

DATSIP Procurement Plan

2019 - 2023

Department of Aboriginal and
Torres Strait Islander Partnerships



OUR PROCUREMENT OBJECTIVES

1. Maximise procurement benefits for Aboriginal and Torres Strait Islander businesses while working within the value for money principles and other objectives of the Queensland Procurement Policy 2018
2. Leverage whole-of-government procurement arrangements where there is strategic fit
3. Lead the implementation of the Queensland Indigenous (Aboriginal and Torres Strait Islander) Procurement Policy
4. Increase procurement spend with Indigenous businesses across government
5. Continue to maximize local benefit opportunities on regional projects through the use of local suppliers and benefiting the local workforce
6. Minimise procurement risk through good planning, use of skilled procurement officers, and through good governance and oversight
7. Support and improve procurement capability across the agency via a structured approach to learning and development

AGENCY SPEND PROFILE	PERFORMANCE MEASUREMENT & SUCCESS INDICATORS	HOW WE MANAGE PROCUREMENT RISK	IMPROVEMENT OPPORTUNITIES
<ul style="list-style-type: none"> • Agency spends approximately \$20M per annum with external suppliers • High valued contracts supporting land and infrastructure development initiatives, maximizing opportunities with local suppliers and benefiting the local workforce • Large proportion of procurement is under WoG supply arrangements to support operational service delivery 	<ul style="list-style-type: none"> • Number of Indigenous businesses used and the value of spend • Value of spend benefitting local communities and local suppliers • Value of spend under WoG arrangements • Participation in WoG procurement committees, working groups and initiatives 	<ul style="list-style-type: none"> • Prepare significant procurement plans for high risk procurement activities or where the procurement activity exceeds \$250,000 per annum over the term of the contract. • Purchasing and procurement delegations, policies, and templates • Accessing strategic procurement services under MOU arrangements with DCDSS • Training for key operational procurement officers • System controls and separation of duties • Identify and plan for future procurement requirements 	<ul style="list-style-type: none"> • Continue to increase spend with Indigenous businesses and local suppliers • Continue to focus on minimizing time to call and approve tenders • Improved contract performance through enhanced monitoring and measurement



HOW PROCUREMENT IS STRUCTURED

<ul style="list-style-type: none"> Decentralised procurement function Routine and volume procurement is conducted by service delivery areas in accordance with the Indigenous procurement policy, and procurement policy and procedures, including accessing whole-of-government established purchasing arrangements 	<ul style="list-style-type: none"> Significant procurement activity is undertaken by skilled practitioners in relevant service delivery areas in accordance with departmental policy and procedures, supported by DCDSS Strategic Procurement Services where required ICT procurement undertaken by DCSYW under MOU arrangements 	<ul style="list-style-type: none"> Strategic Procurement support services provided by DCSYW and DCDSS under MOU arrangements, including large contracts support and reporting on Open Data sites procurement and contract information in accordance with Government policies
--	--	---

OUR STRATEGIES & OPPORTUNITIES TO REALISE BENEFITS AND KEY PROCUREMENT INITIATIVES

GENERAL GOODS AND SERVICES	ICT	OTHER
<ul style="list-style-type: none"> Continue to manage high valued contracts supporting land and infrastructure development initiatives to maximize opportunities for local suppliers and the local workforce Continue to utilise Whole-of-Government supply arrangements to leverage pricing and minimise administrative costs where cost beneficial 	<ul style="list-style-type: none"> Continue to identify and utilise fit-for-purpose Software as a Service solutions where cost and risk beneficial 	<ul style="list-style-type: none"> Lead the collaboration across agencies for the implementation of the QIPP objectives

IMPROVING PROCUREMENT ENABLERS

SYSTEMS	GOVERNANCE	CAPABILITY
<ul style="list-style-type: none"> Continual improvement of intranet site to make it easier for users to access procurement support tools and access Whole-of-Government arrangements. Contribute to the improvement of strategic WoG procurement systems. 	<ul style="list-style-type: none"> Continued oversight of major procurement activities 	<ul style="list-style-type: none"> Support key procurement officers through ongoing training Review and update procurement training packages to reflect changes in Government policies.

This Procurement Plan has been developed to support the achievement of these strategic priorities which, combined with the Queensland Government Procurement Plan 2018, provides direction for managing and coordinating the procurement function. This will contribute to maximising front-line service delivery through the achievement of value for money in the procurement of fit for purpose goods and services.

Procurement Spend by Major Category and Outlook

The procurement spend analysis reflects the whole-of-government procurement spend General Ledger mapping data dictionary. The procurement expenditure data dictionary excludes capital grants expenditure, which is a major portion of the department's expenditure profile.

The department has a relatively low discretionary procurement spend.

The Service Procurement expenses for 2018-19 are principally relating to the Welfare Reform program, and initiatives such as From Jails to Jobs and the Cape York Land Tenure program. The Outsourced Service delivery is primarily related to Financial, HR and ICT services sourced under the Queensland Shared Services (QSS), Department of Child Safety, Youth and Women (DCSYW) and Department of Communities, Disabilities and Seniors (DCDSS) MOU's.

The department has conducted business with approximately 300 unique suppliers for supplies and services procurement year to date 2018-19. As one firm can conduct business across different categories/expense line items, the tables below show the number of firms particular to that specific category.

The Department's outlook remains relatively stable over the Forward Estimates for BCM and ICT outsourced services.

The other expenditure categories are influenced over the Forward Estimates through funding of approved budgeted initiatives.

Major Category	2017-18 Full Year Spend	% Spend	Number of Firms	2018-19 March YTD Spend (\$m)	% Spend	Number of Firms
BCM – Building, Construction and Maintenance	\$4.782m	20.40%	17	\$3.585m	23.25%	15
GGS – General Goods and Services	\$10.467m	44.65%	343	\$5.580m	36.19%	266
ICT – Information, Communication Technology	\$0.489m	2.08%	16	\$0.264m	1.71%	13
Mix – Mixture of Supply Categories	\$1.762m	7.52%	13	\$2.310m	14.98%	7
SOC – Social Services – Service Procurement	\$5.941m	25.34%	29	\$3.679m	23.86%	18
TOTAL	\$23.441m	100.00%	418	\$15.418m	100.00%	319

BCM – Building, Construction and Maintenance	G/L Account	2017-18 Full Year Spend	2018-19 March YTD Spend
Property Operating Lease Rentals	524030	\$3.128m	\$2.490m
Property – Other Fees and Expenses	524051	\$0.892m	\$0.580m
Staff Housing	518508	\$0.418m	\$0.317m
Property Cleaning/Maintenance etc		\$0.345m	\$0.197m
TOTAL		\$4.782m	\$3.585m

GGs – General Goods and Services	G/L Account	2017-18 Full Year Spend	2018-19 March YTD Spend
Contractors – Professional/Technical	523019	\$4.889m	\$1.422m
Contractors - Operational	523001	\$1.440m	\$1.616m
Crown Law Fees and Solicitors Fees	530017/530016	\$1.074m	\$0.325m
Air Fares (Intrastate and Air Charter)	526008	\$0.521m	\$0.412m
Travel – Accommodation/Meals	526005	\$0.294m	\$0.207m
MOUs – QSS and DES	530021	\$1.044m	\$0.00m
Other GGS Category costs		\$1.205m	\$1.598m
TOTAL		\$10.467m	\$5.580m

ICT – Information, Communication Technology	G/L Account	2017-18 Full Year Spend	2018-19 March YTD Spend
Computing - Telecommunications	529007	\$0.245m	\$0.162m
Photocopying Charges	530024	\$0.095m	\$0.040m
Software License Fees	528012	\$0.126m	\$0.052m
Other ICT Category Costs		\$0.022m	\$0.010m
TOTAL		\$0.489m	\$0.264m

MIX – Mixture of Supply Categories	G/L Account	2017-18 Full Year Spend	2018-19 March YTD Spend
MOUs – Service Level Agreements – DCSYW/DCDSS	530004	\$1.709m	\$2.281m
Plant and equipment	530304	\$0.046m	\$0.029m
TOTAL		\$1.756m	\$2.310m

SOC – Social Services – Service Procurement	G/L Account	2017-18 Full Year Spend	2018-19 March YTD Spend
Service Procurement	530402	\$5.941m	\$3.679m
TOTAL		\$5.941m	\$3.679m

Major supplier analysis – as at March 2019

(although not a procurement spend per the definitions – Grants have been included below for total spend orientation)

Top 20 Ranking (All vendors by No. of trans for Procurement Supplies and Services)			
Rank	Vendor Des	No. of Trans.	\$ Spend
1	CROWN LAW	77	271,774.44
2	BALKANU CAPE YORK DEVELOPMENT	54	1,000,061.27
3	RANDSTAD PTY LTD	37	87,690.36
4	BUILDING AND ASSET SERVICES	35	93,554.53
5	U&U PTY LTD	32	62,311.34
6	AECOM AUSTRALIA PTY LTD	31	292,567.20
7	DEPARTMENT OF HOUSING	29	2,789,193.29
8	HUDSON GLOBAL RESOURCES (AUST)	27	1,377,020.21
9	BENESTAR GROUP PTY LTD	24	11,275.76
10	JABALBINA YALANJI ABORIGINAL	20	322,338.70
11	AUSTRALIA POST	18	10,183.13
12	QUEENSLAND POLICE SERVICE	18	54,862.10
13	CABCHARGE AUSTRALIA LTD	16	22,921.21
14	DEPARTMENT OF CHILD SAFETY YOUTH	16	1,487,356.02
15	AUSTRALIAN TRAINING WORKS LTD	12	42,587.84
16	CAPE YORK LAND COUNCIL	12	92,719.15
17	AMERICAN EXPRESS AUSTRALIA LTD	11	597,525.67
18	CARDNO (QLD) PTY LTD	11	219,928.57
19	HOPE VALE ABORIGINAL SHIRE COUNCIL	11	3,181.80
20	TOWNSVILLE CITY COUNCIL	11	46,705.20

Top 20 Ranking (All vendors by \$ Spend for Procurement Supplies and Services)			
Rank	Vendor Des	No. of Trans.	\$ Spend
1	DEPARTMENT OF HOUSING	29	2,789,193.29
2	DEPARTMENT OF CHILD SAFETY YOUTH	16	1,487,356.02
3	HUDSON GLOBAL RESOURCES (AUST)	27	1,377,020.21
4	BALKANU CAPE YORK DEVELOPMENT	54	1,000,061.27
5	DEPARTMENT OF HOUSING AND PUBLIC WO	10	810,691.85
6	QUEENSLAND SHARED SERVICES	9	614,726.31
7	AMERICAN EXPRESS AUSTRALIA LTD	11	597,525.67
8	DEPARTMENT OF NATURAL RESOURCES	3	544,500.00
9	CAPE YORK INSTITUTE	3	447,500.00
10	DUGALUNJI ABORIGINAL CORPORATION	8	374,733.09
11	JBS&G AUSTRALIA PTY LTD	9	348,194.40
12	JABALBINA YALANJI ABORIGINAL	20	322,338.70
13	DEPARTMENT OF COMMUNITIES CHILD	6	309,638.11
14	AECOM AUSTRALIA PTY LTD	31	292,567.20
15	QUEENSLAND GOVERNMENT STATISTICIANS	4	286,240.91
16	CROWN LAW	77	271,774.44
17	CAPE YORK PARTNERSHIP	2	265,000.00
18	SAVE THE CHILDREN AUSTRALIA	8	222,508.25
19	CARDNO (QLD) PTY LTD	11	219,928.57
20	LIMERICK AND ASSOCIATES	6	195,000.00

Top 20 Ranking (All vendors by \$ Spend for Grants/non procurement payments)			
Rank	Vendor Des	No. of Trans.	\$ Spend
1	THE TRUST COMPANY (AUSTRALIA) LIMIT	1	7,843,000.00
2	FAMILY RESPONSIBILITIES COMMISSION	3	3,270,000.00
3	AVIONICS AIRFIELD LIGHTING PTY LTD	6	2,876,897.64
4	KIRRATECH LIFESTYLE POOLS	28	2,765,329.17
5	PUBLIC TRUSTEE OF QUEENSLAND	1	2,300,000.00
6	MCKENNA GROUP CONTRACTORS PTY LTD	12	2,130,251.53
7	KOWANYAMA ABORIGINAL SHIRE COUNCIL	3	505,765.60
8	TORRES STRAIT ISLAND REGIONAL COUNCIL	4	393,848.25
9	TRINITY ENGINEERING AND CONSULTING	8	269,379.00
10	BUILDING AND ASSET SERVICES	16	250,220.47
11	SOUTH EAST QUEENSLAND INDIGENOUS	3	181,818.17
12	AURECON AUSTRALASIA PTY LTD	20	170,050.50
13	NORTHERN PENINSULA AREA REGIONAL CO	1	157,299.49
14	CAPE YORK PARTNERSHIP	3	155,700.00
15	SAPE INDUSTRIES	2	149,965.60
16	TORRES CAPE INDIGENOUS COUNCIL	1	140,000.00
17	QUEENSLAND POLICE SERVICE	7	110,713.63
18	WORKCOVER QUEENSLAND	1	101,998.34
19	QUEENSLAND RESOURCES COUNCIL	1	100,000.00
20	RECONCILIATION QUEENSLAND INC	1	100,000.00

Spend with Indigenous Businesses and Outlook

The department has conducted business with approximately 40 unique Indigenous suppliers across both supplies and services procurement and capital grants year to date in 2018-19. As one firm can conduct business across different categories/expense line items, the tables below show the number of firms particular to that specific category.

Major Category	2017-18	Number of Indigenous Firms/Entites 2017-18	% Spend with Indigenous Firms/Entites	Year to Date – March 2019	Number of Indigenous Firms/Entites Year to Date - March 2019	% Spend with Indigenous Firms/Entites
BCM – Building, Construction and Maintenance	\$nil	0		\$nil	0	
GGs – General Goods and Services	\$2.233m	54		\$0.466m	43	
ICT – Information, Communication Technology	\$nil	0		\$nil	0	
SOC – Social Service, Service Procurement	\$1.750m	13		\$1.803m	6	
TOTAL	\$3.983m	67	17%	\$2.269m	49	15%

The major opportunities for DATSIP to directly engage with Indigenous firms is through the capital grants, service procurement programs, expert services such as consultancies and professional services, and through office supplies arrangements where Indigenous firms may supply directly or service through other lead suppliers under whole-of-government supply arrangements. Expenditure on Capital Grants are currently not included in the whole-of-government procurement framework. However, these capital grants comprise a significant portion of the department’s charter that influence local benefits to the community. The Capital Grants profile is summarized below:

Spend with Indigenous Businesses and Entities – Capital and Other Grants

Major Category	2017-18	Number of Indigenous Firms/Entites 2017-18	Year to Date – March 2019 Spend	Number of Indigenous Firms/Entites Year to Date - March 2019
Capital Grants and other Grants	\$4.101m	62	\$3.663m	32
TOTAL	\$4.101m	62	\$3.663m	32

Major supplier analysis – as at March 2019

(although not a procurement spend per the definitions – Grants have been included below for total spend orientation)

Top 20 Ranking (Indigenous Suppliers - No. of trans for Procurement Supplies and Services)			
Rank	Vendor Des	No. of Trans.	\$ Spend
1	BALKANU CAPE YORK DEVELOPMENT	54	1,000,061.27
2	JABALBINA YALANJI ABORIGINAL	20	322,338.70
3	AUSTRALIAN TRAINING WORKS LTD	12	42,587.84
4	CAPE YORK LAND COUNCIL	12	92,719.15
5	HOPE VALE ABORIGINAL SHIRE COUNCIL	11	3,181.80
6	LIWORAJI ABORIGINAL CORPORATION	10	3,840.00
7	DUGALUNJI ABORIGINAL CORPORATION	8	374,733.09
8	MARRAWAH LAW PTY LTD	7	9,015.16
9	TORRES SHIRE COUNCIL	4	8,244.71
10	ANG-GNARRA ABORIGINAL CORP	3	400.00
11	BUKAL CONSULTANCY SERVICES PTY LTD	2	700.00
12	CAPE YORK TIMBER	2	40,000.00
13	MUNRO LEGAL	2	2,500.00
14	PROMOGEAR	2	6,855.00
15	SNAP UNDERWOOD	2	4,397.42
16	TORRES STRAIT REGIONAL AUTHORITY	2	5,721.71
17	WINANGALI PTY LTD	2	42,270.00
18	WUNTHULPU ABORIGINAL LAND TRUST	2	3,627.27
19	BAMANGA BUBU NGADIMUNKU INC	1	55,000.00
20	BATAVIA TRADITIONAL OWNERS	1	2,210.30

Top 20 Ranking (Indigenous Suppliers - \$ spend for Procurement Supplies and Services)			
Rank	Vendor Des	No. of Trans.	\$ Spend
1	BALKANU CAPE YORK DEVELOPMENT	54	1,000,061.27
2	DUGALUNJI ABORIGINAL CORPORATION	8	374,733.09
3	JABALBINA YALANJI ABORIGINAL	20	322,338.70
4	CAPE YORK LAND COUNCIL	12	92,719.15
5	TORRES STRAIT ISLAND REGIONAL COUNC	1	73,230.00
6	CHERBOURG ABORIGINAL SHIRE COUNCIL	1	57,000.00
7	BAMANGA BUBU NGADIMUNKU INC	1	55,000.00
8	LOCKHART RIVER ABORIGINAL	1	50,000.00
9	AUSTRALIAN TRAINING WORKS LTD	12	42,587.84
10	WINANGALI PTY LTD	2	42,270.00
11	CAPE YORK TIMBER	2	40,000.00
12	CENTRE FOR APPROPRIATE	1	15,216.04
13	MAPOON ABORIGINAL SHIRE COUNCIL	1	10,485.00
14	YINTJINGGA ABORIGINAL CORPORATION	1	10,000.00
15	MARRAWAH LAW PTY LTD	7	9,015.16
16	TORRES SHIRE COUNCIL	4	8,244.71
17	GURRINY YEALAMUCKA HEALTH SERVICES	1	7,194.54
18	PROMOGEAR	2	6,855.00
19	TORRES STRAIT REGIONAL AUTHORITY	2	5,721.71
20	CAPE MELVILLE FLINDERS	1	5,150.18

Top 20 Ranking (Indigenous Suppliers - by No. of trans for Grants)			
Rank	Vendor Des	No. of Trans.	\$ Spend
1	MCKENNA GROUP CONTRACTORS PTY LTD	12	2,130,251.53
2	TORRES STRAIT ISLAND REGIONAL COUNC	4	393,848.25
3	KOWANYAMA ABORIGINAL SHIRE COUNCIL	3	505,765.60
4	SOUTH EAST QUEENSLAND INDIGENOUS	3	181,818.17
5	DARUMBAL COMMUNITY YOUTH SERVICE	2	6,480.00
6	JETZAK PTY LTD	2	6,768.00
7	MURRIGUNYAH FAMILY AND CULTURAL	2	2,589.93
8	TORRES SHIRE COUNCIL	2	9,000.00
9	WALKABOUT CULTURAL ADVENTURES	2	4,409.09
10	ABRICULTURE	1	10,000.00
11	BAMA SERVICES	1	42,783.22
12	BAMANGA BUBU NGADIMUNKU INC	1	200.00
13	CHERBOURG ABORIGINAL SHIRE COUNCIL	1	85,000.00
14	GOONDIWINDI ABORIGINAL CORPORATION	1	3,000.00
15	GUMMINGURRU ABORIGINAL CORPORATION	1	500.00
16	LIWORAJI ABORIGINAL CORPORATION	1	2,000.00
17	MAPOON ABORIGINAL SHIRE COUNCIL	1	6,810.56
18	MARYBOROUGH ABORIGINAL CORPORATION	1	15,000.00
19	NHULUNDU WOORIBAH INDIGENOUS	1	5,985.00
20	NORTHERN PENINSULA AREA REGIONAL CO	1	157,299.49

Top 20 Ranking (Indigenous Suppliers - by \$ Spend for Grants/non-procurement payments)			
Rank	Vendor Des	No. of Trans.	\$ Spend
1	MCKENNA GROUP CONTRACTORS PTY LTD	12	2,130,251.53
2	KOWANYAMA ABORIGINAL SHIRE COUNCIL	3	505,765.60
3	TORRES STRAIT ISLAND REGIONAL COUNC	4	393,848.25
4	SOUTH EAST QUEENSLAND INDIGENOUS	3	181,818.17
5	NORTHERN PENINSULA AREA REGIONAL CO	1	157,299.49
6	CHERBOURG ABORIGINAL SHIRE COUNCIL	1	85,000.00
7	YARRABAH ABORIGINAL SHIRE COUNCIL	1	43,500.00
8	BAMA SERVICES	1	42,783.22
9	MARYBOROUGH ABORIGINAL CORPORATION	1	15,000.00
10	STEPPING BLACK INDIGENOUS	1	15,000.00
11	ABRICULTURE	1	10,000.00
12	SEISIA COMMUNITY TSI	1	10,000.00
13	UTP GROUP SERVICES PTY LTD	1	10,000.00
14	TORRES SHIRE COUNCIL	2	9,000.00
15	MAPOON ABORIGINAL SHIRE COUNCIL	1	6,810.56
16	JETZAK PTY LTD	2	6,768.00
17	DARUMBAL COMMUNITY YOUTH SERVICE	2	6,480.00
18	NHULUNDU WOORIBAH INDIGENOUS	1	5,985.00
19	PRESTON CAMPBELL FOUNDATION LIMITED	1	5,000.00
20	WALKER HOMES & CONSTRUCTION	1	5,000.00