

# Procurement-related policies: Guideline

Department of Energy and Public Works

This document will be progressively reviewed as part of Buy Queensland 2023 implementation.



**Queensland  
Government**

**Procurement-related policies: Guideline**

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**The State of Queensland (Department of Energy and Public Works) 2022**

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**Contact us**

Queensland Government Procurement – Policy is committed to continuous improvement. If you have any suggestions about how we can improve this guide, or if you have any questions, contact us at [betterprocurement@epw.qld.gov.au](mailto:betterprocurement@epw.qld.gov.au).

**Disclaimer**

This document is intended as a guide only for the internal use and benefit of government agencies. It may not be relied on by any other party. It should be read in conjunction with the Queensland Procurement Policy, your agency's procurement policies and procedures, and any other relevant documents.

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## Introduction

A 'procurement-related policy' is any whole-of-government policy, target, commitment and/or other similar requirement, that aims to influence or impact procurement activities, practices, and decisions, usually for the purposes of advancing particular economic, environmental, and/or social outcomes. Examples of current procurement-related policies are the Queensland Indigenous (Aboriginal and Torres Strait Islander) Procurement Policy, and the Queensland Government Building and Construction Training Policy.

Procurement-related policies should be standalone instruments; that is, while they seek to influence or impact procurement, they are separate to the Queensland Procurement Policy (QPP), with their own policy statements and supporting materials, along with separate implementation and monitoring initiatives.<sup>1</sup>

## Authority

The QPP is mandated for application by Executive Government.

Clause 5.5. of the QPP mandates that agencies consult with Queensland Government Procurement – Policy (formerly known as the Office of the Chief Advisor – Procurement) during the development of whole-of-government procurement-related policies. It also requires that these guidelines be used during the development of procurement-related policies.

## Procurement-related policy principles

The following principles must underpin the development, implementation, and ongoing maintenance of any procurement-related policy:

- ensure consistency with the QPP and other already approved procurement-related policies
- ensure value for money outcomes and that probity is maintained
- strengthen and support diversity in markets, and not be anticompetitive in nature
- take a whole-of-government approach, with collaboration across government agencies and lead agency category teams
- show an understanding of the needs of, and potential impact on, government agencies, businesses, and supply markets
- ensure practicality of implementation, not putting in place burdensome administrative requirements, while also considering government agency and supply market capability and capacity
- ensure that outcomes and other benefits can be measured and managed, and that these outweigh the costs.

## Key requirements

The development of any procurement-related policy must meet the process provided by this Guideline.

In addition, once operational, a new procurement-related policy must be supported by an:

- Implementation Plan
- Reporting Schedule
- a documented approach to evaluation.

<sup>1</sup> For clarity, while procurement related policies are standalone instruments, any proposal to amend the QPP to advance one or more economic, environmental, and/or social outcome is a proposed procurement-related policy and subject to this guide.

## Key bodies and responsibilities

**Sponsoring agency** is the government agency that is proposing the new procurement-related policy or has ownership of an existing procurement-related policy. The sponsoring agency is responsible for the policy's development, implementation, and ongoing maintenance.

**Queensland Government Procurement – Policy, Department of Energy and Public Works** is responsible for assisting the sponsoring agency and ensuring that any proposed procurement-related policy is practically implementable and complies with the QPP and any applicable legislation.

**Queensland Government Procurement Committee** provides advice and direction on whole-of-government procurement activities. It is responsible for providing approvals as detailed in this Guideline.

## Development process and approval gates

### Stage 1

While procurement can be used to advance economic, environmental, and social outcomes, a wide range of other policy approaches or initiatives are often available which could achieve the same outcome.

Therefore, as part of **Stage 1**, in consultation with Queensland Government Procurement – Policy, government agencies and lead agency category teams, the sponsoring agency must identify the economic, environmental and/or social priority to be advanced, and must address the following:

- What, specifically, is the problem that needs to be addressed?
- Other than a procurement-related policy, what other alternative policy approaches or initiatives exist that could address the problem?
- How would the use of a procurement-related policy address this problem? As part of this, consider what changes to government buyer and/or supplier behaviour would be required to address the problem.
- How would the proposal interact and ensure consistency with pre-existing procurement-related policies?
- What evidence is there that the outcomes sought can be realised, or realised in a more effective way, via a procurement-related policy than other alternatives?

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In addition to procurement-related policies, there are a range of other related actions that can be considered which do not require a formal policy. These must also be considered as part of the **Stage 1** process:

- developing guidance or other supporting tools to enable government buyers to insert provisions within tenders and contracts
    - engaging directly with and developing industry and the supply market
  - developing an education campaign to influence or change government buyer and/or supply market behaviour or practice
    - working directly with lead agency category teams and government agencies to embed the outcomes sought in their strategies and plans, along with major tenders and contracts.
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### Gate 1 Approval

The sponsoring agency must present to the Queensland Government Procurement Committee the outcomes of **Stage 1**.

Approval from the Queensland Government Procurement Committee must be received to progress to **Stage 2**.

## Stage 2

This stage builds on the work undertaken in **Stage 1** and develops the proposal in greater detail. Specifically, the sponsoring agency must, in consultation with Queensland Government Procurement – Policy, develop a draft policy position that:

- confirms:
  - the problem to be addressed
  - how a procurement-related policy will address the problem
  - why a procurement-related policy is the preferred approach, and provides a comparison to other alternatives
- addresses how the procurement-related policy aligns with the 'Procurement-related policy principles'
- confirms whether there is an established authority (e.g., Executive Government approved action plan)
- confirms the sponsoring Director-General
- provides the:
  - Implementation Plan (including a timeline for implementation, communications approach and roles and responsibilities, along with detail on initiatives that will support any required behavioural change)
  - Reporting Schedule (i.e., details on how the initiative will be baselined, measured, and reported on, including information on data sources and roles and responsibilities)
  - documented approach to evaluation (i.e., how and when will the effectiveness of the procurement-related policy itself be assessed and whether the policy is achieving the outcomes originally sought).
- confirms and details the availability of the resources within the sponsoring agency (including staffing) for the development, implementation, and management of the procurement-related policy (note: where the agency intends to support the policy from within existing resources, the resources required to support the procurement-related policy must still be determined to ensure the proposal can be adequately supported)
- confirms that the Queensland Procurement Policy Analytics Framework (QPPAF) has been utilised as part of the policy design process.

Queensland Government Procurement – Policy will facilitate consultation of the draft policy position with relevant stakeholders and governance bodies as appropriate including, but not limited to, the Procurement Taskforce, the Procurement Industry Advisory Group and category councils.

## Gate 2 Approval

Prior to the **Gate 2 Approval**, endorsement for the outcomes from **Stage 2** must be received from the Department of the Premier and Cabinet, and Queensland Treasury.

Following endorsement, the sponsoring agency must then present to the Queensland Government Procurement Committee the outcomes of **Stage 2**.

Approval from the Queensland Government Procurement Committee must be received to progress to **Stage 3**.

## Stage 3

The sponsoring agency progresses the procurement-related policy for Executive Government approval. This submission must include within the:

- 'Consultation' section, details on the consultation undertaken under these Guidelines, including confirmation of Queensland Government Procurement Committee approval (refer **Gates 1 and 2**)
- 'Implementation' section, the Implementation Plan, Reporting Schedule and documented approach to evaluation, including a timeframe for when the procurement-related policy will be reviewed
- 'Financial Considerations' section, details regarding the resourcing and costs associated with the implementation and ongoing management of the procurement-related policy. Sourcing funding for this resourcing and associated costs is the responsibility of the sponsoring agency.

### Gate 3 Approval

Executive Government approval of the procurement-related policy.

## Stage 4

The sponsoring agency leads implementation of the approved procurement-related policy as per the Implementation Plan. It also commences ongoing monitoring as required under the Reporting Schedule.

### Gate 4 Approval

The sponsoring agency is to provide a paper to the Queensland Government Procurement Committee for approval, within 12 months of policy commencement, confirming that all relevant implementation actions have been undertaken.

## Stage 5

The sponsoring agency is responsible for leading and must review the procurement-related policy as per the documented approach to evaluation (as included within the submission to Executive Government). The review must also clearly identify whether the procurement-related policy is meeting the originally intended objectives, targets and/or commitments.

### Gate 5 Approval

The outcomes of the review must be provided to the Queensland Government Procurement Committee for information.