

Finance and Public Administration Legislative Committee

ANSWERS TO QUESTIONS ON NOTICE

Prime Minister and Cabinet Portfolio

Australian Public Service Commission

Estimates 2004-05 – ~~Additional~~ Estimates, ~~May~~ 2005

Supplementary November

Question: PM 57

Topic: Order for departmental and agency contracts

Senator Murray asked:

1. 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.

1) The Commission's Chief Executive Officer Instructions (CEIs) provide guidance to staff responsible for the conduct of tender processes and significant contract negotiations to ensure that potential contractors are notified of the Commonwealth's confidentiality policy as set out in the Department of Finance and Administration Guidance on Confidentiality of Contractors' Commercial Information dated February 2003. The Commission has established a Contracts Register and documented procedures to assist staff compiling the data for inclusion in a Senate Order return.

The above information is available on line from the Commission's intranet.

2. 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.

2) During 2005 a number of in-house developed and presented awareness sessions on the procurement and contracting were delivered to Commission staff. Typically these sessions were scheduled for 2 hours. The session(s) titled Corporate made Easy were held on 15 February 2005; 10 May 2005; 18 July 2005 and 20 July 2005 and other sessions were held on an ad hoc basis. A key element of the learning strategy was directing participants to information sources such as the Commission's Chief Executive Instructions; contracting and procurement resources available from the Commission's intranet and relevant the Department of Finance and Administration publications.

As the Commission is a small agency with only a few contracts each year that exceed the monetary reporting threshold, this approach to awareness raising is considered

appropriate to equip officers to undertake their purchasing and contracting responsibilities.

Staff directly involved with the preparation of the Senate Order return have received training on the obligations as to the form and content of the order and are provided with on going support to ensure that reporting is accurate and complete.

3. 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?

3) The Commission undertook extensive information dissemination ahead of and after the release of the revised Commonwealth Procurement Guidelines to ensure that procurement practices are compliant with the new Commonwealth Procurement Guidelines.

Revised Chief Executive Officer Instructions (CEIs) incorporating the new Commonwealth Procurement Guidelines were issued in May 2005. A copy of the relevant sections of the CEIs can be made available.

4. 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?

4) The Commission was an auditee in the ANAO Report Audit Report No10 2004-05 *The Senate Order for Department and Agency Contracts (Calendar Year 2003 Compliance)*. The opportunities for improving the process to improve assurance that the information collected is accurate and complete have been implemented.

The Commission has continued to monitor the findings of subsequent Australian National Audit Office (ANAO) reports on *The Senate Order for Department and*

Agency Contracts. The suggestions for improvement identified in the reports have been implemented.

The Commission has documented procedures for compilation of the Senate Order return which detail internal controls and checks that are applied before the return is finalised.

5. 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?

5) The Commission is not presently experiencing problems in complying with the Senate Order.