



## **Senate Finance and Public Administration Legislation Committee**

### **ANSWERS TO ESTIMATES QUESTIONS**

#### **Department of the Senate**

**Pursuant to Order of the Senate of 18 November 2004**

**Question: P1**

**Topic: Order for departmental and agency contracts**

**30 November 2004**

#### **Senator Murray asked:**

1. When did the Department last update its procurement policy documentation?
2. What mechanisms does the Department have in place to ensure its procurement guidelines reflect current policy in relation to government contracting?
3. 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)?
4. 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 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*?
5. 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?

6. 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*?

**Answers:**

1. The department last updated its procurement policy documentation, being part of the Clerk's Instructions, over a two week period from late November to early December 2004. This particular review was necessitated by the impending release of the revised Commonwealth Procurement Guidelines, which were officially launched on 7 December 2004.
2. All Commonwealth procurement guidance and policy releases are channelled through the department's Chief Finance Officer (CFO). The department's CFO is responsible for maintaining the Clerk's Instructions, advising departmental officers of financial management requirements (including procurement policy), maintaining various financial processes and systems, and ensuring that the department complies with the various accountability requirements in relation to procurement and contracts.
3. The department's current procurement guidelines (contained within the Clerk's Instructions) refer to all of the stated accountability requirements, that is:
  - 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).
4. In the department's tender documentation and contract templates:
  - there is no statement outlining the various Commonwealth accountability requirements;
  - there is a consistent definition of confidential information across all templates;

- the department generally works on the assumption that the supplier does not have a need to protect certain information;
  - there is a section that outlines the obligations of confidentiality;
  - the contract template details exceptions to confidentiality obligations; and
  - the model contract clauses, from DOFA's February 2003 *Guidance on Confidentiality of Contractor's Commercial Information* are not included in the department's contract template.
5. The department has a very small procurement area, and indeed has no designated full-time procurement officers. As such, the department does not have a training regime in place in relation to procurement. However, on a regular basis, staff are encouraged to attend external training courses that are specific to their development needs or to the activities of the department.
6. It is unlikely that any Senate officer has attended any form of training specifically covering the Senate order for departmental and agency contracts and DOFA's February 2003 *Guidance on Confidentiality of Contractor's Commercial Information*. Senior finance staff regularly attend forums hosted by either DoFA or the ANAO, and such topics are occasionally canvassed.