**Corporate Policy**

**Procurement – the purchase of goods and services**

This policy must be read in conjunction with the [DPC Procurement Guidelines](http://dpcintranet/docs/DPC%20Documents/procurement-agency-guidelines.tr5).

# **Purpose**

# This policy:

* outlines the principles regarding the purchase of all goods and services in the department
* provides advice on the approvals required to undertake a procurement process.

**Guiding Principles**

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| **Primary principle**1. Drive value for money in procuring high quality goods and services.
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| **Supporting principles**1. Undertake our procurement with integrity, ensuring accountability for outcomes.
2. Working together across agency boundaries to achieve savings and benefits.
3. Lead in procurement practice—understand the department’s needs, the market, our suppliers and have the capability to deliver better outcomes.
4. Use procurement to advance the government's economic, environmental and social objectives and support the long-term wellbeing of our community.
5. Have the confidence of our stakeholders and the community in the management of procurement.
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**Value for money**

**The primary principle is to drive value for money in procuring high quality goods and services. Price alone will not always be the sole indicator of value. For further information refer to the** [DPC Procurement Guidelines](http://dpcintranet/docs/DPC%20Documents/procurement-agency-guidelines.tr5)**.**

**Responsibilities**

**All Staff – must undertake procurement activities in line with this policy, the DPC Procurement Guidelines and the Code of Conduct for the Queensland Public Service.**

**Procurement Services – will provide the necessary advice and tools to enable staff to undertake procurement activities in line with this policy.**

**Expenditure Delegates –** must satisfy themselves that **procurement activities for their area of financial responsibility have been undertaken in line with** department expenditure delegations**, this policy and** the Procurement Guidelines.

**Chief Procurement Officer – must ensure that this departmental policy adheres to the overarching Queensland Procurement Policy and monitor and report the department’s compliance.**

**Procurement Approvals**

All procurements are to be approved by the relevant expenditure delegate in line with [department expenditure delegations](http://dpcintranet/docs/DPC%20Documents/Expenditure%20Delegations%20-%20DPC.tr5). For all procurements of **contractors or consultants** valued at **$50,000** or over GST inclusive, approval to initiate the procurement process is required from the Chief Operating Officer or Parliamentary Counsel (OQPC only).

**Contract Variations**

When the scope and/or price changes from that which was initially approved, approval for the revised arrangement is be sought from the original approving officer. Where the total value (original cost plus variation) of the revised arrangement variation exceeds the original approving officer’s expenditure delegation, then approval must be sought from the next highest delegate.

Where the total value (original cost plus variation) of the revised arrangement for a contractor or consultant is equal to or exceeds $50,000 GST inclusive, approval must also be sought from the Chief Operating Officer or Parliamentary Counsel (OQPC only).

**Quotes and Cost Estimates**

Purchases not from a standing offer arrangement

The quotation requirements provided in the table below are the minimum needed. Additional quotes or undertaking a tender process should be considered where appropriate. For further information, please refer to the Procurement Guidelines.

Purchases from a standing offer arrangement

Goods and services purchased from a standing offer arrangement (SOA) are not subject to the minimum quotation requirements above, however obtaining quotes is considered better practice.



**Standing Offer Arrangements**

SOAs are arrangements that have already been established and which may be used by the department to access specific goods and services. SOAs may include registers of pre-qualified suppliers, panel arrangements or preferred supplier arrangements.

In the first instance, existing SOAs should be considered to determine if any suitable arrangement exists to meet the department’s needs. The DPC procurement team is able to provide you with an up-to-date SOA listing upon request.

**Policy Departures**

The Chief Operating Officer can approve a departure from this process based on exceptional circumstances. These circumstances may include the need to maintain continuity of services, to prevent disruption to departmental operations and/or where there is a sound business reason on the grounds of urgency, the need for confidentiality or market conditions.