

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Budget Estimates 2017 - 2018, 29 & 30 May 2017

Ref No: SQ17-001052

OUTCOME: 0 – Whole of Portfolio

Topic: Limited Tender Contracts

Type of Question: Written Question on Notice

Senator: Xenophon, Nick

Question:

- a) What percentage of contracts entered into by the Department in FY 2015/16 were limited tenders?
- b) What was the total value of these limited tenders?
- c) Across the department, please provide a list of all contracts in FY 2015/16 that involved a limited tender contract to an entity for services below \$80,000 followed by a subsequent limited tender contract (either in FY 15/16 or 16/17) to the same entity for services below \$80,000 or above \$80,000 (please list the two contracts by AUSTENDER number). Please provide the justification (and any documents relating thereto) for the limited tender of any subsequent contract that was above the \$80,000 threshold.
- d) Across the department, please provide a list of all contracts in FY 2016/17 that involved a limited tender contract to an entity for services below \$80,000 followed by a subsequent limited tender contract to the same entity for services below \$80,000 or above \$80,000 (please list the two contracts by AUSTENDER number). Please provide the justification (and any documents relating thereto) for the limited tender of any subsequent contract that was above the \$80,000 threshold.

Answer:

- a) 33.08 per cent.
- b) \$286,187,032.83. A listing of contracts over \$1 million, totalling \$217,512,086.83, can be found at [Attachment A](#). Of this, some \$200 million is for property leases for up to ten years, supply of vaccines, software licences and payments to government departments which under the Commonwealth Procurement Rules meet the conditions for limited tendering. For example the licencing agreement for IBM software currently used in the Department.
- c) A detailed listing of all Limited Tender contracts valued over \$10,000 can be accessed via the AusTender public website at www.tenders.gov.au/?event=public.reports.list. There is currently no mechanism on AusTender, or on the Department of Health IT systems, to capture information for justifying Limited Tender. It is expected that the Department of Finance will introduce this as a policy requirement during 2017-18 and that IT system upgrades in both Finance and Health will enable reporting capability.
- d) Refer to answer to part c).