

Kaupapa Hokohoko

Procurement Policy



Te Puni Kōkiri
MINISTRY OF MĀORI DEVELOPMENT

Ko Te Pūtake o tēnei Kaupapa Here | Why we have this Policy

This policy is to ensure that Te Puni Kōkiri procures goods, services or solutions in a cost-effective manner that is fair to all suppliers and upholds the values of our Ministry and wider government to ensure that we meet our obligations under the Government Procurement Rules and other relevant legislation.

He kupu whakataki | Introduction

Procurement covers all aspects of purchasing the goods, services or solutions that we need to operate successfully. It starts with identifying what we need, how we're going to source this, and who we're going to source it from. It ends when the goods, services or solutions have been delivered in full and all contractual commitments have been met.

The way we procure will vary depending on the value, complexity and risks involved. The approach we apply will be tailored to best suit the individual procurement activity and will align with the procurement procedural guidance documents. Thresholds are designed to be used as a minimum approach based on the total value of a contract over its entire life (including any possible extensions). The way we work will always involve us applying Te Puni Kōkiri values and principles.

Statement

New Zealand Government Procurement is shaped by the following framework elements to support good practice in all forms of government procurement:

- The Government Procurement Principles¹,
- The Government Procurement Charter²,
- The Government Procurement Rules³,
- Protective Security Requirements,
- Other good practice guidance, such as the Supplier Code of Conduct⁴.

Te Puni Kōkiri must use all of these to help guide the process on any procurement project we undertake.

In 2019, the Ministry of Business, Innovation and Employment (MBIE) introduced the NZ Government Procurement Rules (the Procurement Rules). The Procurement Rules set the standard for procurement across government.

Procurement activities must also align with Protective Security Requirements (PSR) to ensure that security risk, including those associated with suppliers and third-party arrangements are appropriately managed.

This Procurement Policy and the procurement procedural guidance documents available on Te Pū Matua are designed to ensure that we meet our obligations of the current version (5th edition) of the Procurement Rules and any relevant legislation.

Purpose and Scope

This policy and the procurement procedural guidance documents outline the expectations and required approach for all temporary and permanent Te Puni Kōkiri employees (and anyone authorised to procure on our behalf), when planning, sourcing and managing the procurement of goods, services or solutions.

¹ See <https://www.procurement.govt.nz/procurement/principles-charter-and-rules/government-procurement-principles/> for more details.

² See <https://www.procurement.govt.nz/procurement/principles-charter-and-rules/government-procurement-charter/> for more details.

³ See <https://www.procurement.govt.nz/procurement/principles-charter-and-rules/government-procurement-rules/> for more details.

All employees, contractors and consultants must comply with this policy and the procurement procedural guidance documents. These documents apply to all procurements, even if it is being done through a third party.

The policy does not apply to:

- Fixed term or permanent employment contracts administered through payroll,
- Statutory appointments,
- Ministerial appointments,
- Gifts, koha, and donations,
- Non-Departmental (NDOE) agreements outside the scope of the Government Procurement Rules, for example agreements that are not openly advertised on the government electronic tender service (GETS) or are restricted to certain agencies per their appropriation. However, NDOE agreements should apply the principles of the procurement policy even when not strictly required.
- Acquisition or lease of land or buildings (excluding their design, construction or refurbishment),
- Licences of software, and
- Course, Conference and Mentoring for individual staff members.

Uara me ngā Mātāpono | Values and Principles

Te Puni Kōkiri will apply our values and the principles set out in the Procurement Charter, Procurement Rules and Government Procurement Policies when planning, sourcing and managing our procurement, as these are the foundations for good practice.

Te Puni Kōkiri Values

Our values are:

<i>Te Wero - We Pursue Excellence</i>	We strive for excellence, and we get results. We act with courage when required, take calculated risks and are results focused.
<i>Manaakitanga – We Value People and Relationships</i>	We act with integrity and treat others with respect. We are caring, humble and tolerant. We are co-operative and inclusive.
<i>He Toa Takitini – We Work Collectively</i>	We lead by example, work as a team and maximize collective strengths to achieve our goals.
<i>Ture Tangata – We are Creative and Innovative</i>	We test ideas and generate new knowledge. We learn from others and confidently apply new information and knowledge to get results.

Te Puni Kōkiri Strategic Priorities

This Procurement Policy supports the Te Puni Kōkiri Strategic priorities by imbuing the Te Puni Kōkiri values into procurement activities.

Te Puni Kōkiri Procurement Principles

The following principles will guide the procurement processes of Te Puni Kōkiri. The process can be adapted to the changing needs of Te Puni Kōkiri and its strategic goals over time. These principles are outlined to support all of government policies while recognising the unique nature of the mahi undertaken by Te Puni Kōkiri. Economic Benefits are supported via Principles 3, 4 and 6 to support New Zealand Business, improve conditions for workers, increasing access to skills and training, moving towards a zero-carbon economy.

Principle 1: Māori Economic Development

Te Puni Kōkiri aims to strengthen its supplier networks, make its procurement activity more accessible by delivering social benefits to communities through supporting Māori-owned businesses, small to medium local businesses, and regional enterprises.

Principle 2: Te Ao Māori

The collective and individual rights and interests of Māori as tangata whenua are recognised, protected, supported, and invested in.

Te Ao Māori approaches are undertaken at various levels of procurement:

- Planning – through effective, early, open consultation and communication with Māori that supports sustainable and equitable procurement approaches that reflect individual rights and collective interests,
- Sourcing – by adapting sourcing methods to support open reciprocal communication and active participation, and
- Managing – Focus on effective relationships and partnerships that build strength-based approaches to supporting service delivery.

Principle 3: Best Public Value

The overarching consideration for Te Puni Kōkiri procurement is ensuring best public value in the procurement of goods, services and solutions.

Best public value is not necessarily the lowest price, nor the highest quality good or service. It requires a balanced assessment of a range of financial and non-financial factors, such as: quality, cost, fit for purpose, capability, capacity, risk, total cost of ownership or other relevant factors.

Te Puni Kōkiri strategic goals and objectives guide the delivery of its activities in the context of sustainability (efforts to spend less and utilise fewer resources), efficiency (efforts to spend well) and effectiveness (efforts to optimise the impact of spending).

This principle is to be considered alongside requirement to achieve economic benefits as described in the Procurement Rules, to deliver value above and beyond the primary purpose of the procurement.

Calculating public value should include assessment of environmental and sustainability considerations in conjunction with:

- Initial purchase costs,
- Implementation or transition requirements,
- Operating costs,
- Support and maintenance costs, and
- End-of-life/disposal.

The principle balances quality with cost and affordability whilst:

- considering long-term outcomes, not just short-term results,
- delivering fit-for-purpose level of service,
- supporting efficient, fair, and effective work practices, and
- considering the impact on current and future needs and the environment.

Principle 4: Fair and Open Engagement

Te Puni Kōkiri is committed to a transparent, accountable procurement process, which - through fair and open engagement - lead to competitive bids and successfully delivered contracts that improve outcomes for Māori.

Transparent, competitive processes build trust in Te Puni Kōkiri procurement practices and decisions, drive fair and ethical behaviour, safeguard probity and foster healthy working relationships between Te Puni Kōkiri buyers and

suppliers. Competition produces tangible outcomes such as cost savings, increased quality and innovation and supports market sustainability.

A strong collaborative working relationship between Te Puni Kōkiri and suppliers is important and must be able to withstand scrutiny. Applying the following probity principles will ensure that relationships are appropriate, ethical and balanced:

- Undertake due diligence,
- Maintain confidentiality,
- Obtain relevant approvals, and
- Document decisions.

To build effective relationships with suppliers Te Puni Kōkiri will: Treat all suppliers fairly and with respect, be clear about what Te Puni Kōkiri requires and how we assess them before going to market, give sufficient response time for our requests, protect suppliers commercially sensitive information and intellectual property, offer a debrief to unsuccessful bidders, and pay invoices promptly.

Principle 5: Innovation

Supplier engagement and flexible procurement practices will assist Te Puni Kōkiri to adopt innovative services and solutions and support supplier innovation.

Innovation is encouraged at various levels of engagement:

- Planning – through effective, early, structured, and open communication of needs to the market,
- Sourcing – by adapting sourcing methods to facilitate innovation and collaboration, and
- Managing – by focusing on outcomes and developing supplier relationships that deliver value beyond the contract.

Te Puni Kōkiri encourages active management of all contracts in a manner that fosters partnership, productive relationships and supports continuous innovation and improvement.

Principle 6: Sustainability

Sustainable procurement focuses on spending public money efficiently, economically, and ethically to deliver best public value on a whole of life basis. It extends the assessment of best public value beyond the sourcing process, considering benefits and risks to the organisation, the community, the economy and impacts on the environment.

Sustainable procurement:

- is an integrated, strategic approach,
- analyses all procurement costs, including benefits to our targeted communities, environment and the economy,
- respects all stakeholders' interests,
- seeks innovative solutions to address sustainability throughout the supply chain, and
- reduces waste and seeks sustainable alternatives.

All of Government (AOG) Contracts for Supplier Panels

Ministry of Business, Innovation and Employment undertake open procurements for a range of services and supply agreements that Government Agencies can sign up to and access; these are referred to as Panels. Te Puni Kōkiri have signed up to these Panels.

When procuring goods or services, these panels must be considered first. Guidance on the use of the AOG Contracts can be found at <https://www.procurement.govt.nz/contracts/>.

For support in selecting a supplier from an AOG contract, contact the Procurement Team.

To ensure that the best public value is delivered by suppliers sourced from the AOG contracts, contact the Procurement Team for support.

While using the AOG panels, Te Puni Kōkiri will continue to be mindful of the Procurement Charter and apply all requirements of the Procurement Rules.

Economic Benefit to New Zealand Test

Under the Procurement Rules, government agencies are required to evaluate and prioritise the wider economic benefits that procurements over \$100,000 can deliver to New Zealand. This must be done for primary procurements (I.E. openly advertised procurements) with a minimum weighting of 10% in the evaluation. Further detail on the criteria can be found on procurement.govt.nz.

For procurements under \$100,000, government agencies are expected to use New Zealand Businesses unless there is a good reason not to.

Te Puni Kōkiri Tikanga Here Pūtea | Te Puni Kōkiri Thresholds

The procurement method used to select a supplier and the level of detail required in tender and contract documents will depend on the value and complexity of the goods, services or solutions being procured. – These thresholds are secondary to the delegations policy.

A procurement memo detailing the contract spend, approved by the relevant delegated financial authority, is required to accompany all contracts.

This table applies to procurement of services that are not available on the All of Government Panels.

There are four expenditure thresholds that govern the method used and the level of documentation required:

THRESHOLD	PROCUREMENT METHOD	PREFERRED CONTRACT FORM	LEGAL APPROVAL REQUIRED
\$20,000	Direct Source	Government Model Contract	No
\$20,000 to \$50,000	Direct source with two quotes.	Government Model Contract	No
\$50,001 to \$99,999	At least three competitive quotes	Government Model Contract	No (unless high risk)*
\$100,000 and above	Open tender	Government Model Contract	Yes
For new construction works \$0 to \$10,000,000	Open tender with Finance Committee approval.	Government Model Contract	Yes

*The Procurement Team will provide advice where necessary to determine if a contract is high risk.

Legal review is always required when:

- There are proposed amendments to Schedule 2 of the Government Model Contract (GMC),

- The procurement is highly significant, high risk or complex, or
- High value i.e. over \$100,000,
- We are using a supplier's contract template OSA (Other Suppliers Agreement).

These thresholds are exclusive of GST and apply to the total value of a contract over its entire life (including any possible extensions).

Purchase Orders are available but will only be used if suppliers request one⁵.

Information relating to Corporate Credit Card use is available at: <http://intranet.te-wheke.int/en/guides-and-tools/a-z/corporate-credit-card-policy>

Contract Management

Agencies must have a contract management plan that takes into account the contract's value, complexity, risk, and duration, as required under Rule 35 of the Government Procurement Rules. Our contract management system Pīwawa has built in functionality to manage lower value contracts under \$500,000. For contracts over \$500,000 a separate contract management plan must be created and include:

- clear governance arrangements,
- relevant and proportionate performance metrics against which suppliers will be measured, and
- appropriate and transparent performance monitoring provisions, including due diligence to be conducted.

We must also:

- conduct sufficient monitoring of contracts to ensure that commitments made in contracts are delivered and reported on, and
- keep records of all contract management activities.

Future Procurement Opportunities

Te Puni Kōkiri publishes Future Procurement Opportunities (FPO's) on the Government Electronic Tender Service (GETS) to assist businesses to understand the potential pipeline of work coming from buyers and prepare in advance. The FPO system provides an online real time solution to allow us to notify suppliers of any upcoming procurement opportunity as soon as it is identified. An FPO is not a commitment by Te Puni Kōkiri to procure the goods and/or services, but signals to the market any intended future activity.

Each Budget Manager is responsible for the planning and management of their future procurement requirements and should contact the Procurement Team to advise them of any upcoming procurement opportunities with estimated whole-of-life costs greater than \$100,000 that will need to be placed on GETS.

In addition, Business Managers will be contacted regularly by a member of the Procurement Team to review FPO's that may need to be registered on GETS.

One Off Payments

A one-off payment is a good or service with a low value that we are not likely to purchase again.

If a one-off payment is requested, the Procurement Team will request confirmation that we are not going to receive any further invoices related to the programme of work.

- A purchase of a one-off good or service under \$5,000 will be accepted,
- Purchases between \$5,000 and \$10,000 will be considered on a case-by-case basis.

Ngā tikanga a Te Puni Kōkiri | Te Puni Kōkiri Practices

⁵ The Purchase Order form is available at <http://intranet.te-wheke.int/en/guides-and-tools/a-z/purchase-order-form>

Please consult with the Procurement Team if you need help or assistance on any aspect of procurement.

The procurement decisions and practices of Te Puni Kōkiri must be able to always withstand public scrutiny. Throughout our procurement activities we will:

- Clearly record our planning, processes, and decisions so they can be easily audited,
- Document, manage and record conflicts of interest,
- Consider security requirements, including Protective Security Requirements (PSR), in planning, sourcing, and contract management to ensure supplier and third-party risks are appropriately addressed.
- Identify risks and get the right person to manage them, and
- Act lawfully, ethically, and responsibly in accordance with the Procurement Principles and Te Puni Kōkiri Values set out in this policy.

Ko Ngā Haepapa me Ngā Uruhi | Responsibility and Enforcement

All Te Puni Kōkiri employees, including contractors and consultants must comply with this policy and the procurement procedural guidance documents.

The Procurement Team will run procurement training for new kaimahi starting with Te Puni Kōkiri. This training will include Government Procurement Rules, the Procurement Charter, All of Government Policies, and Protective Security Requirements. As far as practicable, the Procurement Team will engage with kaimahi in the planning processes to provide pre-emptive support.

Any breach of this policy may constitute misconduct and will be dealt with in accordance with the Te Puni Kōkiri Misconduct and Poor Performance Policy.

Exemptions from the Government Procurement Rules requirements

In some circumstances the conditions in this policy may not be able to be met. The Procurement Team can provide advice on what qualifies as an exemption from Government Procurement Rules.

Details of the required exemption must be included in the procurement memo and approval is required by the Procurement Manager before being sent to the Deputy Secretary of the respective Puni for signoff.

Exemptions

Exemptions from the Procurement Policy should only occur:

- In an emergency, or
- When the required goods, services or solutions are so specialised it is not feasible to apply an open procurement process.

An example of where an exemption may apply is: there is a single organisation in a community that has the necessary skills, experience and resources to deliver the required goods or services – a market analysis needs to have been conducted in this case to show that there are no other suppliers able to deliver.

The Procurement Team can provide support in the planning stages to identify whether an exemption is required.

Retrospective Approval

There may be situations where Te Puni Kōkiri need a supplier to begin services prior to a contract being signed, examples of when this may happen are natural disasters or unforeseen events which directly impact delivery of key Te Puni Kōkiri services such as a collapse of a significant service. When the contract is signed, it needs to be noted in the procurement memo that it is a retrospective contract and the reasoning for it, this then needs to be approved by the Procurement Manager and Deputy Secretary of the respective Puni.

Engaging a supplier without a contract in place should always be a last resort as there are a number of risks Te Puni Kōkiri are taking on, such as treatment of confidential information and intellectual property, financial risk,

accountability for service or goods delivery, health and safety of any kaimahi involved, conflict of interests and public liability.

Ko Ētahi atu Kaupapa Here | Related Documents

- **The OAG Procurement Guide: Procurement Guidance for Public Entities**
<https://www.oag.govt.nz/2008/procurement-guide>
- **Government Procurement Rules**
<https://www.procurement.govt.nz/procurement/principles-and-rules/government-procurement-rules/>
- **Risk Management Policy**
<http://intranet.te-wheke.int/en/guides-and-tools/a-z/risk-management-policy>
- **Financial Delegations Policy (Departmental)**
<http://intranet.te-wheke.int/en/guides-and-tools/a-z/delegations-departmental-policy>
- **Financial Delegations Policy (Non-Departmental)**
<http://intranet.te-wheke.int/en/guides-and-tools/a-z/delegations-nondepartmental-policy>
- **Delegations Human Resources Policy**
<http://intranet.te-wheke.int/en/guides-and-tools/a-z/human-resources-delegations-policy>
- **Conflicts of Interest Policy**
<http://intranet.te-wheke.int/en/guides-and-tools/a-z/conflicts-of-interest-policy>
- **Legislative Compliance Policy**
<http://intranet.te-wheke.int/en/guides-and-tools/legal-and-risk/legislative-compliance-policy>
- **Classified Information Policy**
<http://intranet.te-wheke.int/en/guides-and-tools/a-z/classified-information-policy>
- **Personal Information Policy**
<http://intranet.te-wheke.int/en/guides-and-tools/a-z/personal-information-policy>
- **Records Management Policy**
<http://intranet.te-wheke.int/en/guides-and-tools/a-z/records-management-policy>
- **Privacy Strategy**
<http://intranet.te-wheke.int/en/guides-and-tools/a-z/privacy-strategy>
- **Standards of Integrity and Conduct**
<http://intranet.te-wheke.int/en/guides-and-tools/a-z/standards-of-integrity-and-conduct>
- **Fraud, Corruption and Theft Policy**
<http://intranet.te-wheke.int/en/guides-and-tools/a-z/fraud-corruption-and-theft-policy>
- **Misconduct and Poor Performance Policy**
<http://intranet.te-wheke.int/en/guides-and-tools/a-z/misconduct-and-poor-performance-policy>
- **Health and Safety General Policy**
<http://intranet.te-wheke.int/en/guides-and-tools/a-z/health-and-safety-general-policy>
- **Protective Security Requirements**
<https://www.protectivesecurity.govt.nz>

Ko Te Whakaaetanga o te Kaupapa | Policy Approval

This Policy is owned and updated by:	It was approved by:	On the date of:	It is due for revision by:
Finance, Property and Procurement	Executive Leadership Team	30 Hune 2026	30 Hune 2028

This policy replaces the previous policy dated 16 Hūrae 2024

Whakapā Mai | Contact

If you have any questions regarding this Policy, please contact a member of the Procurement Team.