

Question on Notice

No. 199

Asked on 27 February 2019

MR R STEVENS ASKED MINISTER FOR EDUCATION AND MINISTER FOR INDUSTRIAL RELATIONS (HON G GRACE)

QUESTION:

Will the Minister detail the additional expenditure value of variations for procurement contracts that have occurred for the Department of Education since 2015-16 (reported separately by financial year)?

ANSWER:

The Palaszczuk Government is committed to ensuring that all Queenslanders have the education that they need to fully participate in the economic and social advancement of the State. The Department of Education's service delivery is underpinned by a culture of strong corporate governance and a focus on accountability and risk management to help drive innovation and high performance. In order to continuing to deliver improvements for Queensland, the department must ensure that services evolve and are responsive to the needs of stakeholders and communities and that risk is well managed to enable successful outcomes.

The department has been able to identify the following variations to procurement contracts as defined below.

A significant component of contract variations relates to projects being delivered under this Government's record infrastructure program, delivering the school facilities that students in communities across the State require to support improved learning outcomes. Building project contracts may experience variations for a range of reasons including scope change, site constraints, soil type, foreign materials being identified etc. The department manages these variations with contractors to ensure that the projects are delivered to meet service demands.

The data provided below highlights the minor variations as a proportion of total spend that have occurred over the past three financial years and the variations made this year to date.

Financial Year	Total Expenditure	# In-Scope Variations Procurement Contracts	\$ Value of In-Scope Variations	Variations as % of expenditure
2015-16	\$1,541,653,885	36	\$4,472,319	0.47%
2016-17	\$1,712,807,203	38	\$6,476,819	0.62%
2017-18	\$2,059,712,030	30	-\$607,541	-0.05%
2018 YTD	\$1,452,213,368	54	-\$1,318,539	-0.14%

Notes: Data includes portfolio responsibilities for the department over the period of 2015-16 to 2018 YTD, including Training prior to December 2018 and includes Office of Industrial Relations from January 2018. Data excludes intra-government or agency-agency payments and contracts where the original award of contract was less than \$2 million. Only genuine variations were included as in scope. For example: only actual changes to price were included—administrative changes, such as name or contact details changes or change of control and changes contemplated as an extension within a contract, were not included.