*Show Cause Notice*

template

Ethical Supplier Mandate and Ethical Supplier Threshold

# *Show Cause Notice*

This *Show Cause Notice* should be issued to suppliers where an outcome of an investigation indicates a non-compliance matter is capable of being progressed under the Ethical Supplier Mandate (the Mandate) or Ethical Supplier Threshold (the Threshold), and the supplier may be liable to be issued demerits.

<Day Month Year>

<Supplier Name>

<Supplier Contact>

<Contact Position>

<Street Address or GPO/PO Box>

<Suburb, State, Postcode>

Ethical Supplier <Mandate or Threshold> Show Cause Notice

Dear <insert salutation> <insert surname>,

On <insert date>, the <insert procuring agency> became aware that <insert supplier name> may have breached the Ethical Supplier <Mandate or Threshold> (the Mandate/Threshold). This potential non-compliance was identified via <insert method information was received, i.e., a complaint, an audit, review of a performance report>.

**ALLEGATION**

It is alleged that:

*<insert details of the type of non-compliance citing the specific sections of the Mandate or Threshold and alleged conduct. Include direct reference to policy requirements, and related contract/clauses (if applicable)*

*For example: Supplier failed to deliver part of the commitment to apprentice and trainee engagement hours under clause X of the contract dated Y in that the supplier provided only 18 of the 20-hour commitment. If established, this is a breach of category 2(a) of the Mandate.>*

**INVESTIGATION**

An investigation into the alleged breach has been conducted by <insert procuring agency>.

A copy of the following documents and evidence have been obtained during the investigation and are enclosed for your consideration in relation to this alleged breach:

* <insert list of all documents attached, which form all evidence obtained during the investigation>
* <include any WHSQ reports>

**SHOW CAUSE PROCESS**

The <insert procuring agency> proposes to submit the alleged breach to the Queensland Government Procurement (QGP) Compliance Branch within the Department of Energy and Public Works for escalation under the <Mandate/Threshold> to the Tripartite Procurement Advisory Panel (the Panel) for recommendation regarding compliance with the <Mandate/Threshold>.

This show cause process allows an opportunity for <insert supplier name> to refute or contest the allegation(s), outline situational details that may have inadvertently caused the potential breach to occur and/or provide details of remedial actions that the business may have taken to address the alleged non-compliance. Any response submitted should be supported by evidence or proof of the detailed claims. You may refer to the Mandate for more information about this process.

**PROVIDING A RESPONSE**

You are invited to make written representations about this *Show Cause Notice* setting out why the alleged breach should not be referred to the Panel for escalation under the <Mandate/Threshold>.

This Notice is the first formal opportunity for you to respond to the allegation(s) outlined. Any reply to this *Show Cause Notice* is required in writing and should attach any information you consider relevant.

Any response you wish to provide should be received by the <insert procuring agency> within ten (10) business days of issue of this Notice. Please issue all responses to:

Name: <insert agency contact>

Postal Address: <name of agency>

 <first line postal address>

 <second line postal address>

Email: <email of agency contact>

You may request an extension beyond the ten (10) day timeframe to respond, if required. Sound reasons must be provided for the extension. The <insert procuring agency> will provide communication confirming whether this extension has been granted.

**NO RESPONSE**

The decision maker will consider any written representations that you make on or before the submission due date.

If no response is received within ten (10) business days of issue of this Notice, this matter will be automatically referred to the Queensland Government Procurement (QGP) Compliance Branch for progression to the Panel.

**POSSIBLE DEMERIT APPLICATION**

If the alleged conduct outlined in this Notice is found to be a breach of the <Mandate/Threshold> <insert supplier name> may be issued with demerits under the policy.

Demerits expire twelve (12) months from the date they are issued, unless applied to a sanction. All demerits applied to a sanction determination will be retired and will not contribute to future non-compliance decisions.

**POSSIBLE SANCTION APPLICATION**

In the event that twenty (20) demerits are accumulated in the same 12-month period, a sanction under the <Mandate/Threshold> will be considered. A sanction may involve exclusion from government procurement for a defined period of up to 12 months.

**COMPLIANCE RECORD UNDER THE POLICY**

All confirmed breaches of the <Mandate/Threshold> (or Ethical Supplier Threshold/Mandate) will be collated to form your compliance record under these policies. Procuring agencies will have access to this record when assessing the risk profile of future procurement.

The Queensland Government takes all matters of compliance seriously. The <Mandate/Threshold> will impact suppliers that negligently, deliberately and/or repeatedly breach contractual obligations, policies or laws. It is not intended to penalise honest mistakes or oversights that are found and corrected. Non-compliance with the <Mandate/Threshold> is assessed on a case-by-case basis by the Panel and the decision maker (the Director-General within the <insert procuring agency>), allowing for discretionary assessment (e.g., evidence of honest error, systems and/or process improvement, and reparation).

If you have any questions regarding this Notice, please contact me at <insert email address>.

Yours sincerely,