

Question on Notice

No. 489

Asked on 2 April 2019

MR D PURDIE asked the Minister for Health and Minister for Ambulance Services (HON DR S MILES)—

QUESTION

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

ANSWER

It is common for commercial contracts to include provisions that enable variation to the original contract. A variation to a contract could include a change to the service level or type, product, delivery, timeframe, personnel, term and conditions or price.

The Department of Health manages contracts with suppliers to ensure Queenslanders receive quality health outcomes and the Queensland Government maximises benefits from procurement. Variations are a sound contract management strategy.

The following table shows variations to Department of Health contracts with a value greater than \$2 million. The figures reported refer to the net value of true variation to scope, cost or time.

Financial year	Total award value	Total value of in-scope variations
2015-16	\$252,387,941	\$26,471,940
2016-17	\$227,383,751	\$28,275,604
2017-18	\$269,690,415	\$124,643,625
2018-19 year-to-date	\$287,757,664	\$26,078,667