

**Senate Finance and Public Administration Legislation  
Committee—Supplementary Budget Estimates 2005-06  
(October 2005)**

**Parliament Portfolio, Department of Parliamentary  
Services**

**Answers to Questions on Notice**

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

**Question P10, (written questions)**

Q1—What guidance is provided to staff with responsibilities for contract negotiations specifically about the requirements of the Senate Order? If relevant guidance is not provided, please explain why this is the case.

Q2—What training and awareness sessions are provided, either in-house or through other training providers (eg. DOFA, APS Commission or private firms) in respect of the Order? Please provide a list of the dates, the identity of the training providers and the content of the training that staff attended in 2005. If training and awareness sessions are not provided, please explain why this is the case.

Q3—Has the department/agency revised its procurement guidelines to incorporate the new Commonwealth Procurement Guidelines that took effect from 1 January 2005, particularly with respect to the confidentiality elements contained in those guidelines? If so, when did this occur and can a copy be provided? If not, what is the cause of the delay and when will the revision occur?

Q4—ANAO audits for the last three years have revealed a consistently low level of compliance across most agencies with DOFA confidentiality criteria (February 2003) for determining whether commercial information should be protected as confidential. The ANAO's latest report on the Order (No.11 2005-2006, September 2005) states that departments and agencies need to give higher priority with this important requirement of the Senate Order.

- What specific measures have been or will be taken to address this problem, give it higher priority and raise compliance levels?
- What guidance and training are provided to staff about the confidentiality criteria and the four tests employed to determine whether information should be protected?
- What internal auditing or checking is performed to test compliance in this area? If none is performed, why not and is the agency considering the adoption of internal controls and checks?

Q5—What problems, if any, has the agency and/or relevant staff experienced in complying with the Senate Order? What is the nature and

cause of any problems? What measures have been, or could be, adopted to address these concerns?

### Answers

**Q1**—DPS has in place an Accredited Procurement Unit (APU), which reports to the Chief Finance Officer. The APU is responsible for the development of the department's agreements, and for preparing and publishing the six-monthly listing that complies with the Senate Order on departmental and agency contracts. The staff in the APU are experienced and are well acquainted with the requirements of the Senate Order.

**Q2**—DPS's APU is a small group of contracting and tendering specialists who facilitate complex procurement activities for the department. No external training sessions are provided on the subject of the Senate Order. APU staff attend awareness seminars that are conducted from time to time by the Department of Finance and Administration (Finance), private sector legal firms and the Australian Government Solicitor. No training specific to the Senate Order has been provided during 2005 and, given the existence of DPS's APU and the experience of its staff, no training needs have been identified.

**Q3**—DPS revised its procedures related to procurement during 2005 and they take into account the new Commonwealth Procurement Guidelines (CPGs). The internal guidance makes reference to various confidentiality issues, including the confidentiality elements of the CPGs. A copy of DPS's Chief Executive Procedure 3.3—Procurement of property and services is attached.

**Q4**—Because DPS's tenders and contracts are issued centrally by its APU, the department has effective control over matters related to confidentiality provisions in contracts. When copies of ANAO reports related to the Senate Order are received, the recommendations are considered to ascertain if any improvements to departmental practices and procedures are warranted so that DPS continues to comply with the requirements.

In circumstances where confidentiality provisions are proposed by tenderers or contractors that exclude the release of all or some contract information to parliamentary committees, those exclusions are usually negotiated out of the final agreements. Where tenderers or contractors insist that particular provisions are to remain protected as confidential (an uncommon event in DPS's experience), including from parliamentary committees, then they are assessed against the criteria contained in Finance's *Financial Management Guidance No 3—Guidance on Confidentiality of Contractors' Commercial Information*, and the endorsement of the relevant DPS SES officer or the Chief Finance Officer is sought for the action taken.

No additional guidance or training is considered necessary at this time for staff within DPS's APU.

Departmental records related to its compliance with the Senate Order are available for inspection by the ANAO and internal auditors. The contents of each six-monthly listing are subject to random checking by officials within DPS's Financial Services section.

**Q5**—No significant problems or concerns have been identified other than the time and resources required on the part of DPS officials to compile each Senate Order listing.