

Procurement approval

Department of Health Policy

QH-POL-474:2023

1. Statement

All procurement in Queensland Health will comply with the Queensland Procurement Policy and demonstrate delivery of best value outcomes and be undertaken with integrity, probity, and accountability.

2. Purpose

This policy provides the framework for ensuring that the procurement of all goods and services deliver value for money outcomes, with a high degree of probity, integrity and accountability which is supported by appropriate systems, controls, and processes.

It underpins the requirements of the Financial Accountability Act 2009, Financial and Performance Management Standard 2019, Financial Management Practice Manual (FMPM), Department of Health Instruments of Delegation, and the Queensland Procurement Policy to ensure effective internal controls and management of risk for procurement activities.

3. Scope

This policy applies to all staff (permanent, temporary, casual, consultants or contractors) who are undertaking or participating in procurement or contracting activity.

Procurement Approver authorisations can only be assigned to positions held by public service employees employed by Queensland Health. Public service employees are defined under the Section 13 of the Public Sector Act 2022 (Qld).

Procurement Approver authorisations cannot be assigned to consultants, contractors, or other non-public servants (such as those persons engaged through recruitment agencies).

4. Requirements

4.1. Procurement approvals

4.1.1. A Procurement Approver must:

- (a) comply with the FMPM and Corporate Delegations Policy.
- (b) exercise their authority within their procurement approval threshold.
- (c) assess all high value procurement categories >\$250,000 (GST exclusive) or establishing a supply arrangement over the term of a proposed contract or arrangement, inclusive of all extension options and variations.

- (d) only approve a procurement which was undertaken with required standards of integrity, probity and accountability in accordance with the Queensland Procurement Policy Principles and ensure regard to the Department of Health [Procurement Framework](#), [Procurement Guide](#) and associated [procurement procedures and processes](#).
- (e) only approve procurements which demonstrate delivery of best value for money outcomes and benefits.
- (f) not exercise a Procurement Approval and Expenditure Delegation for the same procurement activity.
- (g) in exercising a Procurement Approval ensure a risk assessment has been undertaken and identified risks have been appropriately managed.
- (h) in exercising a Procurement Approval ensure an assessment of compliance with [Queensland Health Certified Agreements](#) has been undertaken and managed when contracting out services.

4.1.2. An Expenditure Delegate must:

- (a) comply with the FPM and Corporate Delegations Policy
- (b) comply with the Department of Health [Procurement Framework](#), [Procurement Guide](#) and associated [procurement procedures and processes](#).
- (c) sight evidence of the procurement approval having been exercised for all procurement categories >\$250,000 (GST exclusive) over the term of a proposed contract or arrangement, inclusive of all extension options, before exercising their expenditure delegation.
- (d) consult legal services for approval of departures to Queensland Health Terms and Conditions, or inclusion of special conditions.
- (e) consult with human resources and/or legal services for approval of departures to industrial obligations articulated in [Queensland Health Certified Agreements](#) when contracting out services.

4.2. Schedule of Procurement Approvers

- 4.2.1. A Procurement Approver can only be authorised by the Director-General or Deputy Director-General, Corporate Services Division and is applied to a position.
- 4.2.2. The Schedule of Procurement Approvers will be reviewed bi-annually by System Procurement, Corporate Services Division which is responsible for the management and maintenance of the schedule.
- 4.2.3. A change to an existing Procurement Approver or a request for a new Procurement Approver can be submitted through the Chief Procurement Officer for consideration and progression.

4.3. Industrial Obligations

- 4.3.1. It is the clear policy of Queensland Health not to contract out services unless one or more circumstances set in the [Queensland Health Certified Agreements](#) apply.

4.3.2. Breach of obligations may attract civil penalties and associated costs to Queensland Health. Refer to the [Industrial Obligations guidance](#) for more information.

4.4. Conflicts of Interest and Probity

4.4.1. Any perceived, potential or actual conflict of interest in the purchase of goods or services must be declared and managed appropriately.

5. Legislation

- *Criminal Code Act 1899*
- *Financial Accountability Act 2009*
- Financial and Performance Management Standard 2009
- *Government Owned Corporations Act 1993*
- *Information Privacy Act 2009*
- *Public Sector Act 2022 (Qld)*
- *Public Sector Ethics Act 2008*
- *Public Records Act 2002*
- *Right to Information Act 2009*
- *Industrial Relations Act 2016 (Qld)*

6. Supporting documents

- [Code of Conduct for the Queensland Public Service](#)
- [Department of Health Procurement Framework](#)
- [Financial Accountability Handbook](#)
- [Financial Management Practice Manual](#)
- [Queensland Procurement Policy](#)
- For further supporting documents please refer to the [Department of Health Procurement Guide](#)

7. Definitions

Further definitions are as outlined in Financial Management Practice Manual.

Term	Definition
Procurement	means the whole process of obtaining goods and services. Beginning with the identification of needs, procurement can include the functions of planning, design, standards determination, specification writing, selection of suppliers, financing, contract management, disposals and other related

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	functions. For clarity, 'procurement' under this document does not include 'grants' as defined in the Financial Accountability Handbook administered by Queensland Treasury.
Procurement Approval	means assessing and approving a procurement activity in compliance to the Queensland Procurement Policy for high value procurement >\$250,000 (GST exclusive) and establishing a supply arrangement to ensure value for money outcomes. A procurement approver may have regard to the Department of Health Procurement Framework and Guide. All approvals are to be evidenced in the relevant procurement approval forms as provided in the Procurement Guide.
Procurement Categories	means General Goods and Services, Information and Communication Technology, Transport Infrastructure and Services, Medical, Building Construction and Maintenance and Social Services
Procurement Approver	means an authorised officer who has been approved in accordance with the Procurement Approval Policy.
Public service employees	means a Queensland Health employee as defined in the <i>Public Sector Act 2022</i> (Qld) ('Act') section 13, as a person employed under the Act as: <ul style="list-style-type: none"> (a) a public service officer; or (b) a general employee; or (c) a fixed term temporary employee; or (d) a casual employee. <p>Note: <i>Public service officers are officers such as a chief executive, a senior executive, or an officer of another type.</i></p>
Purchasing	means the acquisition process for goods and services through purchasing, leasing and licensing and this expression extends to standing offer or similar arrangements by which terms and conditions of purchase are determined.

Version Control

Version	Date	Comments
1.0	29 July 2019	New document
2.0	11 November 2020	Authority to approve positions assigned a procurement approval amended and reflect change in organisational structure
3.0	9 July 2021	Updated scope to reflect Procurement Approver delegations can only be assigned to public service employees
3.1	27 February 2023	Update document to reflect 2022 Business Case For Change and to integrate industrial obligations

Version	Date	Comments
		considerations. Includes updates to the <i>Public Service Act 2022</i> (Qld).

Contact for enquiries

If you have any queries regarding this document, or suggestions for improvements, please contact: sp-aci@health.qld.gov.au or visit our website: <https://qheps.health.qld.gov.au/system-procurement>.