



Australian Government  
Department of Industry,  
Science and Resources

## EXECUTIVE MINUTE

on

### JOINT COMMITTEE OF PUBLIC ACCOUNTS AND AUDIT REPORT [No. 498]

#### *'Commitment issues' - An inquiry into Commonwealth procurement*

#### **General comments**

On 9 August, the Joint Committee of Public Accounts and Audit (the Committee) tabled report No.498 - *'Commitment issues' – An Inquiry into Commonwealth Procurement*.

Report 498 made one recommendation directed to the Department of Industry, Science and Resources (the department).

The department's response to this recommendation (Recommendation 18) is detailed in this Executive Minute.

#### ***Recommendation No: 18***

The Committee recommends that the Department of Industry Science and Resources reports back on:

- 1. the progress and outcomes of its assurance review of its other procurements including advice as to any other breaches of the Commonwealth Procurement Rules identified,**
- 2. the outcomes of all claims under the Scheme for Compensation for Detriment caused by Defective Administration, and**
- 3. what additional activities the department's Audit and Risk Committee has undertaken and is undertaking in relation to procurement reforms.**

The Department of Industry, Science and Resources **agrees** to provide an update to the Committee as outlined in Recommendation 18.

#### ***Response***

The Department of Industry, Science, and Resources acted immediately in response to the Australian National Audit Office (ANAO) Report No. 42 – 2021-22 performance audit – *Procurement of Delivery Partners for the Entrepreneurs' Programme* (EP audit), expediting a program of work focused on improving procurement culture and capability. The department agreed to all 10 recommendations, with all recommendations closed as endorsed by the department's Audit and Risk Committee on 16 June 2023 (Appendix A).

The department remains committed to continually improving its procurement and integrity culture, including a focus on how procurement rules and guidelines are applied to improve transparency, efficiency, and the achievement of value for money. This has led to a positive shift in culture, consolidating integrity and accountability as front of mind.

The department recognises that improving procurement culture and capability requires a sustained strategic effort and focus beyond the initial response to the recommendations arising from the EP audit. The department is unwavering in its commitment to delivering high standards of integrity, through a phased and multifaceted strategic uplift and ongoing activities.

We welcome the opportunity to report on our progress to date and to provide insights into the range of activities and programs underway as well as actions planned for future implementation.

The following paragraphs address each of the Committee's recommendations.

Update 1. The progress and outcomes of its assurance review of its other procurements including advice as to any other breaches of the Commonwealth Procurement Rules identified

In response to the EP audit, the department commissioned an assurance and documentation review (the review) of higher value/higher risk procurements and contracts to identify any compliance issues and enterprise-wide gaps. The review looked at 9 in-flight procurements and 12 current contracts post procurement (Appendix B).

A risk-based approach was employed to identify the procurements and contracts sampled, considering factors such as:

- Higher dollar value and/or higher risk and/or higher sensitivity, including themes identified in recent ANAO publications.
- Cross-section of lifecycle and procurement type.
- Excluding program areas already examined by the ANAO and the department's assurance partners in 2020-21 and 2021-22.
- Excluding areas moving from the department to Department of Climate Change, Energy, and Environment and Water as part of 2022 Machinery of Government changes.

Overall, the review did not identify any potential breaches of the Commonwealth Procurement Rules (CPRs) but identified areas for improvement across a range of procurement and contract management activities. The findings were categorised into four core themes:

- Documentation of the early consideration of procurement planning including probity and conflict of interest considerations.
- Detailed risk assessments considering not only the risk in the procurement activity itself but also the lifecycle risks of the purchasing activity. Likewise for risk assessments in relation to the management of contracts.

- More formalised approach to contract management.
- More considered approach to records management as a critical process.

The review made 12 recommendations targeted at enterprise-wide improvements within 4 themes (Appendix C). The review report was presented and endorsed by the department's Audit and Risk Committee (ARC) at its meeting on 23 March 2023.

Those recommendations align with a broader procurement and contract management system and service delivery uplift program currently being implemented by the department.'

In respect of the four key themes arising from the report:

- Procurement planning has been strengthened through policy and process changes requiring a clearly articulated Procurement Plan, together with bespoke procurement advisory support for medium and high value/high risk procurements.
- Guidance material and training sessions addressing whole of procurement lifecycle risks will be delivered as part of the Procurement and Contract Management Uplift Program (PCMUP) as described in point 2 below.
- Contract Management guidance materials have been strengthened, supported by new articles focusing on probity in procurement and the management of underperformance of contracted parties.
- Probity and procurement guidance materials have been upgraded to deal specifically with record keeping and document management.

The department has initiated a range of actions to address these recommendations, and recommendations arising from the EP audit. Actions are being implemented to ensure a sustained focus. These actions can be grouped into the following categories:

1. Bolstering the department's integrity capability by standing up an Integrity Branch and releasing the department's Integrity Strategy 2023-2025.
2. Conducting an end-to-end review of its Procurement and Contract management framework and designing a new Service Delivery model.
3. Implementing the Initiative Support Model and standing up the Program Advisory Service (PAS)
4. Engaging with the Department of Finance (DoF) to ensure strategic alignment and to leverage training, tools, and strategic sourcing initiatives under development by DoF.

Appendix C provides a detailed description of the department's actions taken, in progress or proposed to be taken in response to the individual recommendations.

1. Bolstering the department's integrity capability by standing up an Integrity Branch and releasing the department's Integrity Strategy 2023-2025.

In May 2023, the department established an Integrity Branch to consolidate and enhance integrity capability including probity, fraud, security, and risk into a one-stop-shop. The establishment of the Integrity Branch increased probity resources to assist policy and program areas with probity advice, including identifying and appropriately handling conflicts of interest.

In November 2023, the department released an internal Integrity Strategy with a mission to nurture a 'safe to speak up' culture and to increase levels of good judgement, transparency, and accountability. The Strategy sets out the first 24 months of a long-term vision to both uplift and nurture the department's institutional integrity.

Implementation of the Integrity Strategy has begun with refreshed internal guidance, awareness, and educational campaigns to uplift integrity skills, including probity and conflicts of interest management.

2. Conducting an end-to-end review of its Procurement and Contract management framework and designing a new Service Delivery model 2025

The department has initiated a Procurement and Contract Management Uplift Program (PCMUP).

The introduction of a risk-based Procurement advisory delivery service (Tiered Model) is central to the PCMUP (Appendix D). Procurement advisory assistance, including embedding procurement assurance advisors for the most complex procurements is operational and has been deployed to three complex procurements to date.

The new service delivery model will be implemented in three phases over the period July 2023 – June 2025. Ten (10) of the 12 recommendations of the assurance and documentation review (Appendix C) will be addressed in full or part by the PCMUP.

The department is also enhancing its Financial Management Information System (FMIS) to systematise all procurement activities over \$10,000. This will provide greater visibility for delegates, reduce duplication of information and improve reporting capability. These changes will provide a single source of truth for procurement decision making and provide enterprise-wide visibility of these procurements.

PCMUP progress is reported to the department's Operations Committee.

3. Implementing the Initiative Support Model and standing up the Program Advisory Service

In September 2023, the department approved the Initiative Support Model to provide assurance that complex, high risk projects and programs are identified early, and are provided with an appropriate level of oversight and support. The model also provides the Executive with greater visibility over the identified programs' progress, emerging risks, and financial performance.

The three-tiered Initiative Support Model (ISM) is described as follows:

- a. Tier 1 initiatives involve the highest level of risk, complexity, effort, and significant time investment and require close monitoring, assurance, and reporting.
- b. Tier 2 initiatives tend to be of lower relative risk than Tier 1 but require reporting and compliance assurance.
- c. Tier 3 initiatives are of lowest relative risk and can be effectively managed within the program area with support provided as needed.

The Program Advisory Service (PAS) was established concurrent with the development of the ISM to support its implementation. When a program is identified, the PAS provides tailored support according to the program's needs and ISM tier. Probity and incumbency considerations in procurement are a key trigger for increased support, and teams collaborate closely to ensure the appropriate level of guidance and oversight is provided in these circumstances (Tier 1 embedded Procurement Advisory support).

Initiatives assessed within Tier 1 are provided with the following support:

- Dedicated project advisory service
- A full suite of documentation requirements relevant to the initiative's activities
- Assistance with risk assessments and treatment plans
- Specialist integrity advice
- Independent probity advice (where appropriate)
- An embedded internal procurement adviser (where appropriate)
- Tailored assurance activities
- Tailored evaluation activities; and
- Provide reports on risk and performance to the department's governance committees on a regular basis.

Tier 2 initiatives may be invited to present to the department's governance committees as required for visibility and strategic risk oversight. These initiatives are provided with the following support:

- Tailored project advice/assistance
- A suite of documentation requirements
- Inhouse integrity advice
- Option to engage independent probity advice where needed
- Assurance activities
- Internal Procurement, risk and fraud control advice where needed.

For Tier 3 initiatives, the PAS recommends self-support material and guidance to help implement the initiative. In cases where parts of an initiative are of higher complexity, the PAS will manage tailored support as needed. Engaging with the Department of Finance (DoF) to ensure strategic alignment and to leverage training, tools, and strategic sourcing initiatives under development by DoF.

Noting the stewardship role of DoF in driving procurement capability uplift and contract performance measurement across the APS, the department is engaging actively with DoF to ensure continued alignment with best practice, policy updates, and other strategic



initiatives. This includes access to the suite of procurement capability uplift training modules under development by DoF.

### **Update 2: The outcomes of all claims under the Scheme for Compensation for Detriment caused by Defective Administration**

As of 5 January 2024, the department has received 16 claims regarding the 2019 procurement process for the Entrepreneurs' Program. Eleven (11) Government Procurement (Judicial Review) Act claims have been settled. Of the remaining five claims undergoing assessment or settlement, two have been claims that were received under the Scheme for Compensation for Detriment caused by Defective Administration with the remaining received under the Government Procurement (Judicial Review) Act.

### **Update 3: What additional activities the department's Audit and Risk Committee (ARC) has undertaken and is undertaking in relation to procurement reforms**

The ARC monitors and receives regular progress updates on activities related to audit recommendations and risk management.

Quarterly updates are provided to the ARC as part of a consolidated progress report on actions taken in response to internal and external audit recommendations.

Committee papers include ongoing analysis and monitoring of enterprise risks and actions taken to uplift procurement. The ARC has also agreed to having an annual update on departmental procurement activities including contract management, future procurement within the department, the more significant contracts in place and governance overview. Further, the ARC has agreed to consider programming internal audits of departmental procurement activities on a periodic basis.

The Committee also receives compliance status dashboard reports and in early 2024 is receiving a contracts and procurement dashboard to inform its awareness of compliance with the CPRs, and the range and value of contracts on foot.

An additional layer of assurance has been built into this process as substantial ARC findings may also be presented to the department's Performance and Risk Committee (PaRC) for review. PaRC oversees and makes recommendations on the strategic positioning of the department's performance assurance and enterprise risk maturity. This ensures the department's procurement activities meet their accountability and regulatory requirements.

In January 2024 the ARC was briefed separately out of session on progress towards addressing the assurance review recommendations. This briefing included a project report on the PCMUP (refer point 2 above), which detailed the embedding of Tier 1

Procurement support, and the development of a single source of truth for decision making leading to reduce of duplication of information and improving reporting capability.

**Signed by**



**Jane Urquhart**

24 January 2024

**Acting Secretary**

**Department of Industry, Science and Resources**

*Accountable Authority of the Department of Industry, Science and Resources*

## ANAO Report No. 42 - Procurement of Delivery Partners for the Entrepreneurs' Program

Rec No.	Recommendation	Department's response
1	When planning to employ a staged process to evaluating tenders, the Department of Industry, Science, Energy and Resources clearly identify this in its approach to market along with the criteria that will be used to shortlist potential suppliers, and if applicable, any expected limits on the number of potential suppliers that will be shortlisted at each stage.	The changes to the department's procurement-related frameworks, processes and procedures will provide for the clear identification of selection criteria and evaluation
2	When evaluating tender responses, the Department of Industry, Science, Energy and Resources fully evaluate responses received consistent with the approach set out in the approach to market, with the results of this work relied upon to select the successful candidate(s).	process in its approach to the market. These changes have been included in our procurement checklist against which we will monitor compliance. These changes are supported by department-wide probity guidance covering transparency, consistency and fairness requirements.
3	The Department of Industry, Science, Energy and Resources improve its procurement framework to specifically address the engagement of probity advisers, including ensuring that advisers are independent and objective by not engaging the same probity advisers on an ongoing or serial basis.	The engagement of probity advisers has been addressed in the department's probity guidance, including how to ensure independence and objectivity and manage risk.
4	The Department of Industry, Science, Energy and Resources improve its procurement framework to specifically address how it will manage the risk of any incumbency advantages when conducting procurement processes.	The department's probity guidance addresses how to manage incumbency advantages, including through appropriate controls and monitoring compliance.
5	The Department of Industry, Science, Energy and Resources improve its procurement record keeping so that accurate and concise information exists on: <ul style="list-style-type: none"> <li>• The process that was followed;</li> <li>• How value for money was considered and achieved;</li> <li>• Relevant approvals; and</li> <li>• Relevant decisions and basis of those decisions</li> </ul>	The department's procurement and contract management framework and probity guidance includes assurance processes to ensure appropriate documentation and record keeping is in place across the lifecycle of a procurement and contract. Changes to standard operating procedures for the Entrepreneurs' Program to improve record-keeping.
6	The Department of Industry, Science, Energy and Resources: <ul style="list-style-type: none"> <li>• Not exercise the extension options in the awarded contracts;</li> </ul>	While the department supported this recommendation in principle, the program was evaluated and decisions



	<ul style="list-style-type: none"> <li>• Commences work to conduct a new procurement process that will be completed before the existing contracts expire on 30 June 2023; and</li> <li>• Conducts the next procurement process in a manner that fully complies with the Commonwealth Procurement Rules</li> </ul>	<p>about its future, including program design, were subject to government decision.</p> <p>As per the Audit recommendation, the department did not exercise extension options in the awarded contracts. Contracts ceased naturally on 30 June 2023.</p> <p>As part of the 2023-24 May Budget, the Australian Government announced a new \$392.4 million Industry Growth Program to launch in late 2023 and closed the Entrepreneurs Programme.</p> <p>The department released a request for tender on 19 July 2023 which closed on 16 August 2023. The department fully complied with the Commonwealth Procurement Rules throughout this procurement and selected 19 successful tenderers to fill adviser roles.</p> <p>The Industry Growth Program launched on 27 November 2023.</p>
7	The Department of Industry, Science, Energy and Resources develop contract management plans for each of the delivery partner contracts.	Contract Management plans for each delivery partner came into effect in March 2022.
8	<p>The Department of Industry, Science, Energy and Resources adopt a proactive approach to managing delivery partners conflicts of interest by:</p> <ul style="list-style-type: none"> <li>• Ensuring conflict of interest declarations are completed, updated regularly or their ongoing currency otherwise confirmed; and</li> <li>• Regular review of delivery partner reporting of conflict of interest in order to monitor compliance with contractual obligations.</li> </ul>	Conflict of interest requirements were included in the delivery partner contract management plans and the department regularly reviewed reporting and compliance, as per contract conditions. Probity and conflict of interest training was rolled out for all Program staff. More broadly, department-wide probity guidance includes policies, processes and tools to manage conflict of interest

- 9 The Department of Industry, Science, Energy and Resources strengthen its management of the Entrepreneurs' Program delivery contracts, including by taking prompt action in circumstances where delivery deadlines are not met and verifying that services have been provided before payments are made.
- 10 When contracting for the delivery of services, the Department of Industry, Science, Energy and Resources apply competitive pressure when establishing performance expectations, and how these will relate to contractual payments. This can be achieved by the department setting out its expected performance management system and standards in the approach to market documentation, or by asking respondents to set out their proposals to inform a comparative evaluation.
- across departmental activities.  
Contract management plans set out clear expectations for contract deliverables, and we updated our standard operating procedure to mandate approval and verification of services prior to payment.  
Agreed.

## Procurements reviewed through Assurance and Documentation Review

Procurement Description	Activity reviewed
Remediation Works Contractor for Maralinga Remediation Project	Procurement planning and development
Australian Space Agency Moon to Mars Supply Chain Facilitation	Procurement - contract negotiation
Demonstrate Australian Built Hyperspectral Instruments for the Future Multi-Mission Imager Satellites in Space	Procurement planning and development
Financial and Commercial Services relating to Modern Manufacturing Collaboration Stream Grant Program	Contract management
Critical Minerals and Major Projects Assurance Advice Rum Jungle Rehabilitation Project	Contract management
Contractor for Anti-Dumping Review Panel Secretariat	Procurement – end stage
Security Event and Incident Management Discovery, Strategy and Roadmap	Procurement – evaluation
External Probity Advice - National Reconstruction Fund	Contract management
Laboratory Information Management Systems	Procurement
Northern Endeavour Decommissioning Project: Phase 1	Contract management
Northern Endeavour Operations Maintenance and Services Agreement.	Contract management
Departmental Overheads - Corporate Property and Protective Security. (Departmental Lease	Contract management
Strategic Partnership with European Southern Observatory	Contract management
Purchase of Information Technology Software: (Microsoft Licensing VSA IV)	Contract management
Research Services - Design Development Comprising: Site Specific Concept Facility Design; Site Specific Schematic Facility Design; Site Specific Safety, Security, Licensing and Facility Operations Expertise and Advice; Community Engagement Support	Contract management

Mail Storage and Deliver Services.	Contract management
Temporary Personnel - Finite IT Recruitment	Contract management
Temporary Personnel - Enterprise Architect.	Contract management
Service Now Project	Contract management
Service Now Project – service support	Contract management

**Procurement and Contract Management Assurance Review**  
**Status of Recommendations**

Rec No.	Recommendation	Status at 19 December 2023	Due date
1	<p>It is recommended that despite the procurement method proposed, a procurement plan should be documented and agreed with the appropriate delegate prior to approaching the market/panel. This can include simply extending the use of the Stage One Approval Form for all procurements.</p>	<p>The department is currently working to strengthen its procurement framework and operating model through a program of work known as the Procurement and Contract Management Uplift Program (PCMUP).</p> <p>Process amendments include a new requirement to seek Delegate approval to approach the market and provide the Delegate with a Procurement Plan that clearly articulates the reasoning behind procurement methodology.</p>	Mar 24
2	<p>The department's advice relating to the consideration of probity throughout the procurement lifecycle should include:</p> <ul style="list-style-type: none"> <li>a. a mandatory requirement to document considerations relating to probity made prior to the decision to approach the market, which could include a declaration of conflict of interest (where necessary).</li> <li>b. informal probity briefing provided by an in-house advisor to educate the teams responsible for the procurement activity before any significant decisions are made.</li> <li>c. the requirement for confidentiality agreements to be provided by those involved in the procurement activity.</li> <li>d. the requirement to review the considerations to probity and ethics throughout the procurement lifecycle to ensure that the department's interests are adequately protected.</li> </ul>	<p>Probity in procurement was the subject of intense scrutiny by the Probity Taskforce during the second half of 2022, resulting in policy and procedural changes supported by tailored training, extensive communications and the publication of guidance material. Key themes addressed by the Probity Taskforce include conflict of interest management, the use of probity advisers, managing confidentiality agreements, and the consideration of integrity throughout the procurement lifecycle.</p> <p>These initiatives are further supported by the introduction of the Initiative Support Model in September 2023, which provides a risk-based assessment of individual program assurance needs, leading to tailored oversight and intervention on complex procurements including specialist integrity and probity advice.</p> <p>This work is supported by system led changes to procurement through the methodology being introduced in February 2024 through the PCMUP.</p>	<p>Delivered Oct 22</p> <p>Delivered Sept 23</p> <p>Feb 24</p>

3	<p>The department should clarify and provide further advice for the management of conflict of interests. Including the requirements to document that:</p> <ul style="list-style-type: none"> <li>a. there is a conflict / no conflict of interest as part of the due diligence process and management of conflict of interest throughout the lifecycle of the procurement.</li> <li>b. there is a conflict / no conflict of interest relating to the suppliers to be approached and / or evaluated as part of the process.</li> <li>c. where the procurement is a procurement for goods and / or services that have been procured previously and / or where there is a current provider of the goods and / or services: <ul style="list-style-type: none"> <li>i. that there is a conflict / no conflict of interest relating to the current incumbent of the goods and / or services.</li> </ul> </li> </ul>	<p>Please refer to the previous response.</p> <p>The department updated its Conflict of Interest policy in October 2022, refreshing and reiterating the requirements for declaring conflicts of interest in both general and program based activities, including procurement.</p> <p>Conflict of Interest guidance was updated in November 2023, including a requirement for all staff involved in procurement activity to make a conflict of interest declaration regardless of whether there is a conflict to disclose.</p> <p>The Initiative Support Model (ISM) introduced in September 2023 employs a risk-based approach to providing specific guidance to individual program owners on matters including the management of conflicts of interest, probity and integrity. The checklist methodology employed by the ISM specifically requires information regarding incumbency in order to manage those risks.</p>	<p>CLOSED</p> <p>Oct 22</p> <p>Nov 23</p> <p>Oct 23</p>
4	<p>It is recommended that the department update the policy guidance for managing risk in procurements "to consider and manage their procurement security risk, including in relation to cyber security risk, in accordance with the Australian Governments Protective Security Policy Framework."</p>	<p>Procurement Policy DP3 requires that all procurements are risk assessed according to the department's Risk Management Framework, which includes cyber risks.</p> <p>Procurement guidance material was similarly updated to specifically address cyber security risk.</p>	<p>CLOSED</p> <p>31 Oct 23</p>
5	<p>Consider the guidance provided for the management of risk throughout the procurement lifecycle which could be expanded to explicitly articulate the requirement for a holistic assessment which considers risks associated with the:</p> <ul style="list-style-type: none"> <li>a. procurement process</li> <li>b. potential risks associated with contract development and contract management</li> <li>c. purpose of the procurement in terms of delivering the department's required outcomes via the goods and / or services procured.</li> </ul>	<p>A complete review of all guidance and training materials is being undertaken as part of the PCMUP, which will include the management of risks throughout the procurement lifecycle.</p>	<p>30 June 2024</p>



6	The department should strengthen guidance provided for the management of risk throughout the contract management lifecycle. It should explicitly articulate the requirements for a holistic assessment which considers the contract management process and the purpose of the contract in terms of delivering outcomes via goods and / or services procured in accordance with the Australian Government Contract Management Guide.	See response to 5 above.	30 June 2024
7	The department should develop a practical Contract Management education and awareness program to provide adequate guidance on the department's expectations in relation to managing a contract.	Contract management planning documentation and guidance is currently provided on the Department's intranet site. However, the existing guidance, tools and templates will be reviewed as part of the PCMUP to ensure fitness for purpose, and a bespoke education and awareness program developed to promote and embed their use.	Commencing 1 Jan 2024 for delivery during the second half of 2024
8	It is recommended that the department introduce a mandatory requirement to undertake a fit for purpose performance assessment of the contract throughout the contract management lifecycle and that the performance assessment be required to be provided as part of the "Variation Delegate approval request form". This would support meeting mandatory requirements for value for money and to provide assurance to the delegate that the variation is reasonable and necessary.	Performance assessments of contracts will be taken into consideration with the implementation of the new service delivery model. Contract management plans which include performance assessments will be required for most procurements, supplementing the existing requirement of most contracts regarding performance measurement and assessment.	For high risk or complex procurements – effective Feb 2024.  Updated contract management guidance to be developed and published in third quarter 2024.
9	The department should determine what the single source of truth is regarding the official record for procurement activity. Specifically when the delegate is considered to have executed their delegation.	An outcome of the PCMUP is the affirmation of the FMIS as the single source of truth for procurements over \$10K.  Delegates are considered to have exercised their delegation when s. 23 (or equivalent) approval is given. However, the new service delivery model provides the Delegate with greater visibility over all current and future approvals.	Feb 2024

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| 10 | <p>The department should consider a review of the FMIS capability to record all key elements of the procurement activity. Consideration should be given to fields that are not currently widely used that could be leveraged further.</p> | <p>A key element of the PMCLTP is for FMIS capability to be expanded and leveraged to create a system led solution that will provide visibility over all procurements over the value of \$10,000. The Procurement Front End (System solution) is currently in User Acceptance Testing.</p> | <p>Staged rollout of the front end from Feb 2024.</p>                        |
| 11 | <p>Consideration should be made to introduce additional steps in the procurement lifecycle within the FMIS that triggers the requirement for a record to be made.</p>   | <p>The capability of the FMIS to trigger the requirement for a record to be made will be investigated further as the PCMUP is rolled out.</p>  | <p>During 2024</p>   |
| 12 | <p>If the official record is considered to be executed outside FMIS, consider introduction of a standard decision minute / form, which includes a delegate checklist.</p>   | <p>All procurements over \$10K value will be endorsed by the Delegate in the FMIS prior to an approach to market, obviating the need for offline approvals.</p>  | <p>To be closed post Feb 2024 when PCMUP/ FMIS front end is operational.</p> |

## Procurement Service Delivery Model

### Tiered Service Delivery Model

To strive for a high level of compliance with the CPRs, the Procurement and Contract Management Framework will be adjusted to ensure that it is structured, risk based and responsive to the environment. At the forefront of this change is the introduction of a Tiered Service Delivery Model. The delivery model is designed to ensure that the CFO Division provides scalable and appropriate advice, assurance and guidance for procurement and contract management activities, using a risk based (tiered) approach.

- The model will:
- ✓ Address recent review recommendations
  - ✓ Improve visibility
  - ✓ Be fit for purpose and user centric
  - ✓ Be responsive to our external environment
  - ✓ Encourage continual improvement



