

# **Government Procurement (Approved Procurement Units) Guideline 2002 (No 1)**

## **Disallowable Instrument DI2002-57**

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The ACT Government Procurement Board makes the following procurement guideline under the *Government Procurement Act 2001, s 7 (1) (Procurement guidelines)*.

Dated 6 June 2002

Glen Gaskill  
Chair

By authority of the ACT Government Procurement Board

# **Government Procurement (Approved Procurement Units) Guideline 2002 (No 1)**

**Disallowable Instrument DI2002-57**

Made under the

*Government Procurement Act 2001*

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*Government Procurement (Approved Procurement Units) Guideline 2002 (No. 1)*

**1 Name of guideline**

This guideline is the *Government Procurement (Approved Procurement Units) Guideline 2002 (No. 1)*.

**2 Commencement**

This guideline commences the day after its notification day.

**3 Definitions for this guideline**

In this guideline:

**APU** means a procurement unit approved by the board.

**AS/NZS 4360:1999** means the Australian/New Zealand Standard on risk management.

**endorse** means the issuing of a statement of compliance of the proposed procurement processes and documentation with applicable guidelines under the Act.

**executive**—see the *Public Sector Management Act 1994*, subsection 3 (1).

**extreme risk** means a level of risk as described in AS/NZS 4360:1999 as extreme risk.

**high risk** means a level of risk as described in AS/NZS 4360:1999 as high risk.

**the Act** means the *Government Procurement Act 2001*.

**the board** means the Australian Capital Territory Government Procurement Board.

**4 Notes**

A note included in this guideline is explanatory and is not part of this guideline.

*Note* See *Interpretation Act 1967*, s 12 (1), (4) and (5) and *Subordinate Laws Act 1989*, s 90 for the legal status of notes.

**5 Procurement by Territory entities**

- (1) Each Territory entity must have an APU.
- (2) All proposals for the procurement of goods, services and works by Territory entities exceeding a value of \$50,000 must be examined by an APU or the board, as specified in this guideline.

## **6 Approved Procurement Units**

- (1) APUs will examine procurement processes and documentation in respect of the procurement proposals referred to them by Territory entities, for compliance with all procurement guidelines and in doing so:

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- (a) review and only endorse procurement proposals for which they are qualified with respect to the monetary and risk thresholds specified in this guideline; and
  - (b) review, endorse and then refer procurement proposals exceeding \$1 million and/or those having extreme levels of risk to the board.
- (2) APUs will:
    - (a) advise and report to the responsible chief executive for major procurement issues on compliance with, and achievement of, procurement policy objectives;
    - (b) promote best practice in procurement in Territory entities and provide input into written procedures having regard to the requirements of procurement guidelines and circulars issued by the board;
    - (c) act as a centre of procurement expertise for Territory entities, by reviewing procurement proposals and providing advice in accordance with applicable guidelines and circulars;
    - (d) facilitate the acquisition and maintenance of procurement competencies of Territory officers engaged in procurement processes, to ensure their skills are appropriate to the procurement objectives of their Territory entity; and
    - (e) report to the board in relation to any procurement process as required by the board from time to time.

## **7 Levels of Approved Procurement Units**

- (1) There will be three levels of APU:
  - (a) Level 1 - \$50,000 to \$250,000;
  - (b) Level 2 - \$250,000 to \$1million; and
  - (c) Level 3 - over \$1million.
- (2) Any procurement that is likely to carry a high or extreme risk will require endorsement of a Level 3 APU.

## **8 Applications for Procurement Unit Approval**

- (1) Responsible chief executives may make applications to the board for the approval of procurement units.

- (2) Applications for approval of procurement units submitted by responsible chief executives will include:
  - (a) certificates or statements of attainment of competency issued to proposed APU members, against the competencies set out in clause 10 of this guideline;

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- (b) statements attesting the procurement experience and expertise of proposed APU members;
- (c) the level of APU sought;
- (d) proposed documentation of procurement processes;
- (e) the executive to whom the APU will be accountable; and
- (f) such other information as the board may require.

## **9 Approval of Procurement Units**

- (1) The board may approve a procurement unit of a Territory entity.
- (2) The approval must state:
  - (a) the level of approval for the procurement unit in accordance with clause 7(1);
  - (b) the members of the procurement unit;
  - (c) the executive accountable for the operation of the procurement unit; and
  - (d) the term of the approval.

## **10 Competencies for Approval**

The competencies required for approval of procurement units for the purpose of this guideline are based on Australian National Training Authority and Public Service Education and Training standards.

## **11 Referral to Government Procurement Board**

- (1) APUs will ensure that all procurement proposals that are referred to them which are in excess of \$1 million (in aggregate with respect to any project) are referred to a Level 3 APU for review and endorsement and then sent to the board.
- (2) APUs will ensure that all procurement proposals that are referred to them which are likely to carry an extreme risk are referred to a Level 3 APU for review and endorsement and then sent to the board.

## **12 Application of this guideline**

- (1) This guideline applies to Territory entities except those established as corporations under the Corporations Act 2001(Cth).
- (2) Territory entities may apply to the board for exemption from this guideline or any provision contained herein.
- (3) The board may grant or refuse exemption.