



Procurement

Version	2.0 FINAL	Contact	Manager Finance, Planning and Performance
Policy Owner	Deputy Commissioner, Organisational Capability and Performance	Approved	15 November 2022
SharePoint	Internal Policies	Due for Revision	November 2024

Our Commitment

Te Kawa Mataaho is committed to getting the best possible outcomes from public spending on goods and services. We procure goods and services and manage contracts in accordance with the standards required by the law and by government direction. We engage in procurement activity in a manner that is transparent, accountable, impartial, and equitable; role modelling good practice for a Public Service agency.

The Ministry of Business, Innovation and Employment, as the system lead for procurement, has established procurement principles and rules. Procurement decisions in the public sector are essentially decisions about spending public money. As such, they must be – and be seen to be – fair, impartial, and provide value for money.

Good practice procurement enables us to deliver our objectives and support organisational goals through effective and efficient purchasing strategies which demonstrate value for money and contribute to broader outcomes. A good practice approach at all steps of the procurement cycle will have products or services provided at the right place, for the right price, to the right quality and quantity and delivered at the right time. It will also deliver wider public value.

Hōkaitanga | Scope

This policy outlines the approach that Te Kawa Mataaho will take to planning, sourcing, and managing all procurement activity. The policies and procedures cover all kaimahi (employees, secondees, contractors and consultants) who work for the Commission or are delivering the Commission’s business.

Refer to Appendix A for purchasing activity that is out of scope for this policy.

Ngā Mātāpono | Principles

- Kaimahi involved in procurement must be familiar with and apply the New Zealand Government Procurement [Principles](#), [Rules](#) and [Charter](#). Collectively, these provide a broad framework that supports accountability for spending, sound business practice and better results.
- The [Government Procurement Principles](#) apply to all government agencies and provide government’s overarching values. They apply even if the Rules do not. We use the principles for guidance and to help make good procurement decisions.

The five principles are:

- Plan and manage for great results.
 - Be fair to all suppliers.
 - Get the right supplier.
 - Get the best deal for everyone.
 - Play by the rules.
- The [Government Procurement Rules](#) support sustainable and inclusive procurement through the promotion of good practice for procurement planning, approaching the supplier community and contracting. We must follow the Rules where the procurement is worth more than \$100,000 and are mandated to use certain [collaborative contracts](#) such as All-of-Government (AoG) contracts where applicable. Exemptions can only be approved in very limited circumstances, in line with this policy and relevant delegations (see roles and responsibilities).
 - The [Government Procurement Charter](#) sets out government's expectations of how agencies should conduct their procurement activity to achieve public value. We seek to meet as many of these expectations as practical. The New Zealand Government directs agencies to:
 - Seek opportunities to include New Zealand businesses.
 - Undertake initiatives to contribute to a low emissions economy and promote greater environmental responsibility.
 - Look for new and innovative solutions.
 - Engage with businesses with good employment practices.
 - Promote inclusive economic development within New Zealand.
 - Manage risk appropriately.
 - Encourage collaboration for collective impact.
 - [Broader outcomes](#) should always be considered when undertaking procurement, to support wider social, economic, cultural and environmental outcomes that go beyond the immediate purchase of goods and services. This includes our commitment to [Te Kupenga Hao Pāuaua | Progressive Procurement](#) targets (such as increasing Māori business access to government contract opportunities) and ensuring our procurement planning and execution creates opportunities for New Zealand businesses. It also includes improving conditions for New Zealand workers and reducing emissions and waste.
 - The [supplier code of conduct](#) is used to outline the expectations we have of our suppliers and must be included in all procurement and contracting (including new contracts, variation and tenders).
 - All kaimahi have a duty to put the public interest above their personal or private interests. Risks to procurement processes that can arise from actual, potential, and perceived conflicts of interest are properly identified and transparently managed.
 - Procurement follows good practice for New Zealand government agencies, utilising the tools and templates available to support all phases of the process.

Ngā Tūmahi me ngā Haepapatanga | Roles and Responsibilities

Role	Responsibility
Te Mana Arataki Executive Leadership Team	Te Mana Arataki Executive Leadership Team is responsible for setting the expectations and creating the environment to ensure compliance with this procurement policy, process and guidance on a day-to-day basis. Te Mana Arataki ensure that procurement enables and support the Commission's mission and the delivery of its strategic priorities.
Budget Holders	The day-to-day responsibility for implementing the procurement policy, process and guidance for Te Kawa Mataaho rests with Budget Holders who are making procurement decisions (including applying for policy exemptions) in accordance with their financial delegations.
Kaimahi (including employees, secondees, contactors and consultants)	<p>All kaimahi have an important role in understanding and applying the policy, process and guidance to enable the delivery of the Commission's work.</p> <p>Anyone carrying out procurement must identify any possible conflicts and deal with them in accordance with the Conflict of Interest Policy. These could include conflicts personal to kaimahi or conflicts arising due to a relationship between a supplier and Te Kawa Mataaho (including supplier relationships with senior staff and Ministers). Suppliers should be asked to identify any possible interests that may give rise to a conflict so these can be properly assessed. Conflicts involving Ministers may need to be escalated to the Commissioner.</p> <p>Any procurement with a whole of life cost over \$50K must engage the Manager, Finance Planning and Performance at the start of the procurement activity. All procurement should include appropriate pre-engagement and due diligence checks and ensure contracts are recorded in the contracts register.</p>
Legal Services	<p>As per the Delegations Policy, consultation with Legal Services is required for contracts:</p> <ul style="list-style-type: none"> - With a whole of life value of more than \$50,000, or - that do not use, or that amend, Commission or All-of-Government template contracts.
Finance, Planning and Performance	<p>Provide advice and support to assist teams and individuals in understanding and implementing the procurement policy, process and guidance.</p> <p>The team is also responsible for ensuring the procurement policies and procedures are kept up-to-date and in alignment with the <i>Government Procurement Rules</i> including Broader Outcomes commitments.</p>

Policy exemptions

Where there is a [collaborative contract](#) available but there are no suppliers who can deliver the required goods or services, an exemption memorandum must be approved by the relevant Deputy Commissioner, in consultation with the Deputy Commissioner, Organisational Capability and Performance. Where the whole of life costs are \$50K - \$100K consider using a Request for Information using the Government Electronic Tender Service (GETS) to determine the ability of suppliers in the market, to support approval of an exemption memorandum. Where whole of life costs are \$100K + you must use the GETS open tender process. The Government Procurement Rules explains the circumstances under which you can get an exemption or opt out of following some of the Rules.

Any departure from the standard approach must be justified and take account of our [Delegations Policy](#). All policy exemptions are approved by the relevant Deputy Commissioner, in consultation with the Deputy Commissioner, Organisational Capability and Performance, subject to the following conditions:

- Procurement exemptions must be presented to Te Mana Arataki for visibility and consultation prior to seeking approval where there is a high value (financial impact above \$250,000 whole of life cost, including over multiple years); or lower values where there is high strategic or operational risk (including reputational).
- Procurement and contracts that have a whole of life value over \$50,000 must be in consultation with the Finance Manager and Legal Services, in line with our [Delegations Policy](#).
- Procurement and contracts that have a whole of life value up to \$250,000 must be approved by the relevant Deputy Commissioner, in line with our [Delegations Policy](#).
- Procurement and contracts that have a whole of life value above \$250,000 must be approved by a Level 1 position, in line with our [Delegations Policy](#).
- Procurement related to information technology must take account of the Procurement Policy and direction from the IT Governance Board.

He pārongo atu anō | Further Information

[Eight Step Procurement Flowchart](#)

[Understanding Broader Outcomes](#)

[Private use of suppliers and conflict of interest](#)

[Extra Lite Procurement Plan \\$5K - \\$50K](#)

[Lite Procurement Plan \\$50K - \\$100K](#)

[Full Procurement Plan - \\$100K +](#)

[Contract checklist](#)

[Delegations Policy](#)

[Conflict of Interest Policy](#)

Appendix A

Out of Scope Purchasing Activity

This policy applies to all procurement except for the following purchasing activity:

- P-card purchasing (these are covered by the credit and purchasing card guidance)
- Workplace business as usual purchases such as kitchen or stationery supplies
- disposals and sales by tender
- gifts, donations and any form of unconditional grants
- property leases
- investments
- employment of staff, statutory appointments or Ministerial appointments.