Corporate, Strategy & Policy – Finance Branch

working @ JUSTICE

# Procurement Policy

## Summary

This policy sets out the procurement principals and thresholds to be applied by all Department of Justice (the Department) officers and employees in relation to the procurement of all goods and services on behalf of the Department.

It will ensure that staff of the Department are aware of and familiar with external policies including the Treasurer’s Instructions and other relevant financial policies by which the Department is bound.

It will provide staff with internal policy requirements established and governed by the Department.

## Applies to

The Policy applies to:

* the procurement of all goods and services and building and construction procurement processes performed on behalf of the Department; and
* all Departmental employees and officers.

## Policy statement

The Policy establishes a framework to manage the procurement of all goods and services, including building and construction, so as to ensure the Department’s procurement activity is compliant with all external and internal requirements and policies, and maximises the benefits to the Department that can be delivered through an effective and efficient procurement process.

## Related documents

The policy is drafted to comply with external policies and procedures developed and maintained by the Department of Treasury and Finance (Treasury). These purchasing policies and procedures apply to all departments which are required to comply with the Financial Management Act 2016, as well as any consultants and contractors who have been contracted to undertake purchasing on their behalf.

* [Procurement Treasurer’s Instructions - PF1-7, PP1-6, D-1 and C1-2](https://www.treasury.tas.gov.au/purchasing-and-property/procurement-treasurers-instructions)
* [Department of Treasury Better Practice Guidelines](https://www.purchasing.tas.gov.au/buying-for-government/purchasing-framework/better-practice-guidelines)
* [Department of Justice Procurement Manual](file:///G:\FINANCE\Procurement\Guidelines,%20Templates%20etc\Policy%202019\Procurement%20Manual%20-%202020.docx)

The Department of Justice Procurement Manual provides step-by-step details on how to conduct procurement processes to ensure compliance with this policy.

What are everyone’s workplace responsibilities for this policy?

Employee/contractor

Employees and Contractors (“staff”) are responsible and accountable for:

#### All Procurements

* adhering to the Government Procurement Policies and Procedures when undertaking procurement activities on behalf of the Department;
* familiarising themselves with the Treasurer's Instructions relating to procurement;
* observing and complying with the requirements of the Department’s Procurement Policy and related documents;
* applying and abiding by the Department’s Procurement Procedures;
* obtaining a procurement number from Finance (Procurement) and seeking advice prior to any approach to the market valued at $50,000 or greater;
* completion of an [Awarded Contracts Form](https://intra.justice.tas.gov.au/search?mode=results&queries_all_query=awarded+contract+form) for all procurements valued at $50,000 or greater; and
* submission of an Evaluation Report to the Procurement Review Committee for any purchases over $100,000 for approval prior to the purchase being finalised or any contracts signed.

#### For Procurements under $100,000

* ensuring that if they are unfamiliar with procurement, or the value or risks of the procurement are difficult to determine, that preliminary advice is sought from Finance (Procurement);
* weighing up the value of the purchase and the cost of seeking quotations against the need to ensure that value for money is achieved, while also enhancing opportunities for local business; and
* all staff purchasing on behalf of the Department are to keep internal records of any procurement on the [Record of Purchase Template](https://intra.justice.tas.gov.au/finance/buying_for_justice/goods-and-services), for all procurements less than $100,000.

#### Procurements from $100,000 but less than $250,000

* ensuring that for all purchases of goods and services, including building and construction, consultancies, leases (or rentals) of equipment valued at $100,000 or more, a formal Request for Quote or Request for Tender procurement process and evaluation must be undertaken.
* preparing the following documentation for review and advice prior to any approach to the market for a procurement above $100,000 but less than $250,000:
  + a [Procurement Plan](https://www.purchasing.tas.gov.au/search?k=procurement%20plan) (to be endorsed by a manager with an appropriate financial delegation); and
  + a [Request for Quotation (RFQ)](https://www.purchasing.tas.gov.au/buying-for-government/resource-library/procurement-template-documentation) and any associated documentation.

These documents must be submitted to Finance (Procurement) for consideration and approval prior to any documentation being released to the market.

#### Procurements greater than $250,000

* for all purchases of goods and services, including consultancies and leases or rentals of equipment, valued at $250,000 or more, a full Request for Tender process must be undertaken.
* For all building and construction valued at $500,000 or more, a full tender process must be undertaken.
* preparing the following documentation for review and advice prior to any approach to the market for a procurement of $250,000 and over:
  + a [Procurement Plan](https://www.purchasing.tas.gov.au/search?k=procurement%20plan) (to be endorsed by a manager with an appropriate financial delegation); and
  + a [Pre-procurement Local Impact Assessment](https://www.purchasing.tas.gov.au/search?k=pre-procurement%20local%20impact%20assessment). This assessment needs to be completed and forwarded to Finance (Procurement) for endorsement by the PRC and approval by an Officer holding financial delegation for the value of the procurement before any tender documentation can be released to the market.
  + A Request for Tender (RFT) and any associated documentation.

These documents must be submitted through Finance (Procurement) for consideration and approval prior to any documentation being released to the market.

Output Manager

In addition to their personal responsibilities as employees, Output Managers are responsible for:

* ensuring that all staff and contractors undertaking any purchases or procurements have read, understood and acknowledged acceptance of this Policy;
* undertaking regular measures to ensure that their staff and contractors are aware of and comply with the requirements of this Policy;
* ensuring that, prior to approving any procurements or purchases, that they have met the requirements of the Department's Financial Delegations Policy.

Manager Procurement and Property

In addition to their personal responsibilities as an employee, the Manager Procurement and Property is responsible for:

* provision of ongoing advice and support for staff undertaking all goods and services and building and construction procurement processes performed on behalf of the Department;
* implementing, maintaining, and communicating procurement policy and processes, in accordance with external and internal procurement requirements;
* coordinating all of the duties and responsibilities of Finance (Procurement) under this policy; and
* ensuring procurement undertaken across the Department is conducted in accordance with these policies.

Director Finance

In addition to their personal responsibilities as an employee and an Output Manager, the Director Finance is responsible for:

* ensuring the pre-procurement local impact assessment has been signed by an officer holding the financial delegation for the procurement ;
* general oversight and support for the Manager Procurement and Property and other Finance (Procurement) staff in undertaking procurement related activity
* confirming that funding and resources required for the proposed procurement activities to proceed are available; and
* maintaining policies and processes to ensure that the Department complies with all procurement related reporting requirements.

Procurement Review Committee (PRC)

The PRC is responsible for:

* ensuring that procurement processes have been followed in line with relevant internal and external policy;
* reviewing and approving all procurement processes valued at $100,000 and over, prior to the finalisation of any process and awarding of contracts not required to be approved by the Secretary;
* endorsing any procurement processes required to be approved by the Secretary;
* instigating investigations into complaints about serious breaches of the Procurement Policy; and
* recommending appropriate courses of action for serious breaches of the Procurement Policy.

Agency Executive

Agency Executive is responsible for:

* establishing governance and management arrangements for the Procurement Policy; and
* authorising and approving the release and revision of the Procurement Policy and Procedures.

Secretary

The Secretary has responsibility for approval of:

* approval of requests for exemption from this Procurement Policy or the Treasurer’s Instructions, in accordance with the Treasurer's Instructions; and
* approval of Consultancies (Building and Construction non-works procurements) valued at greater than $100,000;

Reporting

* All procurements valued at $50,000 or more are required to be reported and classified by procurement type in the Department's annual report each year.

|  |  |
| --- | --- |
| Responsible Output | Finance |
| Date approved |  |
| Review date | [no less than 2 years from approval] |
| Reference | [CM reference - DOC/xx/yyyyyy] |
| Version | 1.0 |