

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE – QUESTIONS ON NOTICE 2003-2004 ADDITIONAL ESTIMATES HEARING

Outcome: CSIRO
Output Group: - CSIRO

DEST Question No. E983_04

Senator Carr provided in writing.

Question:

Can you confirm that you received advice, either formally or informally, from the then head of Corporate Human Resources, Mr Peter O'Keefe, that you should go to tender on the appointment of Mr Ian Dean?

Can you now confirm that this advice was also given by other senior staff as well?

Answer:

CSIRO has provided the following response.

Engagement of Groman Consulting Group

Mr O'Keefe did express the view at the time of the initial engagement of Groman Consulting that the services should be put to tender. General advice on the applicability of tendering under CSIRO's then procurement policy was also sought from and provided by other senior CSIRO staff.

This advice was the subject of review by Dr Garrett who formed the view that, in the best interests of the organisation for the implementation of its Strategic Action Plan, Groman Consulting could be engaged directly, on the grounds of: expediency and value for money; the urgent need to proceed with the review of learning and development activities; his own knowledge of Mr Dean's excellent track record of delivery in the international marketplace of R&D organisations similar to CSIRO; and the fact that earlier market testing processes by CSIRO had failed to identify other suitable suppliers.

These matters were also the subject of a subsequent Audit Committee review (August 2002). Following discussion with Dr Garrett and other relevant members of the CSIRO Executive, the Audit Committee was satisfied with the rationale provided for proceeding with the direct engagement of Groman Consulting. The Audit Committee was also advised of management's intention to establish a panel of suppliers for leadership development and support services and for Executive and Non-Executive Search and Recruitment Services; and that management proposed to review the procurement guidelines.

In January 2003 revised procurement policies, modelled more closely on those that applied in the Australian Public Service, were introduced. In essence these placed the onus on the delegate approving a purchase to be satisfied through a range of considerations with the attainment of "value for money" rather than a strict reliance on tendering as the sole means of achieving such an outcome.