensland Government procurement, bringing together analytics, planning, reporting, consulting and providing advice to agencies procuring within the category. This clause helps to support the category management approach to procurement consistent with the Queensland Government's procurement operating model, ensuring agency procurement is coordinated, effective, efficient and achieves value for money.

Important: This clause is subject to a transitional provision for existing common-use supply arrangements to be reviewed for diversity of suppliers and to be made compliant with this clause by the stated date.

Department of Energy and Public Works

The Department of Energy and Public Works, through Queensland Government Procurement, administers the Queensland Government Procurement Framework which enacts the *Buy Queensland* approach to government procurement, including the QPS 2023, QPP 2023, the Queensland Government Procurement Statement, guidance, tools and templates.

Clause 52

Queensland Government Procurement, Department of Energy and Public Works, in addition to administering the Queensland Government Procurement Framework, provides a whole-of-government view and central point of advice on strategic level procurement matters, supports the Minister in the discharge of his responsibility as Minister responsible for Government Procurement, and facilitates strategic governance and engagement. This forms the centrally enabled aspect of the agency-led, centrally enabled procurement operating model, ensuring agencies are supported to deliver procurement which is coordinated, effective, efficient and achieves value for money.

Relevant resources

• <u>Procurement ForGov</u> available at forgov.qld.gov.au/procurement

Section 5. Definitions

To support ease of interpreting the QPP 2023, the document now contains:

- revised definitions for certain terms which have carried over from the QPP 2021 for example, 'Value for money'
- definitions for new terms introduced as part of *Buy Queensland 2023* for example, 'Enduring community value', 'Local benefits', 'Local workforce', 'Responsible public procurement', 'Set-asides', 'Supply Chain of State Significance'
- terms enclosed in single quotation marks to indicate terms which are defined in this section.

