# **[Drafting note: Insert Agency name]**Emergency Procurement Plan

**[Drafting note: Instructions for use of this template**

**This template supports the Emergency Procurement Policy contained in the VGPB** [***Governance Policy***](https://www.buyingfor.vic.gov.au/governance-goods-and-services-policy#2-emergency-procurement) **and the** [***Develop an emergency procurement plan - Goods and service guide***](https://www.buyingfor.vic.gov.au/governance-goods-and-services-policy#2-emergency-procurement)***.***

**This template aims to assist agencies to develop their emergency procurement plan. It is not intended to be prescriptive, and agencies are free to use the template as suits their purposes.**

**Text marked ‘[Drafting Note]’ and marked in bold should be deleted when the emergency procurement plan is completed.**

**Preliminary work to develop your agency’s emergency procurement plan**

**There are similarities between how your agency established its procurement strategy and developing an emergency procurement plan. Conduct preliminary research and analysis to inform governance, procedures, and preparation:**

* **identify procurement likely to be required to support business continuity and emergency response plans**
* **assess risk and complexity**
* **assess the capability needed to match the risk and complexity**
* **determine the options for providing procurement support]**

## Introduction

Procurement activity undertaken to respond to an emergency in **[Drafting note: insert agency name]** is to be conducted in accordance with this emergency procurement plan.

This plan provides procurement support to:

* **[Drafting note: insert agency name]** business continuity plan **[Drafting note: insert URL link]**
* **[Drafting note: insert agency name]** emergency response plan(s) if applicable **[Drafting note: insert URL link]**
* [**Drafting note: Other if applicable [Drafting note: insert URL link]**

This plan does not require activation to conduct preparation prior to an emergency, post emergency activities and reporting.

Emergency Procurement does not apply to urgent or unplanned procurement activities undertaken as part of routine operations. Emergency Procurement must not be used to avoid or shortcut procurement planning, approvals, or competitive processes

Owner: **[Drafting note: insert position, name, and contact details (for example, the CPO or equivalent)]**

Version: **[Drafting note: insert version number]**

Authorised by: **[Drafting note: insert name and title of the accountable officer]**

Date: **[Drafting note: insert date]**

Point of contact for this plan: **[Drafting note: insert if not the owner, position, name, and contact details]**

1. Activating, reviewing, and ceasing

**[Drafting note: This section details the who and the how of activating, reviewing, and ceasing the operation of this plan in response to an emergency.]**

This plan may only be activated, reviewed, or ceased by: **[Drafting note: Specify by position the accountable officer (head of agency e.g., Secretary, Chief Executive Officer) or their delegate. Examples of delegate: CPO, CFO, emergency response or business continuity plan commander.]**

* 1. Activating emergency procurement

This plan may be activated when **[Drafting note: insert agency name]** is impacted by an emergency event that:

* endangers or threatens to endanger the safety or health of any person
* destroys or damages, or threatens to destroy or damage, property
* endangers or threatens to endanger the environment
* disrupts essential services (for example transport, fuel, power, water, sewerage)
* significantly disrupts or threatens provision of **[Drafting note: insert agency name]** key services

**[Drafting note: Consider listing or linking to a list of your agency’s key services.]**

The procedure for activating this plan is: **[Drafting note: describe the procedure and how it will be communicated to staff. When activating the plan, the accountable officer or delegate must set a date for review or cessation not exceeding 90 calendar days from the date of activation.]**

**[Drafting note: If applicable, describe the process for notifying the relevant Minister(s) or other parties of an activation.]**

* 1. Review of activation

The procedure for reviewing activation of this plan is: **[Drafting note: describe the procedure and how it will be communicated to staff.]**

* 1. Ceasing emergency procurement

The procedure for ceasing the activation of this plan is: **[Drafting note: Describe the procedure and how it will be communicated to staff.]**

When a cessation date is not set at activation or on a review date, the activation of this plan will cease 90 days after activation or a review, as applicable.

**[Drafting note: Consider including some details about what is to happen on cessation, for example:**

* **progressively handover procurement activities to normal channels and procedures**
* **a review of contractual arrangements made during the emergency: do these continue to be appropriate, or should they be affirmed or terminated?**
* **instructions to notify the relevant Minister(s) or other parties of ceasing emergency procurement**
* **ensure adequate records have been kept**
* **ensure that reporting requirements are met (section 5 below)**
* **conduct continuous improvement activities (section 6 below)]**
1. Governance

**[Drafting note: This section details the governance/management framework in response to an emergency. Prepare for foreseeable emergencies by linking to the agency’s business continuity plans and by addressing any bespoke arrangements or changes required for emergencies, appropriate through the phases of an emergency.**

**Tip:Keep governance as simple as possible, and if the framework for routine procurement is appropriate then don’t change it because staff are already familiar with it.]**

### Governance framework

**[Drafting note: Detail the governance framework in response to an emergency. For example:**

* **remain as it is for routine procurement (unchanged)**
* **be restructured to be more centralised or decentralised**
* **new governance bodies or responsibilities**
* **the relationship between the procurement function and business continuity/emergency response]**

### Accountability and responsibilities

**[Drafting note: Set out the roles and responsibilities of responsible officers (e.g. financial delegates, or procurement support) in response to emergency procurement, including approvals, reporting, development of this plan.]**

1. Preparation

**[Drafting note: This section details the preparation activities to be undertaken prior to an emergency event.**

**All mandatory requirements for an Emergency Procurement Plan pertain to this Procedures section.]**

### Business continuity

**[Drafting note: Consult the owner of the business continuity plan to identify the likely procurement needed to support foreseeable emergencies (building fire, storm, power outage, flood, a pandemic).]**

Business continuity officer: **[Drafting note: Name of person in position]**

Link: **[Drafting note: link to your agency’s business continuity plan]**

### Preparing for procurement support

**[Drafting note: Your agency should prepare procurement support activities prior to an emergency. This could include:**

* **category planning for likely activities**
* **varying relevant existing contracts to ensure they can be leveraged in an emergency**
* **conducting market analysis and preparing the market approach for new goods and services that may be needed**
* **establishing new contracts specifically for emergencies**
* **conducting complexity and capability assessments for likely procurement support activities]**
1. Procedures

**[Drafting note: This section details the procedures to be used when conducting procurement activities during the response to an emergency. It includes details pertaining to the sourcing phase and contract management phase (including purchasing).]**

### **General procedures**

**[Drafting note: Detail the procedures that will be used throughout the phases of an emergency. For example this may include:**

**Procuring from State purchase contracts (SPCs). Facilitate consideration of procuring from SPCs. List all SPCs that could be used in an emergency. Detail how your agency will meet the requirement for notification to lead agencies of mandated SPCs on activation of emergency procurement and non-use of SPCs (see section 5 below).**

**Declaring conflict of interest. As early as possible in a procurement, preferably at the start of the procurement and whenever additional people become involved in the procurement.**

**Suppliers and supply chains. Consider what to include about managing the impact of emergencies on suppliers and supply chains, for example:**

* **buying the minimum necessary for short periods**
* **due diligence when urgently establishing new supply chains**
* **paying in part or full upfront if necessary to secure supply**
* **paying suppliers in a timely manner**

**Record keeping. Detail the process for maintaining adequate records during an emergency.**

**Disclosing contracts. Detail the process for** [**contract disclosure**](https://www.buyingfor.vic.gov.au/contract-management-and-contract-disclosure-goods-and-services-policy)**.**

**Procurement-related policies may apply. Review your agency’s emergency procurement support profile to identify which types of activities may need to apply procurement-related policies. Ensure that where these policies apply, your agency procedures comply.]**

### Immediate reaction phase

**[Drafting note: This phase allows for limited, decentralised, reactive procurement activity to meet immediate, urgent needs. What processes are your agency going to adopt in this phase? Consider who will give approval for the business need, procurement delegations and financial delegations.**

**In this phase, procurers and financial delegates will have to make a quick assessment of complexity and risk, and whether they have the required capability to conduct an urgent procurement activity. If they do not have the capability in their team, their options may include:**

* **accept the risk and proceed with the procurement**
* **urgently escalate or refer the matter to a team in the agency with the appropriate capability**
* **delay the procurement until the urgent response phase commences and more capability can be accessed internally or externally**

**Detail what actions/processes/behaviours are acceptable under the plan to achieve an urgent, reasonable, and defensible procurement process in the immediate reaction phase, such as:**

* **use of established contracts including state purchase contracts for purchasing, wherever possible**
* **engagement of the most accessible or quickest responding suppliers of fit-for-purpose goods and services**
* **off-the-shelf goods or ready to go services of low complexity**
* **limited, if any, competition among suppliers**
* **commitments may be made with verbal approval from an appropriate financial delegate**
* **verbal or e-mail quotes from suppliers**
* **suppliers engaged verbally or through expedited written communications (for example text messages and emails)**
* **corporate purchasing cards being used for a wider range of procurements than normal**
* **delayed invoices and**
* **procurement file notes and decision records raised as soon as practicable**

**Note: Key verbal communications such as commitments, approvals, and agreements should be followed up in writing as soon as practicable.]**

### Urgent response phase

**[Drafting note: This phase commences when this plan is activated. Consider which processes can be abbreviated through the procurement lifecycle using scalability or flexible application of policies and how any risks can be mitigated or managed. Detail what actions/processes/behaviours are acceptable under the plan to achieve an urgent, reasonable, and defensible procurement process.]**

### Recovery phase

**[Drafting note: The focus in the recovery phase shifts from urgent response to rebuilding and restoring business-as-usual.**

**Routine procurement policy and processes should resume for all procurement. Some procurement activities may be accelerated using scalability in and processes while complying with all mandatory Supply Policies requirements.**

**Contracts awarded earlier in the response to an emergency should be reviewed. It may be appropriate to terminate or renegotiate these contracts.**

**Detail the activities that need to be undertaken during this phase.]**

1. Reporting

**[Drafting note: This section details the who, what, when and how of complying with the mandatory requirement to report emergency procurement in your agency’s annual report (Policy section 2.2.3 Reporting). Ensure that the procedures in section 4 above facilitate collection and collation of the information required to be included in the annual report.**

**Include notification to lead agencies of mandated SPCs within 60 days of activation of emergency procurement, covering the date of activation and procurement activities where mandated SPCs were not used. Use DTF form (new form to be published).]**

1. Continuous improvement

**[Drafting note: This section details what continuous improvement actions should occur once emergency procurement has ceased, which could be in the recovery phase of the emergency or when that has concluded.**

**Once the emergency has ceased:**

* **assess procurement performance during the emergency**
* **identify learnings to apply in future emergencies**
* **update your emergency procurement plan**
* **apply relevant learnings to improving routine procurement process and plans, for example, if processes can be abbreviated without increasing risk]**

## Is the plan ready for approval and publishing?

**[Drafting note: Readiness Checklist**

**Does the plan:**

* **comply with the** [***Policy requirements***](https://www.buyingfor.vic.gov.au/governance-goods-and-services-policy#2-emergency-procurement)**?**
* **describe the process for activation, reviewing and ceasing operation of the plan?**
* **integrate with emergency response and business continuity plans?**
* **include an appropriate governance framework?**
* **provide practical procedures and direction for staff?**
* **address the emergency phases – i.e., immediate reaction, urgent response, and recovery?**
* **detail the preparation to be undertaken?**

**How will the agency communicate the plan and make it available to those who need to know?]**

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