*Proposed Sanction Notice*

templates

Ethical Supplier Mandate and Ethical Supplier Threshold

# *Proposed Sanction Notice*

This *Outcome Notice and* *Proposed Sanction Notice* should be issued to suppliers where the appropriate decision maker (in consideration of the Panel’s recommendation) determines a breach under the Ethical Supplier Mandate (the Mandate) or Ethical Supplier Threshold (the Threshold) has occurred and consideration of a sanction is appropriate. This Notice should be issued by the decision maker to the supplier and the supplier will have opportunity to respond directly to the decision maker.

A sanction determination will not be made by the decision maker until the supplier has had an opportunity to respond to this Notice.

<Day Month Year>

<Supplier Name>

<Supplier Contact>

<Contact Position>

<Street Address or GPO/PO Box>

<Suburb, State, Postcode>

REF#<insert>: Ethical Supplier <Mandate or Threshold> Outcome Notice and Proposed Sanction Notice

Dear <salutation> <insert surname>,

I refer to the *Show Cause Notice* issued to you on <insert date> by the <insert procuring agency> and the *Extenuating Circumstances Notice* sent <insert date> which outlined a suspected breach of the Ethical Supplier <Mandate/Threshold> (the Mandate/Threshold).

The allegation is summarised as follows:

*<insert short summary of alleged conduct, including a reference to the related contract (if applicable)>*

**DIRECTOR-GENERAL CONSIDERATION**

On <insert date>, the Director-General of the <insert procuring agency> conducted a review of all available case materials, including any information provided during the show cause, extenuating circumstances proceedings and the recommendation of the Tripartite Procurement Advisory Panel.

After conducting that review and due consideration, it has been established that the non-compliant conduct outlined in this Notice is a confirmed breach of the Ethical Supplier <Mandate or Threshold>. In this instance, <X> demerits will be issued to <insert supplier name> in relation to this matter.

The decision is summarised as follows:

*<insert summary of decision>*

As set out in the *Extenuating Circumstances Notice*, the incursion of twenty (20) or more demerits in a 12-month period will cause the business to be eligible for a sanction consideration under the <Mandate/Threshold>. With this most recent application of demerits, <insert supplier name> has now accumulated <XX> demerits since <insert date of earliest relevant demerit issue>.

<remove if not required>Other breaches of the <Mandate/Threshold> in scope of this sanction consideration include:

* <insert REF#: X demerits issued - date of issue>

After considering the breach details that led to the accumulation of the abovementioned demerits, including all procedural fairness responses received to date, the decision maker proposes to impose the following sanction: <remove/alter as appropriate>

* suspending <insert supplier name>’s prequalification for: <set out defined period up to 12 months>,
* making <insert supplier name> ineligible for contract award for: <set out defined period up to 12 months>,
* suspending <insert supplier name> from any Queensland Government panel or contracting framework for: <set out defined period up to 12 months>,
* precluding <insert supplier name>’s existing contract from being extended, and/or
* a suspended sanctions penalty, pending successful implementation of the following recommended corrective actions:
  + <insert details of corrective actions, including due dates>

The reason for this proposed sanction is summarised as follows:

*<insert summary of decision behind proposed outcome>*

**PROVIDING A RESPONSE**

You are invited to make written representations about the imposition of the proposed sanction. Representations must be in writing and should attach any information you consider relevant.

Any response you wish to provide should be received by the <insert procuring agency> within ten (10) business days of issue of this Notice. Please issue all responses to:

Name: <insert decision maker name>

Postal Address: <name of agency>

<first line postal address>

<second line postal address>

Email: <email of agency contact>

You may request an extension beyond the ten (10) day timeframe to respond, if required. Sound reasons must be provided for the extension. The <insert procuring agency> will provide communication confirming whether this extension has been granted.

**NO RESPONSE**

The decision maker will consider any written representations that you make on or before the submission due date.

If no response is received within ten (10) business days of issue of this Notice, the decision maker will determine the imposition of the sanction without further notice to you.

**DEMERIT DETAILS**

As set out in the *Ethical Supplier Mandate 2021* demerits will expire 12 months from the date they are issued, unless applied to a sanction. All demerits applied to a sanction determination will be retired and will not contribute to future non-compliance decisions under the policy.

If a sanction is imposed on <insert supplier name>, the demerits mentioned in this notice will no longer be active.

**APPEAL OPTIONS**

<Insert supplier name> may appeal against this decision if you believe the process of managing the breach under the *Ethical Supplier Mandate 2021* has not been followed, or the Director-General failed to take information provided during the show cause and extenuating circumstances proceedings into account. The scope of an appeal does not include the reconsideration of merit or facts of a breach under the <Mandate/Threshold>.

Please direct all appeal submissions to [ethicalsupply@epw.qld.gov.au](mailto:ethicalsupply@epw.qld.gov.au) within ten (10) business days of issue of this Notice, in accordance with the *Appeals Standard Operating Procedure* provided on the department’s website ([www.epw.qld.gov.au](http://www.epw.qld.gov.au)).

**COMPLIANCE RECORD UNDER THE POLICY**

All confirmed breaches of the <Mandate/Threshold> (or Ethical Supplier Threshold/Mandate) will be collated to form your compliance record under these policies. Procuring agencies will have access to this compliance record when completing future procurement.

Queensland Government takes all matters of compliance seriously. We appreciate your cooperation and patience while due process is followed in addressing this matter.

If you have any questions regarding this Notice, please contact me at <insert email address>.

Yours sincerely,

# *Proposed Sanction Notice – upgraded demerit penalty*

This *Outcome Notice and* *Proposed Sanction Notice* should be issued to suppliers where the appropriate decision maker (in consideration of the Panel’s recommendation) determines a repeated breach under the Mandate has occurred and a previously issued penalty will be upgraded, resulting in a sanction consideration.

A sanction determination will not be made by the decision maker until the supplier has had an opportunity to respond to this Notice.

<Day Month Year>

<Supplier Name>

<Supplier Contact>

<Contact Position>

<Street Address or GPO/PO Box>

<Suburb, State, Postcode>

REF#<insert>: Ethical Supplier <Mandate or Threshold> Outcome Notice and Proposed Sanction Notice

Dear <salutation> <insert surname>,

I refer to the *Show Cause Notice* issued to you on <insert date> by the <insert procuring agency> and the *Extenuating Circumstances Notice* sent <insert date> which outlined a suspected breach of the Ethical Supplier <Mandate/Threshold> (the Mandate/Threshold).

The allegation is summarised as follows:

*<insert short summary of alleged conduct, including a reference to the related contract (if applicable)>*

**DIRECTOR-GENERAL CONSIDERATION**

On <insert date>, the Director-General of the <insert procuring agency> conducted a review of all available case materials, including any information provided during the show cause and extenuating circumstances proceedings and the recommendation of the Tripartite Procurement Advisory Panel.

After due consideration, it has been established that the non-compliant conduct outlined in this Notice is a confirmed breach of the Ethical Supplier Mandate. In this instance, a related previous application of <X> demerits will be upgraded and replaced, and <insert supplier name> will incur a new allocation of <XX> demerits in relation to this matter.

The decision is summarised as follows:

*<insert summary of decision>*

As set out in the *Extenuating Circumstances Notice*, the incursion of twenty (20) or more demerits in a 12-month period will cause the business to be eligible for a sanction consideration under the <Mandate/Threshold>. With this upgrade of demerits, <insert supplier name> has now accumulated <XX> demerits since <insert date of earliest relevant demerit issue>.

<remove if not required>Other breaches of the <Mandate/Threshold> in scope of this sanction consideration include:

* <insert REF#: X demerits issued - date of issue>

After considering the breach details that led to the accumulation of the abovementioned demerits, including all procedural fairness responses received to date, the decision maker proposes to impose the following sanction: <remove/alter as appropriate>

* suspending <insert supplier name>’s prequalification for: <set out defined period up to 12 months>,
* making <insert supplier name> ineligible for contract award for: <set out defined period up to 12 months>,
* suspending <insert supplier name> from any Queensland Government panel or contracting framework for: <set out defined period up to 12 months>,
* precluding <insert supplier name>’s existing contract from being extended, and/or
* a suspended sanctions penalty, pending successful implementation of the following recommended corrective actions:
  + <insert details of corrective actions, including due dates>

The reason for this proposed sanction is summarised as follows:

*<insert summary of decision behind proposed outcome>*

**PROVIDING A RESPONSE**

You are invited to make written representations about the imposition of the proposed sanction. Representations must be in writing and should attach any information you consider relevant.

Any response you wish to provide should be received by the <insert procuring agency> within ten (10) business days of issue of this Notice. Please issue all responses to:

Name: <insert decision maker name>

Postal Address: <name of agency>

<first line postal address>

<second line postal address>

Email: <email of agency contact>

You may request an extension beyond the ten (10) day timeframe to respond, if required. Sound reasons must be provided for the extension. The <insert procuring agency> will provide communication confirming whether this extension has been granted.

**NO RESPONSE**

The decision maker will consider any written representations that you make on or before the submission due date.

If no response is received within ten (10) business days of issue of this Notice, the decision maker will determine the imposition of the sanction without further notice to you.

**DEMERIT DETAILS**

As set out in the *Ethical Supplier Mandate 2021*, demerits will expire 12 months from the date they are issued, unless applied to a sanction. All demerits applied to a sanction determination will be retired and will not contribute to future non-compliance decisions under the policy.

If a sanction is imposed on <insert supplier name>, the demerits mentioned in this notice will no longer be active.

**APPEAL OPTIONS**

<Insert supplier name> may appeal against this decision if you believe the process of managing the breach under the *Ethical Supplier Mandate 2021* has not been followed, or the Director-General failed to take information provided during the show cause and extenuating circumstances proceedings into account. The scope of an appeal does not include the reconsideration of merit or facts of a breach under the <Mandate/Threshold>.

Please direct all appeal submissions to [ethicalsupply@epw.qld.gov.au](mailto:ethicalsupply@epw.qld.gov.au) within ten (10) business days of issue of this Notice, in accordance with the *Appeals Standard Operating Procedure* provided on the department’s website ([www.hpw.qld.gov.au](http://www.hpw.qld.gov.au)).

**COMPLIANCE RECORD UNDER THE POLICY**

All confirmed breaches of the <Mandate/Threshold> (or Ethical Supplier Threshold/Mandate) will be collated to form your compliance record under these policies. Procuring agencies will have access to this compliance record when completing future procurement.

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If you have any questions regarding this Notice, please contact me at <insert email address>.

Yours sincerely,