

Senate Finance and Public Administration Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

Estimates 2004-05 – Supplementary written questions November 2004

Question: F1(1)

All Outcomes and Outputs

Topic: Procurement Policy Documentation

Written Question on Notice: 30 November 2004

Senator Murray asked:

When did the Department last update its procurement policy documentation?

Answer:

The Department regularly updates its procurement policy documentation to take into account new legislative requirements and improvements in business practice.

An update of the Operational Guidelines was released on 29 October 2004 to clarify issues on consultancies and non-consultancies and to provide more detailed instruction publishing public opportunities on AusTender. The updated Operational Guidelines also removed references to the former policy relating to industry development requirements and incorporated key information relating to procurement requirements which flow from the *Australian-United States of America Free Trade Agreement*, including a re-defining of appropriate procurement methods, explanations of key terms and listing the categories that will be exempt from the Mandatory Procurement Procedures.

On 24 December 2004, the Department issued its updated CEI on Procurement and the major update of the Operational Guidelines to incorporate all the requirements of the new procurement framework, as per the Commonwealth Procurement Guidelines - January 2005, which were released on 7 December 2004.

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ANSWERS TO QUESTIONS ON NOTICE

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Estimates 2004-05 – Supplementary written questions November 2004

Question: F1(2)

All Outcomes and Outputs

Topic: Procurement Guidelines – Government Contracting Policy

Written Question on Notice: 30 November 2004

Senator Murray asked:

What mechanisms does the Department have in place to ensure its procurement guidelines reflect current policy in relation to government contracting?

Answer:

As the Department with the responsibility for issuing the government policies on procurement, internal CEIs and guidance materials are cross checked against the material included in the recent Financial Management Guidance booklets and the requirements of the *Commonwealth Procurement Guidelines*.

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Estimates 2004-05 – Supplementary written questions November 2004

Question: F1(3)

All Outcomes and Outputs

Topic: Procurement Guidelines – Accountability Mechanisms

Written Question on Notice: 30 November 2004

Senator Murray asked:

Do the Department's current procurement guidelines refer to all of the following accountability mechanisms?

- The Senate Order for departmental and agency contracts;
- The Department of Finance and Administration's February 2003 Guidance on *Confidentiality of Contractors' Commercial Information*; and
- The Commonwealth Procurement Guidelines (CPGs).

Answer:

Yes, the Department's current procurement guidelines refer to all of the accountability mechanisms referred to above.

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Department of Finance and Administration

Estimates 2004-05 – Supplementary written questions November 2004

Question: F1(4)

All Outcomes and Outputs

Topic: Tender Documentation and Contract Templates

Written Question on Notice: 30 November 2004

Senator Murray asked:

Do the Department's tender documentation and contract templates include the following elements:

- a statement outlining the various Commonwealth accountability requirements;
- a consistent definition of confidential information across all templates;
- a provision for the inclusion of specific reasons justifying why a tenderer may wish to protect certain information in the contract if it is awarded;
- a section that outlines the obligations of confidentiality after the contract has been awarded;
- a more detailed outline, with the general non-disclosure clauses, of the exceptions to confidentiality obligations for Commonwealth contracts; and
- the model contract clauses, given in DOFA's February 2003 *Guidance on Confidentiality of Contractor's Commercial Information?*

Answer:

The Department has provided detailed guidance, as part of its current Operational Guidelines, on all the matters addressed within this question and is working actively to ensure that these detailed requirements are incorporated into the tender documentation and contracts entered into by the Department.

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ANSWERS TO QUESTIONS ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

Estimates 2004-05 – Supplementary written questions November 2004

Question: F1(5)

All Outcomes and Outputs

Topic: Procurement Training

Written Question on Notice: 30 November 2004

Senator Murray asked:

At page 51 of ANAO Audit Report No. 10 2004-2005, *The Senate Order for Departmental and Agency Contracts (Calendar Year 2003 Compliance)*, the ANAO has concluded that all FMA agencies would benefit from implementation of contract training courses, or a review of current courses, to ensure that the Senate order requirements are adequately covered and that procurement staff receive relevant DOFA guidance.

What training does the Department currently have in place for procurement staff?

Answer:

The Department conducts regular training sessions for all staff on procurement policy and procedures. Sessions were conducted in October 2004 to introduce staff to the general requirements of the new Australian Government Procurement Framework.

Following the release of the Commonwealth Procurement Guidelines January 2005 on 7 December 2004, comprehensive training sessions have been conducted for officials in all Business Groups within the Department, to ensure that procurement processes conducted by Finance in 2005 meet all domestic and international obligations. The training has focussed on value for money outcomes, open competitive processes, meeting the mandatory procurement procedures for all covered procurement and on accountability requirements.

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ANSWERS TO QUESTIONS ON NOTICE

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Department of Finance and Administration

Estimates 2004-05 – Supplementary written questions November 2004

Question: F1(6)

All Outcomes and Outputs

Topic: Procurement Training

Written Question on Notice: 30 November 2004

Senator Murray asked:

Does this training cover the requirements of the Senate order for departmental and agency contracts and refer to DOFA's February 2003 *Guidance on Confidentiality of Contractor's Commercial Information*?

Answer:

Yes. The public reporting requirements of the Department are reinforced in all training exercises. Specific reference is made to the detailed section within our Operational Guidelines (10.3.2 Listing of Agency Contracts) when procurement training is provided.

The Department has also provided bound versions of the February 2003 *Guidance on Confidentiality of Contractor's Commercial Information* to all SES officials, in order that they can readily make reference to all of the provisions.