

Australian Capital Territory

# **Government Procurement (Quotation and Tender Thresholds) Guideline 2003 (No 1)**

**Disallowable Instrument DI2003-248**

made under the

*Government Procurement Act 2001*, section 7 (1) (Procurement guidelines)

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The ACT Government Procurement Board makes the following procurement guideline.

Glen Gaskill  
Chair

By authority of the ACT Government Procurement Board  
14 August 2003

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*Government Procurement Act 2001*

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## 1 Name of guideline

This guideline is the *Government Procurement (Quotation & Tender Thresholds) Guideline 2003(No.1)*.

## 2 Commencement

This guideline commences the day after its notification day.

*Note* The naming and commencement provisions automatically commence on the notification day (see Legislation Act, s 75 (1)).

## 3 Definitions for this guideline

In this guideline:

**board**—see the *Government Procurement Act 2001*, dictionary.

**local**, in relation to a supplier, means a supplier who operates a business, and has business premises, in the ACT, the cities of Goulburn and Queanbeyan or the local government areas of Bega Valley, Bombala, Boorowa, Cooma-Monaro, Crookwell, Eurobodalla, Gundagai, Gunning, Harden, Mulwaree, Snowy River, Tallaganda, Tumburumba, Tumut, Yarrowlunla, Yass or Young in New South Wales.

**supplier** means an entity who seeks to provide, is providing or has provided goods, services or works to, or on behalf of, a Territory entity.

*Note* **Entity** includes an individual, see Legislation Act, dict, pt 1.

**Territory entity**—see the *Government Procurement Act 2001*, dictionary.

**total estimated value** means the total consideration estimated to be payable by a Territory entity for the duration of all contracts that result from a procurement process.

## 4 Notes

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

*Note* See Legislation Act, s 127 (1), (4) and (5) for the legal status of notes.

## **5 Application of guideline to Territory entities**

- (1) This guideline applies to Territory entities, other than—
  - (a) a corporation under the Corporations Act; and
  - (b) an entity exempted under subclause (3).
- (2) A Territory entity may make written application to the board for exemption from this guideline or a provision of this guideline.
- (3) The board may give or refuse to give an exemption.
- (4) An exemption must be in writing.

## **6 Non application of guideline to common use contracts**

This guideline does not apply in relation to the procurement of goods, services or works from a supplier under a standing-offer contract with the Territory or a Territory entity for the supply of goods, services or works that may be procured by any Territory entity from time to time during the term of the contract.

### **Example of common use contract**

A contract made between the Territory and a stationery supplier that allows any Territory entity to purchase items under the contract.

*Note* An example is part of the Act, is not exhaustive and may extend, but does not limit, the meaning of the provision in which it appears (see Legislation Act, s 126 and s 132).

## **7 Procurement of goods or services under \$5 000**

A Territory entity must seek at least 1 oral quotation from a local supplier for the procurement of goods or services with a total estimated value of less than \$5 000.

## **8 Procurement of goods or services from \$5 000 to under \$100 000**

A Territory entity must seek at least 3 written quotations from local suppliers for the procurement of goods or services with a total estimated value of \$5 000 or more and under \$100 000.

## **9 Procurement of works under \$20 000**

A Territory entity must seek at least 1 oral quotation from a local supplier for the procurement of works with a total estimated value of less than \$20 000.

## **10 Procurement of works from \$20 000 to under \$100 000**

A Territory entity must seek at least 3 written quotations from local suppliers for the procurement of works with a total estimated value of \$20 000 or more and under \$100 000.

## **11 Procurement proposals for goods, services or works for \$100 000 or more**

A Territory entity must invite public tenders for the procurement of goods, services or works with a total estimated value of \$100 000 or more.

## **12 Exemption from quotation and tender requirements—select procurement processes**

- (1) The responsible chief executive for a Territory entity may, in writing, exempt the entity from a requirement mentioned in clauses 7 to 11 for a particular procurement activity.

### **Examples of when an exemption might be given**

- 1 only a single or limited number of suppliers are available because of the need to purchase equipment that is compatible with existing equipment or because of a supplier's specialist knowledge;
- 2 only 1 local or interstate firm can supply a particular good or service;
- 3 standardisation upon a given item or product is agreed after public tenders have been called for the original equipment;
- 4 the time within which a particular procurement activity must be completed prevents the calling of public tenders.

*Note 1* The Act, dictionary applies the definition of *responsible chief executive* in the *Auditor-General Act 1996*, dictionary to this Act (including these Guidelines).

*Note 2* For a chief executive's power of delegation, see *Public Sector Management Act 1994*, div 3.5.

*Note 3* An example is part of the Act, is not exhaustive and may extend, but does not limit, the meaning of the provision in which it appears (see Legislation Act, s 126 and s 132).

- (2) The chief executive may exempt the entity only if—
  - (a) satisfied, on reasonable grounds, that the benefit in giving the exemption outweighs the benefit in requiring compliance with this guideline and the applicable provisions of the *Government Procurement (Principles) Guideline 2002*; and
  - (b) the exemption is made before the entity submits a procurement proposal to the relevant approved procurement unit for examination in accordance with the *Government Procurement (Approved Procurement Units) Guideline 2002*.
- (3) If the chief executive makes an exemption under this clause, the chief executive may, in writing, direct the entity to do any of the following:
  - (a) to seek a particular kind or number of quotations for the procurement activity;
  - (b) to seek a particular number of quotations from local suppliers for the procurement activity;
  - (c) to invite public tenders for the procurement activity from stated suppliers;
  - (d) the exemption must include a statement of the procurement activity to which it applies and a succinct statement of why the exemption is made; and
  - (e) an exemption under this clause is taken to exempt the entity from the applicable provisions of the *Government Procurement (Principles) Guideline 2002*.