Question on Notice

No. 202

Asked on 23 April 2009

MS DAVIS ASKED THE TREASURER AND MINISTER FOR EMPLOYMENT AND ECONOMIC DEVELOPMENT (MR FRASER)—

With reference to the businesses who paid to attend the last annual state conference of the Labor Party and who had been granted access to the Treasurer—

(1) Which businesses tendered for contracts with the department and/or associated entities during 2007-08 and 2008-09 and what were the dates and details of the project?

(2) Which businesses secured any form of departmental approval or financial grant from the department and/or associated entities in 2007-08 or 2008-09 and what were the dates and details of the approval or grant?

(3) Of those businesses who successfully tendered for contracts in 2007-08 and 2008-09 what was the date and value of the contracts awarded (reported separately for each donor and by contract)?

ANSWER:

Treasury Department's *Procurement Policy* requires that except where a contract is being progressed as a sole supply arrangement, an Invitation to Offer (ITO) must be issued for all procurements valued in excess of $50,000 and that where the value exceeds $500,000 at least 3 written offers must be obtained.

These processes normally occur in consultation with Procurement Services, Shared Service Agency, Treasury's outsourced service provider, particularly where there is any complexity in the arrangements.

Contracts are evaluated based on an analysis of each offer against the ITO criteria, the objective being to select the offer that best meets the requirements of the ITO and provides optimal value for money to the State of Queensland.

This often involves assessing quantitative as well as qualitative factors, including any sustainability requirements.

As far as practicable, the whole-of-Government *Better Purchasing Guide - Evaluating Offers in Purchasing* is also used in evaluating tenders.

For large contracts, where there is sensitivity or risk, the appointment of a probity auditor to oversee the processes is also considered.

The selection of a successful supplier occurs independently of me or my Office.

Executive Council has authorised the accountable officers of a number of the larger departments, including Treasury, to approve contracts up to a value of $1.5 million. For contracts exceeding this amount but not exceeding $3.0 million, the approval of the relevant Minister is required, while contracts in excess of $3.0 million are normally approved by Executive Council.

No contracts relevant to the Question were awarded by the Department between the value of $1.5 million and $3.0 million, (the thresholds requiring my approval) in 2007-08 or 2008-09.