Summary of State Supply Commission policy amendments June 2020

Identifies the relevant changes made to each policy.

The Open and Effective Competition policy and the Procurement Planning, Evaluation Reports and Contract Management policy have been amended with temporary changes to support economic recovery.

The changes will apply until 31 December 2020 unless otherwise revised.

A Procurement Practice Guideline to support these policy changes is available on [wa.gov.au](https://www.wa.gov.au/government/publications/supporting-economic-recovery-local-businesses-procurement-guideline).

**Open and Effective Competition policy**

Revision to the SSC’s Open and Effective Competition policy monetary thresholds have been made to support economic recovery by reducing barriers of entry, expediting contract award and maximising opportunities for local businesses.

The procurement monetary thresholds will be adjusted as follows:

|  |  |  |
| --- | --- | --- |
| **Original Monetary Threshold[[1]](#footnote-1)** | **Temporary Monetary Thresholds\*** | **Minimum Requirements** |
| Up to $50,000 | Up to $250,000 | * Public authorities may determine the most appropriate procurement method including direct sourcing, verbal quotations (up to $50,000) or written quotations based on assessment of the nature of the market, complexity and risk, and process efficiency.
* Where the total estimated value is $50,000 up to $250,000, verbal quotations are not acceptable. The direct source or quotation must be requested in writing and any offer must be received in writing.
* Appropriate documentation of decisions must be retained.
 |
| $50,000 up to $250,000 | $250,000 up to $500,000 | * Request quotations in writing.
* Offers must be received in writing.
 |
| $250,000 and above | $500,000 and above | * Open tender through a public advertisement.
 |

\*The temporary thresholds apply when there is an opportunity to purchase from a local business and one or more local businesses will be invited to submit an offer.

The original thresholds will be applied if local suppliers are not given the opportunity to bid.

In addition, the Involvement of the Department of Finance section of the policy has been amended to clarify that Department of Finance involvement is not required for the COVID-19 Special Contract Variation Memo. A footnote has been included stating that the COVID-19 Special Contract Variation is referenced in the Procurement Planning, Evaluation Reports and Contract Management policy.

**Procurement Planning, Evaluation Reports and Contract Management policy**

This policy has been amended to include the option for partially exempt public authorities to vary existing contracts with local businesses for a period of up to two years. This option is available for:

* Contracts that expire on or before 31 June 2021;
* Contracts of any value; and
* Panel arrangements, if all contractors are local businesses.

The COVID-19 Special Contract Variation does not require the Department of Finance’s involvement and does not need to be submitted to the State Tender Review Committee or the Community Services Procurement Review Committee, regardless of value.

A template for the COVID-19 Special Contract Variation Memo is available on [wa.gov.au](https://www.wa.gov.au/government/document-collections/goods-and-services-templates).

**Disposal of Goods policy**

The [Waste Avoidance and Resource Recovery Strategy 2030](https://www.wasteauthority.wa.gov.au/publications/view/strategy/waste-avoidance-and-resource-recovery-strategy-2030) (Strategy) was released in February 2019, and provides an update to the long-term waste strategy for the State as required by the Waste Avoidance and Resource Recovery Act 2007.

The amendments to the SSC Disposal of Goods policy are to ensure alignment with the Strategy and provide greater clarity as to the objective, requirements, guiding principles and disposal methods for both non-hazardous and hazardous goods.

A new version of the [Procurement Practice Guideline – Disposal of Goods](https://www.wa.gov.au/government/document-collections/goods-and-services-procurement-practice-resources) is available.

All State Supply Commission policies and Glossary of Terms can be found [here](https://www.wa.gov.au/government/document-collections/state-supply-commission-policies).

1. Monetary thresholds are based on the total estimated value, including any extension options, and are inclusive of GST. [↑](#footnote-ref-1)