



# Procedure 2.08 – Procurement and Contracting

## 1 APPLICATION

This procedure applies to all directors, employees and Contractors of NQBP.

## 2 PROCEDURE

This procedure details the requirements for conducting procurement and contracting activities at NQBP in accordance with the six principles of the Queensland Procurement Policy 2017 (QPP).

## 3 NQBP PROCUREMENT PRINCIPLES

### 3.1 Procurement Principles:

NQBP will:

- Drive value for money, by:
  - planning purchasing requirements to provide a structured and considered approach to the management of procurement activities;
  - considering non-cost factors such as fitness for purpose, quality, risk exposure, service and sustainability; and
  - considering whole of life costs and transaction costs associated with acquisition, use, holding, maintenance and disposals;
- Ensure that appropriate governance mechanisms are in place to maintain the integrity of the procurement decision making system;
- Ensure all stages of the procurement decision making process from planning to award and contract management are defensible and documented; and
- Ensure business areas proactively engage with each other from pre-procurement through to contract management and disposal to:
  - identify and assess viable solutions to achieve the outcomes sought;
  - provide support for, and understand the business needs of, front-line service delivery;
  - clearly define procurement objectives to ensure business needs are met;
  - manage demand, reduce waste and manage consumption of valuable resources.

### 3.2 Responsible Financial Management

Prior to commencing a procurement activity or entering into an arrangement with a supplier of goods, services or works, approval must be obtained from the NQBP Personnel with the appropriate delegation under NQBP's Instrument of Delegation (available on NQBP's intranet).

Every attempt must be made to contain the costs of the procurement process without compromising any of the procurement principles set out in this Procedure.

© North Qld Bulk Ports Corporation Limited ACN 136 880 218		Document Type	Procedure	Procedure Sponsor	DLPG
Version Control	Only electronic copy in RM8 is controlled. To ensure any paper copy is current, please check the policy document list on ERIC.			Revision	2
				Document Number	E16/17510
				Page	Page 1 of 14
Approval	This Procedure requires subject matter expert approval except where substantive changes may impact on the rights and obligations of directors.			Date Approved	20/03/2018

## Procedure 2.08 – Procurement and Contracting

### 3.3 Ethical Procurement

All procurement activities will be performed with integrity and in a manner able to withstand the scrutiny from both internal and external sources.

It is important that during the procurement process that:

- Confidentiality of “commercial in confidence” information such as contract prices etc is maintained;
- All potential suppliers are treated with equality and fairness and without favour or prejudice;
- All suppliers and tenderers are provided with the same information to ensure each supplier has equal opportunity;
- All communications and decisions are recorded and documented for probity; and
- Professionalism is maintained at all times.

Persons undertaking purchasing on behalf of NQBP shall comply with Standard 2.02 - Code of Conduct, Policy 4 – Finance, Standard 4.02 - Acceptance of Gifts and Standard 4.06 - Fraud.

Any direct or indirect material interest which may arise during the procurement process that may lead to an actual, perceived or potential conflict of interest must be disclosed to the CEO in accordance with the requirements set out in Procedure 2.02 - Disclosure and Conflicts of Interest. These disclosures will then be considered and a determination made as to the appropriate action that should be taken to manage the conflict to avoid compromising NQBP’s position.

### 3.4 Sustainable Procurement

Sustainable procurement is a process whereby organisations meet their needs for goods, services and capital projects, in a way that achieves value for money on a whole of life basis in terms of generating benefits not only to the organisation, but also to society, the economy and the natural environment. NQBP’s purchasing power can have an effect on the sustainability practices of suppliers, including contractors and consultants.

Sustainability considerations that may be applied during the procurement process include:

- Screening supply chains to ensure suppliers are socially responsible and ethical (for example, fair employment, fair trade and ethical sourcing practices);
- Generating positive social outcomes with NQBP purchases (for example, employment and training opportunities for marginalised groups);
- Selecting environmentally preferable goods and services that have a lower impact on the environment over the life cycle of the good or service when compared with competing goods or services servicing the same purpose (for example, considering energy, water use and quality, climate change, waste, toxic substances/pollutants/emissions, resource use and intensity);
- Considering options for cost savings, by examining whole of life costs (for example, opportunities for reduced operation and maintenance costs, avoiding purchasing in excess of need, reducing end of life disposal costs and impacts, driving supply chain efficiency and developing market competitiveness, innovation and capacity);
- Pursuing opportunities to develop innovative supply solutions, either through innovation in the procurement activity itself, or by fostering innovative solutions by suppliers; and
- Ensuring all procurement activities are strategically aligned with the NQBP’s Statement of Corporate Intent and NQBP’s Strategic Plan.

### 3.5 Local content

NQBP procurement activities are subject to the Queensland Charter for Local Content (Charter). The Charter does not mandate that NQBP use local suppliers, rather it is about providing a

© North Qld Bulk Ports Corporation Limited ACN 136 880 218		Document Type	Procedure	Procedure Sponsor	DLPG
Version Control	Only electronic copy in RM8 is controlled. To ensure any paper copy is current, please check the policy document list on ERIC.			Revision	2
				Document Number	E16/17510
				Page	Page 2 of 14
Approval	This Procedure requires subject matter expert approval except where substantive changes may impact on the rights and obligations of directors.			Date Approved	20/03/2018

## Procedure 2.08 – Procurement and Contracting

mechanism for NQBP to be able to effectively and efficiently give consideration to a wide range of potential suppliers when making procurement decisions.

NQBP Personnel are encouraged to apply the underpinning principles of the Charter to applicable procurement activities of NQBP, including:

- Providing local industry with a full, fair and reasonable opportunity to tender;
- Applying value for money principles to consider local suppliers;
- building strong relationships with the local community and developing local industry capability and capacity where possible;
- Ensuring transparency of process; and
- Complying with international obligations, including Australia's free trade agreements.

Where possible, the decision to award a contract should be made from the office which is closest geographically to the supply. This helps to ensure that local knowledge is taken into account as part of the procurement process.

### 3.6 Promotion of SMEs in ICT procurement

NQBP is committed to assisting small to medium sized enterprises (SMEs) in ICT procurement process in line with the ICT SME Participation Scheme Standard.

### 3.7 NQBP Annual Procurement Plan

NQBP will prepare a Procurement Plan in June of each year which outlines the main procurement requirements expected for the coming financial year.

### 3.8 Publishing notices of future procurements

NQBP is committed to publishing notices of potential future procurements on the Q-Tenders website, based on the annual procurement plan, in order to promote a more competitive tender process.

### 3.9 Applicable legislation, policies and industrial agreements

NQBP is committed to ensuring that all applicable legislation, Queensland Government Policies and industrial agreements are observed in carrying out its procurement activities.

## 4 NQBP STANDARD CONTRACTS

NQBP has developed a suite of standard contract documents to be used in relation to contracting and procurement activities.

The NQBP Standard Contracts, the maximum value at which they may be used and their application is set out below. Any proposed use of a contract other than an NQBP Standard Contract must be discussed and agreed with the Legal team (for example, using a supplier's terms and conditions or if a different/specialist contract is required).

All contracts (standard or otherwise, but excluding Purchase Orders) must be reviewed by the Legal team prior to issue to market or a supplier.

A Contract Review and Sign Off Form must be completed prior to execution of any contract by NQBP (excluding Purchase Orders), with any changes to standard terms approved by the relevant NQBP Employees/teams (for example, legal or insurance and risk).

© North Qld Bulk Ports Corporation Limited ACN 136 880 218		Document Type	Procedure	Procedure Sponsor	DLPG
Version Control	Only electronic copy in RM8 is controlled. To ensure any paper copy is current, please check the policy document list on ERIC.			Revision	2
				Document Number	E16/17510
				Page	Page 3 of 14
Approval	This Procedure requires subject matter expert approval except where substantive changes may impact on the rights and obligations of directors.			Date Approved	20/03/2018

## Procedure 2.08 – Procurement and Contracting

No.	Name	Maximum value (ex GST)	Application
1	Purchase Order	\$30,000	Low-risk goods, works or services.
2	Short Form Conditions – Goods/Services (non-construction)	\$200,000	Simpler contract to be used for corporate professional services/consultancy only (use Works, Goods, Services Agreement for any major design consultancy).
3	Works, Goods, Services, Agreement	\$500,000	Site works, goods and services (including design consultancy).
4	Major Works - Construct Only (AS2124)	N/A	Major site works – construct only
5	Major Works – Design and Construct (AS4300)	N/A	Major site works – where the Contractor is also providing the design and specification of the works
6	Sellers Terms	N/A	Limited application e.g. purchases of cars, off the shelf software programs etc.
7	Nil	< \$1000	Sundry small items

## 5 PROCUREMENT PROCESSES AND GUIDELINES

This section 5 is to be read in conjunction with the process flow diagram in Schedule 1.

### 5.1 Determine whether it is a significant procurement?

Significant procurements are those goods, services and capital projects which are high expenditure and/or for which there is a high degree of business risk. NQBP considers high expenditure to be any procurement over \$5M.

A discussion should be had with Risk and Assurance in order to determine the degree of business risk associated with any procurement.

Pursuant to the QPP, all significant procurements are required to go to open tender.

All significant procurements require the development of a procurement plan (which could be added to the business case/project initiation document) which should address:

- an analysis of demand and the supply market;

© North Qld Bulk Ports Corporation Limited ACN 136 880 218		Document Type	Procedure	Procedure Sponsor	DLPG
Version Control	Only electronic copy in RM8 is controlled. To ensure any paper copy is current, please check the policy document list on ERIC.			Revision	2
				Document Number	E16/17510
				Page	Page 4 of 14
Approval	This Procedure requires subject matter expert approval except where substantive changes may impact on the rights and obligations of directors.			Date Approved	20/03/2018

## Procedure 2.08 – Procurement and Contracting

- strategies to achieve value for money, including the advancement of economic, environmental and social outcomes;
- performance measures and contract management arrangements; and
- an identification and assessment of risks related to the procurement and risk management strategies. Risk assessments should address the value, complexity and sensitivity of procurements.

### 5.2 Approval to engage market

Prior to commencing a procurement activity or entering into an arrangement with a supplier of goods, services or works approval must be obtained from the appropriate NQBP delegate (or NQBP's Board) under the NQBP Instrument of Delegation.

### 5.3 Use of Standing Offer Arrangements (SOA) and NQBP Preferred Suppliers

For any procurement which is not a significant procurement, before inviting the market, establish if NQBP has an existing SOA or a preferred supplier of goods, services or works by referring to NQBP's SOA list and guide.

Generally, where items of the same expenditure category are regularly purchased throughout the year, NQBP Employees should endeavour to aggregate the spend with fewer suppliers to take advantage of any volume discounts and reduce transaction processing costs.

Under an SOA an engaged supplier agrees to undertake supplies to NQBP on the basis of pre-agreed contract conditions, triggered when a request is issued by NQBP to the Supplier (the context and requirements of this request will depend on the negotiated supply arrangements - refer NQBP's SOA list and guide). SOAs are only to be set up in consultation with Legal, for a defined time period and following an open market tender process.

Preferred Supplier arrangements are where particular suppliers have formally been prioritised for use (often based on submitted capabilities and prices), but have not yet been engaged in relation to particular project or task. Unlike an SOA, a contract will need to be issued each time the Preferred Supplier is engaged – refer NQBP's SOA list and guide. Preferred Supplier arrangements are only to be set up in consultation with the Legal team, for a defined time period and following an open market tender process.

If there is not an existing NQBP SOA or Preferred Supplier arrangement, it is sometimes possible to access negotiated prices and terms from a suitable Queensland Government SOA. With the whole of government purchasing power, these panels can often provide very competitive prices and rates. To find out whether a standing offer arrangement already exists, refer to the Queensland Governments procurement website (<https://www.qld.gov.au/gov/gov-procurement>) or discuss with the Legal team. Any engagement of suppliers through a Queensland Government SOA needs to be discussed with and reviewed by the Legal team.

If there are no SOAs or Preferred Supplier arrangements (including Queensland Government SOAs) available for your procurement need then proceed to selection of procurement method, based on the estimated value of the supply.

### 5.4 Identify the Procurement method most appropriate for delivering the best procurement outcome

(a) Where no arrangement pursuant to paragraph 5.3 above exists, the Contract Manager should identify the procurement strategy and method (open, limited or selective) most appropriate for delivering the best procurement outcome based on an assessment of:

- the level of complexity;
- the scope of works;
- the associated risks; and
- the level of competition in the supply market.

© North Qld Bulk Ports Corporation Limited ACN 136 880 218		Document Type	Procedure	Procedure Sponsor	DLPG
Version Control	Only electronic copy in RM8 is controlled. To ensure any paper copy is current, please check the policy document list on ERIC.			Revision	2
				Document Number	E16/17510
				Page	Page 5 of 14
Approval	This Procedure requires subject matter expert approval except where substantive changes may impact on the rights and obligations of directors.			Date Approved	20/03/2018

## Procedure 2.08 – Procurement and Contracting

- (b) NQBP is committed to ensuring that capable and competitive local businesses are given a full, fair and reasonable opportunity. Where possible, NQBP will ensure that at least one regional and one Queensland supplier is invited to submit a tender or quote for a procurement.
- (c) A suitable number of quotations or tenders should be sought for each purchase to encourage open and effective competition. An assessment matrix is set out below to be used as a guide in determining the most appropriate procurement method:

Estimated value (ex GST)	Complexity of work	Risk	Level of competition	Procurement method	Requirement	Associated documentation
<\$30,000	Basic	Low	Specialist area with limited businesses with capability.	Sole Source	Single quote if price is reasonable (written offers preferred i.e. email/fax, if verbal offers are obtained, details must be comprehensively recorded)	Document reasons for choosing the supplier for consideration to ensure probity and transparency;  Purchase Order or applicable NQBP Standard Contract (does not apply to purchases permitted under Procedure and Standard 4.01 - Corporate Credit Card)  Contract Review and Sign Off Form if using NQBP Standard Contract (does not apply to Purchase Order)
\$30,000-\$50,000	Basic to Medium	Low to medium	Various businesses with capability	Selective	Obtain 2 written quotes (unless waived by EXCO Manager*)	Complete Quotation Assessment Form  Applicable NQBP Standard Contract  Contract Review and Sign Off Form
\$50,000-\$500,000	Medium	Medium	Various businesses with capability	Selective	Invitation/tender to at least 3 suitable suppliers, at least 3 submitted written quotes/tenders (unless waived by CEO*)	Formal invitation/tender documents to be prepared for engaging the market, in accordance with item 6 of this procedure, evaluation in accordance with item 7 of this procedure.
>\$500,000	Medium to complex	Medium to High	Various businesses with capability	Open (public)	Open tender (unless waived by CEO*)	Formal invitation/tender documents to be prepared for engaging the market, in accordance with item 6 of this procedure, evaluation in accordance with item 7 of this procedure.

The Estimated value must represent the total transaction cost. It is not permissible to split a procurement activity into components or parts in order to meet lower threshold requirements.

\*Sign-off from the CEO or EXCO manager (as applicable) must be obtained prior to proceeding with the procurement in accordance with item 5.4 of this procedure.

### 5.5 Quotation/tender waivers and Sole Supplier situations

The requirements to seek competitive quotes/tenders may be waived by the CEO or EXCO manager (as applicable), in the following circumstances:

© North Qld Bulk Ports Corporation Limited ACN 136 880 218		Document Type	Procedure	Procedure Sponsor	DLPG
Version Control	Only electronic copy in RM8 is controlled. To ensure any paper copy is current, please check the policy document list on ERIC.			Revision	2
				Document Number	E16/17510
				Page	Page 6 of 14
Approval	This Procedure requires subject matter expert approval except where substantive changes may impact on the rights and obligations of directors.			Date Approved	20/03/2018

## Procedure 2.08 – Procurement and Contracting

- No responses to an invitation to tender were received, or no conforming tenders were received;
- Where there is no alternative supplier or substitute goods/services for technical reasons;
- Where replacement parts or continuing services for existing equipment are available only from the original supplier and there is no interchange ability of parts from another supplier. Note: this type of situation should be anticipated and costed in the original evaluation of the equipment purchase;
- Where a genuine emergency exists, i.e. the safety of people, property or environment is at risk; or
- There is a strategy addressing appropriate governance and commercial justification to the satisfaction of the CEO or EXCO manager (as applicable);

## 6 PREPARATION OF FORMAL DOCUMENTS FOR ENGAGING THE MARKET

### 6.1 Issue of Tender/Contract Numbers

Prior to completion of and sending out any Tender documents to suppliers, an offer/tender number (e.g. Q16-001) must be included on the invitation document. This Tender number is obtained from the Legal Team who maintain a Tender Number Register which is a record of all Tender Numbers issued. To obtain a tender number, the NQBP Employee/s managing the tender must provide the following information to the Legal Secretary/Paralegal:

- Title of Tender/Contract;
- Nature of Tender (Open/ Selective/ Sole Source);
- Expected value of supply;
- Date to be advertised on Q-tenders website (Open Tenders);
- Closing date/ time of Tender; and
- Tender Contact.

Upon recording this information, the Legal Secretary/Paralegal then will issue the Tender number.

### 6.2 Preparation of Tender/Contract documents

Invitations/tenders must be prepared by the NQBP Employee/s procuring the goods, services or works (the 'Contract Manager'), using NQBP's approved standard tender packs and contracts (unless changes are agreed with Legal - for example, if they are not suited to the particular supply). The approved standard tender packs correlate with the NQBP Standard Contracts listed at item 4 of this Procedure and are located on NQBP's intranet.

The Contract Manager is also responsible for consulting with other NQBP departments in relation to the proposed tender and any relevant matters arising from the proposed goods, services or works. This includes:

- Risk and Assurance (to notify of any risks arising from the procurement and to confirm required insurance arrangements);
- Safety (to confirm any safety requirements that need to be included in the tender documents);
- Environment (to confirm any particular environment requirements that need to be included in the tender documents);
- Planning (to confirm any particular planning requirements that need to be included in the tender documents);

© North Qld Bulk Ports Corporation Limited ACN 136 880 218		Document Type	Procedure	Procedure Sponsor	DLPG
Version Control	Only electronic copy in RM8 is controlled. To ensure any paper copy is current, please check the policy document list on ERIC.			Revision	2
				Document Number	E16/17510
				Page	Page 7 of 14
Approval	This Procedure requires subject matter expert approval except where substantive changes may impact on the rights and obligations of directors.			Date Approved	20/03/2018

## Procedure 2.08 – Procurement and Contracting

- HR (if relevant – e.g. engagement of independent contractor or consultant that will work in NQBP premises); and
- Legal (to undertake a review of proposed tender pack before release to market).

### 6.3 Issuing Documents to Market

#### 6.3.1 Limited and Selective Tenders (value \$50,000 - \$500,000)

Tender documents can be issued by the Contract Manager directly to selected suppliers. It is advisable to confirm with the invited suppliers that they have received the tender documents (e.g. by requesting receipt be acknowledged by email).

The Contract Manager needs to document the reasons for choosing the selected suppliers for consideration to ensure probity and transparency (eg describing the market analysis undertaken).

#### 6.3.2 Open Tenders (\$500,000+)

Pursuant to the requirements of the QPP, all open tenders are to be published on the Q-tenders website. The Contract Manager will need to provide the completed Tender documents to the Legal Secretary/Paralegal or Contracts Administrator for upload to the Q-tenders website, ensuring that the tender closing date and all other necessary information is provided.

#### 6.3.3 Responding to queries during tender period

In the Tender Documents an NQBP Employee will be nominated as the person to which any queries should be directed during the tender period (generally the Contract Manager, Contracts Administrator or administrative assistant). Any queries received during the tender period need to be immediately directed to that person, to coordinate a response.

Responses to any clarification request, any amendments to the tender document, or any further information, should be issued to all potential tenderers using the Notice to Tenderers. If the tender has been advertised through Qtender, this notice will need to be provided to the Legal Secretary/Paralegal or Contracts Administrator for upload to the Qtender site.

## 7 TENDER EVALUATION

### 7.1 Opening of tenders

#### 7.1.1 Electronic Tenders through Qtender

This medium can be used when wanting the responses to be submitted via an electronic format through the Q-Tenders website. Upon tender close, the Legal Secretary/Paralegal opens the tender box with a registered user, which will then allow the Legal Secretary/Paralegal to download responses. When the Legal Secretary/Paralegal clicks on Download Response, it will ask for the tender box key which is kept securely by the Legal team.

© North Qld Bulk Ports Corporation Limited ACN 136 880 218		Document Type	Procedure	Procedure Sponsor	DLPG
Version Control	Only electronic copy in RM8 is controlled. To ensure any paper copy is current, please check the policy document list on ERIC.			Revision	2
				Document Number	E16/17510
				Page	Page 8 of 14
Approval	This Procedure requires subject matter expert approval except where substantive changes may impact on the rights and obligations of directors.			Date Approved	20/03/2018

## Procedure 2.08 – Procurement and Contracting

### 7.1.2 Electronic Tenders by email to Tenders@nqbp.com.au

This medium is only recommended for responses to Selective Tenders (\$50,000-\$500,000). Only the Legal Secretary/Paralegal and legal team has access to this mailbox. Upon tender close, the Legal Secretary/Paralegal will access the mailbox and download/distribute the responses to the evaluation team.

### 7.1.3 Hard copy tenders

- The Tender box is to be opened by 2 Administration Officers (AO) as soon as practicable following the closing time;
- At least 2 days prior to the close of the tender, the Tender Contact must notify the Executive Assistant Team of the Tender number and name, closing date and time so they can arrange to have the Tender box opened after the Tender has closed;
- Brisbane: The keys to the Brisbane offer/tender box are currently locked away in the keys cupboard along with all of the Master keys. Only the Finance Executive Coordinator and Executive Officer has access to the keys cupboard;
- Mackay: The tender box keys are locked away in the secure key cabinet located on Level 2 with the keys held by the Records and Admin Officer and the Executive Coordinator, Operations. If the key holders are not available then the keys will be kept in the strongroom for access; and
- Upon opening the Tender box, the tenders removed are to be opened by the 2 AO's who then are to record the tenders and details on a Tender Opening Record.

**Note:** Any late tenders received should be identified and only considered if the circumstances are documented and considered acceptable and the decision is highlighted in the tender evaluation process. Note that acceptance of tenders after the due date or time is not preferred, as it may lead to allegations of improper behaviour by NQBP Personnel or that the process is not fair.

## 7.2 Evaluation of Tenders

### 7.2.1 Tender Evaluation Panel

The number of NQBP Employees and composition of the Tender Evaluation Panel will depend on the value, risk and nature of the tender.

As a guide:

- All tenders with a value of greater than \$500,000, or any tenders identified as complex, or high risk should be reviewed and evaluated by a panel of at least 3 NQBP Employees, with a recommendation of award provided to the EXCO Manager/CEO/ Board (in line with delegation to incur expenditure) for final approval. The Tender Evaluation Panel should include the Contract Manager and, preferably, 1 person from an area outside of the area seeking the tender; or
- For lower value (\$50,000-\$500,000) straight forward and low risk tenders, an NQBP Manager, or panel of 2 NQBP Employees, may undertake the evaluation, with a recommendation of award provided to the appropriate EXCO Manager/CEO (in line with delegation to incur expenditure) for final approval.

Where there are multiple panel members, each needs to individually score the tender against the agreed criteria. The scores should then be collated by the Chair of the Tender Evaluation Panel and their recommendations submitted in a report to the appropriate delegate (in line with delegation to incur expenditure).

The Tender Evaluation Panel may identify aspects of the tender that may benefit from further discussions and negotiations with one or more tenderers before an award recommendation can be made. Appropriate NQBP Employees should be involved on the negotiations team (eg technical personnel for technical issues, legal for contract departures).

© North Qld Bulk Ports Corporation Limited ACN 136 880 218		Document Type	Procedure	Procedure Sponsor	DLPG
Version Control	Only electronic copy in RM8 is controlled. To ensure any paper copy is current, please check the policy document list on ERIC.			Revision	2
				Document Number	E16/17510
				Page	Page 9 of 14
Approval	This Procedure requires subject matter expert approval except where substantive changes may impact on the rights and obligations of directors.			Date Approved	20/03/2018

## Procedure 2.08 – Procurement and Contracting

The Tender Evaluation Panel may also conduct further due diligence into the preferred tenderer/s, including in relation to their financial capacity. For high value and high risk tenders, NQBP's finance department assessment of preferred tender's financial capacity is required prior to award.

The following tender evaluation documentation may be used:

- Quotation/tender Assessment Form – for simple, low value, low risk supplied (1 assessor only); or
- Tender Evaluation Matrix, together with Evaluation/Approval report – for complex tenders, or where there are multiple assessors.

### 7.2.2 Key Principles in the Evaluation of Tenders

The following key principles must be applied when evaluating tenders:

- **Fairness**

All tender or quote evaluations must be undertaken in a fair manner. Each tender or quotation must be given the same treatment and assessment and scores should be applied consistently (except where a local benefits test is applied).

- **Confidentiality**

All tenders and quotations during a tender process are confidential and should not be discussed with any person not involved in the evaluation process.

- **Evaluation Criteria**

Tenders can only be assessed against the criteria issued in the Tender documents. Any criteria not included cannot be considered or scored at evaluation stage.

- **Content of Tender Submissions**

Tenders can only be assessed based on what information is provided with the submission. Assumptions should not be made regarding proposals. Prior knowledge of any Tenderer cannot be taken into account. At the Tender stage only the submission can be evaluated, not the company.

- **Government Objectives**

NQBP is committed to advancing government objectives in procurement processes. The specific objectives outlined by the Queensland Government in the QPP are:

Economic:

- Increase participation of Queensland suppliers and local workforces in procurement opportunities;
- Require the use of local contractors and manufacturers in significant Queensland Government infrastructure projects;
- Increase government procurement with Aboriginal and Torres Strait Islander businesses to three per cent of addressable spend by 2022;
- Focus on using the government's procurement activities to create genuine, secure ongoing jobs for Queenslanders;
- Focus on jobs, reducing long-term unemployment and youth unemployment, and increasing opportunities for training apprentices;
- Procure Australian-sourced, environmentally accredited paper products;

© North Qld Bulk Ports Corporation Limited ACN 136 880 218		Document Type	Procedure	Procedure Sponsor	DLPG
Version Control	Only electronic copy in RM8 is controlled. To ensure any paper copy is current, please check the policy document list on ERIC.			Revision	2
				Document Number	E16/17510
				Page	Page 10 of 14
Approval	This Procedure requires subject matter expert approval except where substantive changes may impact on the rights and obligations of directors.			Date Approved	20/03/2018

## Procedure 2.08 – Procurement and Contracting

Environmental:

- Achieve net zero emissions by 2050;
- Achieve one million rooftops or 3000 megawatts of solar photovoltaics (PV) in Queensland by 2020;

Social:

- Take into account workplace policies and practices aimed at ending domestic and family violence as part of supplier evaluation and selection.

- **Local Content – Large Contracts**

NQBP will conduct a local benefits test for all significant procurements in order to ensure that local suppliers are given a full, fair and reasonable opportunity to supply government. A weighting of up to 30% may be applied in favour of a local supplier where NQBP deems it appropriate. When considering the weighting to apply, the Tender Evaluation Panel should consider:

- Use of local sub-contractors;
- Use of local manufacturers and other local businesses in the supply chain; and
- Engagement of local workforce during the construction phase (where application).

- **Ethically, environmentally and socially responsible suppliers**

NQBP is committed to ensuring that we do business with ethically, environmentally and socially responsible suppliers. The contractor's record in these areas should be taken into account in the evaluation of tenders.

- **Conflicts of Interest**

Before anyone is appointed to the Tender Evaluation Panel, they must assess whether there are any conflicts or potential conflicts of interest in relation to the tenderers. Please refer to Procedure 2.02 – Disclosure and Conflicts of Interest.

- **Probity**

The Tender Evaluation Panel must ensure that thorough records are maintained of all procurement decisions to ensure honesty, integrity and transparency. For all significant procurements, a probity plan should be developed.

### 7.2.3 Selection Criteria Guidelines for Scoring

- Does the tendered fee allow for all work that will be required to be performed in the contract and if not what are the additional costs which need to be considered when evaluating the pricing? Score on Whole of Life costs.
- Does the Tenderer have a good understanding of the project objectives?
- Does the Tenderer have the relevant experience and the appropriate technical skills to deliver on the contract requirements?
- Does the Tenderer have the required resources to provide the service including financial capacity?
- Does the Tenderer have a sound Methodology to deliver on the objectives of the Tender?
- Does the Tenderer meet some of the Queensland Government objectives listed at paragraph 7.2.2 above.

© North Qld Bulk Ports Corporation Limited ACN 136 880 218		Document Type	Procedure	Procedure Sponsor	DLPG
Version Control	Only electronic copy in RM8 is controlled. To ensure any paper copy is current, please check the policy document list on ERIC.			Revision	2
				Document Number	E16/17510
				Page	Page 11 of 14
Approval	This Procedure requires subject matter expert approval except where substantive changes may impact on the rights and obligations of directors.			Date Approved	20/03/2018

## Procedure 2.08 – Procurement and Contracting

- Is the Tenderer local (based within 125kms of the site) or do they use a local workforce or local manufacturers in their supply chain?
- Is the Tenderer an ethically, environmentally and socially responsible supplier?

### 7.3 Tender award

On completion of the tender evaluation process, the appropriate NQBP delegate must approve the issue of Notice of Award together with the final contract (inclusive of all inputs and changes agreed during the tender process) to the successful tenderer for signing. Any changes to the tendered contract must be approved by Legal, and if relating to insurance or liability, by Risk and Assurance.

### 7.4 Unsuccessful tenderers

#### 7.4.1 Notification

Notification of unsuccessful tenderers should not occur until the contract has been signed with the successful tenderer. All unsuccessful tenderers are to be formally advised in writing.

#### 7.4.2 De-brief meeting

For all significant procurements, a de-brief meeting should be offered to unsuccessful tenderers to be attended by two NQBP Personnel and Minutes of Meeting should be recorded.

#### 7.4.3 Complaints Management

Should any tenderer have a grievance in relation to a particular procurement process, the Contract Manager should refer them to Procedure 9.02 - Complaints Handling on the NQBP website which outlines the process for making a formal complaint.

## 8 CONTRACT SIGNING AND ADMINISTRATION

### 8.1 Contract signing and administration

Refer to Procedure 2.09 – Contract Management.

### 8.2 Contract Delivery

Refer to Procedure 2.09 – Contract Management.

## 9 ASSESSMENT

A periodic review of major procurement decisions should be undertaken to improve future decision making. Lessons learnt from these reviews should be incorporated into the Policy and Procedure at the next scheduled review.

## 10 RECORDS MANAGEMENT

To ensure transparency and accountability, the NQBP Employee procuring the goods, services or works shall maintain all procurement decision making related documents in NQBP's document management system.

## 11 PROCUREMENT POLICY, PROCEDURE AND LEGISLATIVE FRAMEWORK

NQBP is a Government Owned Corporation and a port authority and is required to comply with its own policies, prescribed applicable legislation and State Government policies and procedures. This Procedure should be read in conjunction with:

- a. Policy 1 – Governance
- b. Policy 2 – Compliance
- c. Policy 4 – Finance

© North Qld Bulk Ports Corporation Limited ACN 136 880 218		Document Type	Procedure	Procedure Sponsor	DLPG
Version Control	Only electronic copy in RM8 is controlled. To ensure any paper copy is current, please check the policy document list on ERIC.			Revision	2
				Document Number	E16/17510
				Page	Page 12 of 14
Approval	This Procedure requires subject matter expert approval except where substantive changes may impact on the rights and obligations of directors.			Date Approved	20/03/2018

## Procedure 2.08 – Procurement and Contracting

---

- d. Procedure 4.01 – Corporate Credit Card
- e. Standard 4.01 – Corporate Credit Card
- f. Standard 4.02 - Acceptance of Gifts
- g. Standard 4.06 - Fraud
- h. *Right to Information Act 2009* (Qld)
- i. Queensland Charter for Local Content
- j. Queensland Charter for Local Content – Best Practice Guidelines for Agencies
- k. Queensland Code of Practice for the Building and Construction Industry
- l. Implementation Guidelines to the Queensland Code of Practice for the Building and Construction Industry
- m. Queensland Procurement Policy 2017

### 12 PROCEDURE REVIEW DATE

This Procedure should be reviewed by 30 June 2019.

The ongoing requirements of the QPP and any guidance of the Queensland Government Procurement Committee in relation to the prioritisation of competing government objectives should be considered whenever this procedure is reviewed.

### 13 DEFINITIONS

**NQBP:** means North Queensland Bulk Ports Corporation Limited ACN 136 880 128.

**Contractors:** means contractors or consultants engaged by NQBP under a personal services consultancy agreement or other similar arrangements.

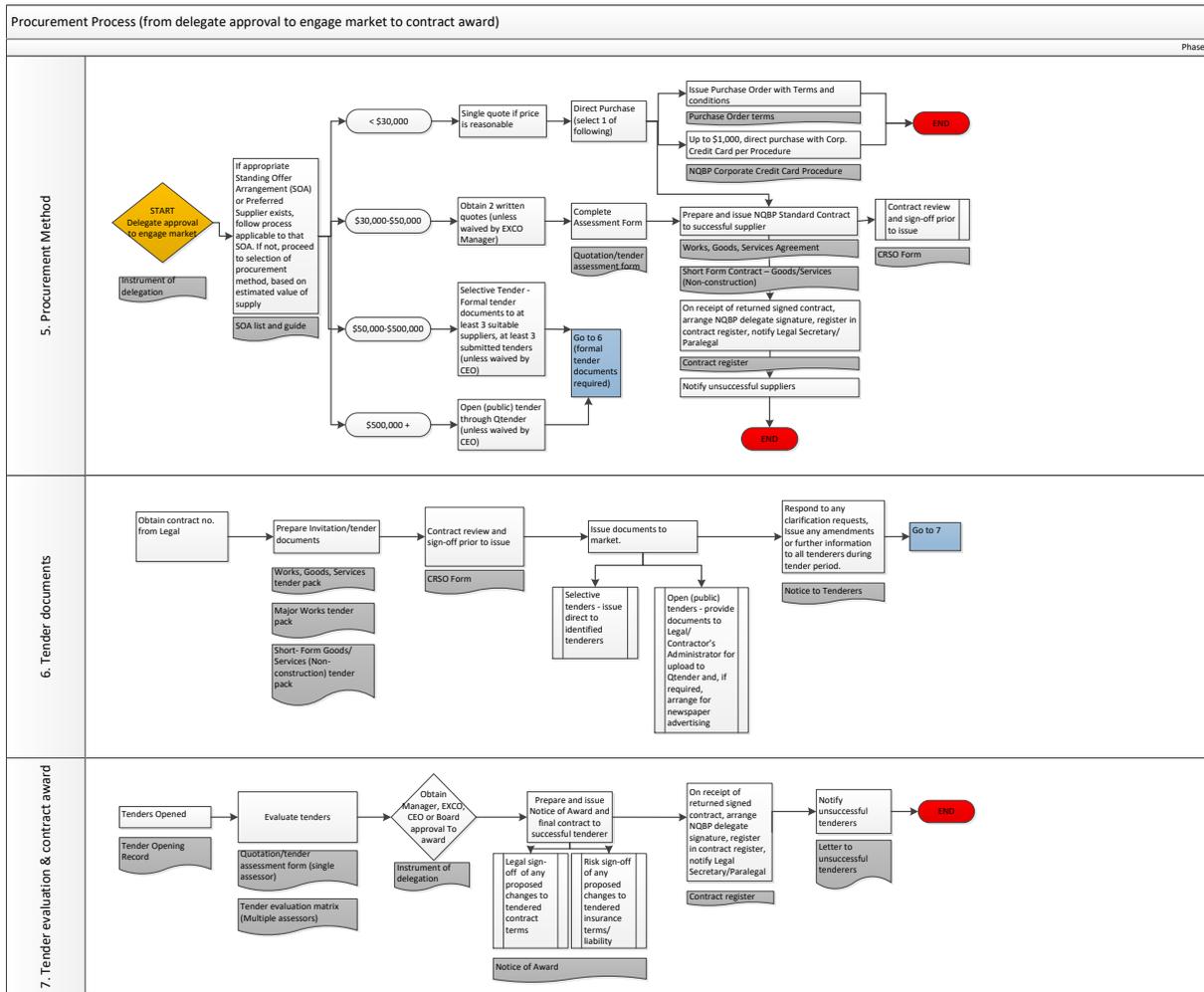
**NQBP Employee:** means employees and Contractors of NQBP but does not include NQBP directors.

**NQBP Personnel:** means NQBP officers (for example NQBP directors) and NQBP Employees.

© North Qld Bulk Ports Corporation Limited ACN 136 880 218		Document Type	Procedure	Procedure Sponsor	D LPG
Version Control	Only electronic copy in RM8 is controlled. To ensure any paper copy is current, please check the policy document list on ERIC.			Revision	2
				Document Number	E16/17510
				Page	Page 13 of 14
Approval	This Procedure requires subject matter expert approval except where substantive changes may impact on the rights and obligations of directors.			Date Approved	20/03/2018

# Procedure 2.08 – Procurement and Contracting

## Schedule 1



© North Qld Bulk Ports Corporation Limited ACN 136 880 218		Document Type	Procedure	Procedure Sponsor	DLPG
Version Control	Only electronic copy in RM8 is controlled. To ensure any paper copy is current, please check the policy document list on ERIC.			Revision	2
				Document Number	E16/17510
				Page	Page 14 of 14
Approval	This Procedure requires subject matter expert approval except where substantive changes may impact on the rights and obligations of directors.			Date Approved	20/03/2018