

Government Response

to

Report No. 13 of the Public Accounts Committee

‘Knowing what good looks like – Challenges in managing major  
public sector contracts’

**Recommendation 1: Wherever possible, the Minister for Finance should seek to simplify the policy framework for procurement and contract management.**

**Supported**

Government is currently undertaking the Enhance Public Sector Procurement Reform (Procurement Reform) project, as part of the broader Public Sector Reform program, which aims to consolidate and simplify the State's procurement framework. The Department of Finance (Finance) is leading this project, which was established to address procurement-related reform recommendations from a number of sources including the Special Inquiry into Government Programs and Projects, the Service Priority Review and several CEO Working Groups.

A key deliverable of the project was achieved in August 2019 when Government approved the drafting of a new consolidated Procurement Act. The new Act will establish a contemporary procurement framework for goods, services, community services and works. The new framework aims to reduce complexity and improve outcomes for the community.

A number of the subsequent recommendations are already being considered as part of this Procurement Reform project. However, it should be noted that simplifying the policy framework for procurement will be an ongoing challenge given the increasing expectations of what can be achieved through procurement.

**Recommendation 2: The Treasurer should have regard to the findings and recommendations of this report, and determine if and how they should apply to Government Trading Enterprises reform program.**

**Supported**

It is good practice for Government Trading Enterprises (GTEs) to reflect in their policies and practices the principles underlying Government procurement and contract management policies and requirements.

The Department of Treasury (Treasury) is leading a reform program to introduce a GTE Framework to standardise governance and accountability, and strengthen oversight, including through the implementation of umbrella legislation for GTEs (the GTE Bill).

The GTE Framework provides checks and balances that enable Government to understand and manage the risk profile and associated value of the entities within its business portfolio, while allowing GTEs the freedom to undertake their day-to-day operations.

The GTE Bill currently being drafted will enable administrative orders and policy guidelines to be issued on whole of government matters. This may include outcomes expected to be achieved by GTEs within their business processes, such as contracting and procurement practices. The GTE Bill will also standardise provisions related to Ministerial approvals for significant and material transactions (high value or high-risk transactions and contracts), with Treasurer's approval (rather than concurrence) to be required for such significant and material transactions.

The GTE reform program identified 27 entities in Western Australia's public sector which may potentially be considered a GTE, of which 15 are statutory authorities covered by the *Financial Management Act 2006* (FMA) and so required to comply with all Government policies and Treasurer's Instructions (TIs).

The first tranche of reforms is focused on implementing the Framework for those GTEs with the most consistent legislation and a strong commercial focus and includes the 12 GTEs that do not fall under the FMA.

Where feasible, consideration will be given to leveraging existing mechanisms to minimise additional cost or administrative burden for GTEs complying with the new arrangements.

It is considered appropriate that procurement policies and practices of the GTEs are aligned to key recommendations in the Public Accounts Committee's Report 13, namely, that contractor selection processes consider unusually low bids and non-financial factors; contract managers are engaged at the earliest opportunity; and that all persons managing contracts are appropriately skilled and trained.

Where it is noted that further analysis of a recommendation is warranted, consideration will first be given to its application to agencies. As noted above, the future GTE Framework will provide mechanisms for Government to set expectations for GTEs once the whole of government policy is defined.

**Recommendation 3: The Premier should ensure that the Department of the Premier and Cabinet's Public Sector Reform website includes a performance dashboard that clearly demonstrates the current status of all key procurement reform initiatives.**

**Supported**

The Public Sector Reform website currently incorporates a 'reform in action' page to showcase success stories, achievements, benefits realised from the program and examples of broader cultural change. Each reform initiative, including Procurement Reform, includes a 'current status' section which details progress against the intent of the recommendations.

Collating and publishing this information on a regular basis has been a key first step towards the implementation of a reform dashboard for Procurement Reform. The development of a dashboard is a priority for 2020, and will be informed, in part, by the information currently captured on the Public Sector Reform website, and any additional metrics and indicators identified through consultation with stakeholders.

**Recommendation 4: The Government should ensure that the proposed Procurement Bill is given high priority in the Parliamentary timetable.**

**Supported**

Drafting of the Procurement Bill has commenced and will undergo thorough review and consultation with agencies as part of the Procurement Reform project. When the drafting of the Bill has been finalised, the Government will be in a position to determine the priority for introduction into Parliament.

**Recommendation 5: As part of the ongoing reform programs, the Minister for Finance should ensure that contract management plans, independently assessed for their rigour, should be made mandatory for all major contracts (high value/high risk, or low value/high risk), for goods and services, capital works, and Government Trading Enterprises.**

**Any decisions to self-exempt from such requirements should be independently interrogated by Finance, and results of these assessments should be included in its annual reports.**

**Supported in principle with details to be resolved**

The State Tenders Review Committee (STRC) and the Community Services Review Committee (CSPRC) review Contract Management Plans for procurements over \$5 million for goods, services and community services. The function and scope of these committees will be reviewed as part of the Procurement Reform project.

A whole of sector procurement review committee for works procurement does not currently exist. Works procurements valued at over \$100 million are subject to the Gateway review process outlined in Premiers Circular 2016/05. Agencies are able to choose which ‘gates’ are to be reviewed, although it is acknowledged that there is limited visibility regarding contract management. In this regard, a review mechanism for works procurement and contract management will be investigated as part of the Procurement Reform project.

In addition, Government will need to establish a clear definition for ‘major contract’. This will determine the resourcing impact the recommendation will have on the relevant review committees.

Additionally, Finance will investigate establishing a process through the Procurement Reform project to record those agencies who self-exempt from this requirement, including the justification for the self-exemption. However, it is not envisaged that this information would be published in Finance’s annual reports.

As per the response to Recommendation 2, the proposed GTE Framework will include mechanisms for Government to issue guidelines to GTEs on whole of government matters. Consideration will be given to how existing mechanisms may be leveraged to avoid additional cost and administrative burden on GTEs.

**Recommendation 6: The Minister for Finance should ensure that Finance’s reform program establishes a formal mechanism so that the State Tender Review Committee and the Community Services Procurement Review Committee have knowledge of all major, high value or high risk agency contracts to ensure they are receiving all required contract management plans.**

**Supported in principle with details to be resolved**

Finance will implement a formal mechanism to provide greater visibility over whether agencies are submitting all necessary documents to the relevant review committee in accordance with current procurement policies and once established, the new Procurement Rules under the Procurement Act.

Currently documents are referred to the STRC and CSPRC based solely on contract value, with risk not a determining factor. In the development of the new Procurement Rules, Finance will assess whether it is practical and appropriate for risk to be included as a determinant of whether an agency submits Contract Management Plans to the relevant review committee.

In addition, Government will need to establish a clear definition for ‘major contract’. This will determine the resourcing implications of the recommendation.

**Recommendation 7: The Minister for Finance should ensure that Finance conducts routine analysis that provides a comprehensive picture of the number and nature of all agency compliance breaches.**

**Supported in principle with details to be resolved**

As part of the Procurement Reform project, Finance has committed to providing more robust centralised governance and oversight, including an effective procurement audit and assurance function. Finance will review its existing processes to determine how best to implement a sector-wide view of agency compliance breaches, noting the important role played by integrity agencies such as the Public Sector Commission (PSC), Office of the Auditor General (OAG) and the Corruption and Crime Commission in public sector governance.

The review will take into account the new internal governance and audit arrangements, announced by Government on 25 November 2019. This mandates that agencies have an audit committee which is independently chaired, the regular rotation of accounting firms conducting internal audits and clarifying segregation of duties in payment authorisation.

Additional stakeholder consultation and thorough analysis of resourcing requirements is needed to determine the finer details of implementation.

**Recommendation 8: The Minister for Finance should ensure that Finance’s procurement review ensures that existing compliance audit requirements for goods and services contracts are also applied to works contracts.**

**Supported in principle with details to be resolved**

The Procurement Reform project will establish Finance as the procurement functional leader, with a focus on providing an improved and more rigorous audit and compliance function for goods, services, community services and works. This function will seek to focus not only on process compliance, but also whether contract outcomes are being met. While a proposed audit and investigation function is being developed which will include works, it may not be appropriate to apply the same measures to all forms of contracting.

Additional stakeholder consultation and thorough analysis of resourcing requirements is needed to determine how best to implement this commitment.

**Recommendation 9: The Minister for Finance should require that Finance report on its administration of Regulation 5 of the State Supply Commission Regulations 1991, dealing with the consequences of agency non-compliance with supply policies. The report should demonstrate Finance’s rationale for its decisions to impose or not impose the various options available under Regulation 5.**

**Supported in principle with details to be resolved**

As part of the Procurement Reform project, the State Supply Commission (SSC) policies will be replaced by the new Procurement Rules. While Regulation 5 will no longer exist, there will be an increased focus on identifying and addressing agency non-compliance issues. This information will be taken into account when determining the level of autonomy an agency will have with respect to its procurement activities and the frequency of external review. The development of the new Procurement Framework will consider how best to capture, address and report agency non-compliance.

**Recommendation 10: The Treasurer should ensure that Treasury develops and implements a more rigorous process to record, monitor, and enforce agency compliance with Treasurer’s Instruction 820.**

**Supported in principle with details to be resolved**

Treasurer’s Instructions (TIs) prescribe minimum requirements to enable the FMA agencies to achieve the purposes of the FMA. The TIs that are relevant to contract management include the register of contracts, which is TI 820; variances in capital expenditure, which is TI 813; and authorisation of payments, which is TI 304.

Under section 53 of the FMA, it is the responsibility of the relevant accountable authority to ensure that it adheres to the requirements of the FMA, TIs and any other written law that applies to the agency.

Treasury has a role in facilitating compliance by communicating the need for adherence to TIs through the Financial Administration Bookcase, Chief Financial Officer forums and other regular communications, such as the annual Budget circular.

Compliance with TIs is audited by the OAG. It is not intended that Treasury will enforce agency compliance with TI 820. Instead, further work on the process of facilitating agency compliance with TI 820 will be undertaken in consultation with Finance as part of the wider Procurement Reform project.

For those GTEs that are not covered by the FMA, the proposed GTE Bill will provide mechanisms for Government to issue guidelines to GTEs on whole of government matters, including expectations of compliance with TIs.

**Recommendation 11: The Treasurer should ensure that Treasury increases the rigour with which it monitors and enforces agency compliance with the Strategic Asset Management Framework.**

**Supported in principle with details to be resolved**

The Strategic Asset Management Framework (SAMF) facilitates quality advice and decision-making, including the development and review of proposals on investments in existing and new assets. The SAMF aims to maximise the service delivery benefits to the community and the value for money gained from the investment.

Meeting the requirements of the SAMF is evidenced by due diligence by agencies to develop robust documentation and analysis to support informed decision making by Government. Treasury is continuing to work with agencies to improve performance against its effectiveness Key Performance Indicator (KPI) in this area.

- In accordance with Public Sector Commissioner’s Circular 2014-03, all public sector bodies are required to implement the SAMF.
- Where agencies do not meet the requirements of the SAMF, it is more difficult for them to secure funding support from Government. In certain circumstances, such as METRONET, custodial infrastructure, hospitals and schools, Government sets aside provisions for these major projects subject to the development of, or improvements to, detailed business cases or project definition plans.
- In this regard, Treasury frequently provides advice on draft business cases and Strategic Asset Plans, to support agencies to meet SAMF requirements.
- The 2018 Special Inquiry into Government Programs and Projects found that agency compliance with the SAMF required improvement. It was found that missing or inadequate business cases led to poor outcomes, costly variations, and instances of poor project management. In response, as part of Government’s Public Sector Reform program, Treasury is reviewing and refreshing the SAMF to ensure that the requirements are contemporary, fit for purpose, and support agencies to meet expectations.
- In undertaking the SAMF refresh, Treasury and Finance have consulted with Ministers, large general government agencies and GTEs to raise awareness of the Framework’s requirements.
- Treasury is proposing to increase emphasis on an agency’s readiness to deliver the investment proposal in its requirements for business cases. This is intended to provide Government with greater certainty, at the business case stage, that the public sector body will be able to deliver the proposal as planned.
- Rollout of the refreshed guidance will be supported by a functional leadership approach to build and support asset investment and management capability in the public sector. This will entail training and access to support and advice.

As part of its functional leadership role for asset management in non-residential buildings, Finance will provide independent and expert advice to support Treasury in its role as adviser to the Expenditure Review Committee, and to support agencies to meet the requirements of the SAMF.

**Recommendation 12: The Minister for Finance should implement the Special Inquiry's recommendation to add litigation risk to compulsory contract register information.**

**Further investigation required**

Key stakeholders have raised concerns regarding how this would be implemented in practice and what information a litigation register would include. Further consultation with the State Solicitor's Office (SSO) and the public sector is required prior to committing to this recommendation.

**Recommendation 13: The Minister for Finance should ensure that there is a clear and logical process to determine when the State Solicitor's Office becomes involved in high value, high risk or significant contracts, with a minimum expectation that the State Solicitor's Office be informed of all such contracts.**

**Supported**

A simple framework which determines which high value, high risk or significant contracts need to involve the SSO will be progressed. This will include mapping eligible contracts and clarifying what will be considered a 'core' service of the SSO.

**Recommendation 14: Government should prohibit the practice of contracting out of proportionate liability.**

**Further investigation required**

Further analysis of this recommendation will be undertaken, as it has the potential to significantly increase the financial and legal risks to the State. A working group will be established consisting of the relevant agencies, including the SSO, to discuss how best to consider this recommendation.

**Recommendation 15: The Minister for Finance should consider implementing the Appointment Letter process for the most significant projects.**

**Further investigation required**

The introduction of an Appointment Letter process would be a significant change to current practice. Ample research and consultation across the sector will be required to determine if this is a feasible approach for significant projects within the WA public sector.

While undertaking the above research and consultation, Finance will also investigate alternative options for improving contract management handover processes to achieve the desired outcome of this recommendation.

**Recommendation 16: The Minister for Finance should explore introducing 'model client' and/or 'supplier code of conduct' policy statements.**

The response for this recommendation has been separated into two distinct parts, with the introduction of a 'supplier code of conduct' supported. Further investigation and consultation is required for the 'model client' section of the recommendation.

**Supported**

In early 2019, Government approved the establishment of an Ethical Procurement Framework in order to deliver on Government's policy commitments in relation to best practice industrial relations, and to set out the ethical expectations of suppliers with whom government does business. As part of this, Finance have developed a Responsible Supplier Pact (a Code of Conduct) which is currently under review. This was developed in consultation with key stakeholders including regulatory agencies, industry groups and unions.

### **Further investigation required**

Finance will explore the feasibility of a ‘model client’ policy statement, and make a recommendation to Government. As the ‘model client’ refers to Government, and will likely impose guidelines for how Government should act, a key aspect of this research will be investigating potential obligations to the State and any possible consequences which could stem from these obligations.

**Recommendation 17: The Minister for Finance should determine minimum standards for major contract reporting requirements for all agencies. That reporting should be based on risk and government need, not merely the type of contract involved.**

### **Further investigation required**

To enable a minimum standard of reporting, Government will need to establish a clear definition for ‘major contract’ and what constitutes a ‘minimum standard’. It is expected that different thresholds or criteria will be required for different types of contracts, (i.e. different value thresholds and risk profiles will exist for a works contract compared to an ICT contract).

Any additional reporting requirements will impact workloads across the sector, therefore further stakeholder consultation and resourcing analysis will be undertaken to determine how this could be practically implemented.

**Recommendation 18: In setting minimum reporting standards, the Minister for Finance should consider adopting the United Kingdom’s approach that all major contracts publicly report three Key Performance Indicators.**

### **Further investigation required**

As discussed in Recommendation 17, Government will need to establish a clear definition for ‘major contract’. Once this has been defined, Finance will undertake an assessment as to whether it is feasible to adopt an approach similar to the United Kingdom for reporting KPIs. Any approach will also need to be contextualised to suit the WA public sector.

**Recommendation 19: The Minister for Finance should ensure that Finance determines and implements strategies to assess and analyse agency contract information and to make that information openly available to Parliament and the public. This should include ensuring that all contracts above a designated value are tabled in Parliament and made available on agency websites.**

### **Further investigation required**

Whilst Government understands the benefits of greater transparency, further analysis of the risks and resourcing associated with this recommendation is required.

Currently Finance produces an annual ‘Who Buys What and How’ report which details expenditure on goods, services, community services and works contracting, and information regarding contracts awarded is published by most agencies on Tenders WA. These reports are available publicly and while they do not provide full disclosure of contract details, they are a valuable tool in making Government contracting information accessible. Finance will consider expanding the requirement for agencies to publish information on Tenders WA as part of the Procurement Reform project.

Consideration of the burden of reporting to Parliament and the resourcing impacts of this will need to be explored.

**Recommendation 20: The Treasurer should revise Treasurer’s Instruction 820 to ensure either that Tenders WA becomes the repository for major contracts, or that the equivalent structures are put in place.**

**Supported in principle with details to be resolved**

Treasury has previously considered using Tenders WA for this purpose, however some information required by TI 820 is not currently accessible on Tenders WA. In addition, while Tenders WA may be appropriate for recording relevant goods and services contracting information, most works agencies have commented that it does not meet their reporting needs. The current interoperability with works agencies will need to be considered prior to revising TI 820.

Finance is aware of the limitations of Tenders WA and is currently reviewing its functionality. Treasury will work with Finance in the first instance to ascertain an appropriate repository for major contracts.

As noted in the response to Recommendation 2, the proposed GTE Framework will include mechanisms for Government to issue guidelines to GTEs on such whole of government matters.

**Recommendation 21: The Minister for Finance should ensure that Finance establishes clear guidance for agencies to determine when information is or is not commercial-in-confidence. This should be based on the principle that withholding information from the public should be the exception rather than the rule.**

**Supported**

As part of the wider public sector reforms to improve transparency and accountability, Treasury is leading the development of guidance for the disclosure of asset management information, including treatment of information that may be commercial-in-confidence.

Finance is actively involved in this work, together with the Department of the Premier and Cabinet (DPC) and the SSO. Finance may leverage this guidance to assist agencies to determine when contract management information is or is not commercial-in-confidence.

**Recommendation 22: The Minister for Finance should ensure that Finance develops and implements a regime to assess contractor viability based on the total value of contracts with government held by that contractor.**

**Further investigation required**

Government will investigate the merits and practicalities of assessing a supplier's financial viability and capacity, and whether it is appropriate to apply a whole of sector regime.

**Recommendation 23: The Minister for Finance should ensure that Finance’s procurement reform program establishes an ‘unusually low bids’ policy, taking into consideration similar initiatives in Queensland and the United Kingdom.**

**Not supported**

Procurement decisions are based on achieving best value for money outcomes, which requires agencies to consider both cost and non-cost factors. Non-cost factors include supplier capability and risk exposures, which can be referred to when encountering an unusually low bid.

A new definition of ‘Value for Money’ is being considered as part of the new procurement rules. When the new definition is finalised and implemented, this will be accompanied by a capability building strategy to appropriately educate stakeholders. The correct application of ‘Value for Money’ in procurement decision making will ensure Government is not exposed to unnecessary risk.

**Recommendation 24: The Minister for Finance should establish a clear definition of social value as it relates to procurement and contract management, and develop mechanisms both for meeting social value targets, and for measuring these outcomes. This should include a decision on the need for whole-of-government legislation or frameworks for applying, measuring and reporting on social value criteria in contracts. In doing so the Minister should actively explore examples provided by the United Kingdom’s *Public Services (Social Value) Act 2012*, the Victorian Social Procurement Framework, and the ACT’s Secure Local Jobs Code.**

**Supported**

A broader and more contemporary definition of ‘Value for Money’ will be developed and embedded in the new Procurement Rules as part of the Procurement Reform project. Finance is currently exploring how to best ensure social value (such as community, sustainability and economic outcomes), is captured in this definition. This approach will be accompanied by a capability building strategy to appropriately educate stakeholders.

In addition, Finance has committed to implementing an Outcomes Measurement Framework (OMF) for community services procurements. Once established, community services procuring agencies would be encouraged to adopt the OMF. Over time, Finance will review the OMF to maintain its relevance.

**Recommendation 25: The Minister for Finance should ensure that Finance’s reforms require agencies to engage contract managers at the earliest possible opportunity.**

**Supported**

In 2019 Finance established the Contract Management Interdepartmental Steering Group (CMISG), which has representation from 15 agencies. The CMISG supported the development of the Western Australian Contract Management Framework Principles. These principles distinguish the different roles of agencies and contract managers when managing government contracts.

The Principles, as well as recently developed capability building tools and resources, advise that contract managers should be involved as early as possible in the procurement process, to ensure continuity across all phases of the procurement lifecycle. Finance will continue to promote early engagement of contract managers as best practice.

**Recommendation 26: The Minister for Finance should ensure that under Finance’s procurement reforms, goods and services procurement training initiatives and programs are extended to include works contracts. These or equivalent programs should be mandatory for people managing contracts above a pre-determined level of risk and/or value.**

The response for this recommendation has been separated into two distinct parts, as expanding capability building to works procurement is supported in principle, however, mandating training across the sector is not supported.

**Supported in principle with details to be resolved**

While early steps have been taken to develop the capability of contract managers across all types of contracts, Government recognises considerable work is still needed. This will be an ongoing challenge for agencies and the sector given its size and diversity, as it is with most government jurisdictions and large private entities.

Through the Procurement Reform project, Finance has committed to playing a greater central role in providing training initiatives and programs related to works procurement and contracts. It should be noted that stakeholders’ needs in the goods and services and works space are quite different, and this should be reflected in future training programs.

As a proactive step, in 2019, a new suite of contract management training sessions and online modules applicable to all types of procurement were launched.

### **Not supported**

Whilst procurement training programs are strongly encouraged, it would be problematic to mandate contract managers to attend these sessions due to staff turnover, subjective measurement of risk and the significant impost associated with measurement and enforcement. There would also be a significant cost in requiring all current contract managers to attend a mandatory session.

In addition, a number of agencies, especially works agencies, have their own internally developed capability development programs, which are more targeted to their own agency policies and processes. It would be counterproductive to mandate contract managers from these agencies to attend a more generalised course developed for use across the sector.

Government believes that a more targeted approach to specific contract managers would be more appropriate than mandating training attendance for all. As there are a number of highly skilled, highly experienced contract managers across the sector, it is proposed that supporting those contract managers who need skill development would represent better value for the State.

**Recommendation 27: The Minister for Finance should ensure that Finance make the use of the Procurement Competency Matrix compulsory for high value/high risk contacts, and that Finance record, measure and evaluate the effectiveness of its use.**

### **Not supported**

The Procurement Competency Matrix (PCM) identifies and defines the competencies required to provide a highly capable procurement function and service by procurement professionals across the WA public sector. The PCM has been designed as a principles based tool, which is intended to support agencies as opposed to being used as a compliance and measurement mechanism.

There are a number of similar documents for other functional areas in the WA public sector, such as digital and human resources, which are not mandated.

Finance is currently in the process of developing a strategy to increase the uptake of the PCM and a number of complementary tools and resources. In addition, the PCM is currently skewed towards goods and services procurement, so there is a need to review and update it to ensure applicability to all procurement types.

**Recommendation 28: The Minister for Finance should ensure that Finance establishes a minimum standard of commercial accreditation for all public sector staff employed as project and contract managers on major projects (including the relevant staff within Finance's Government Procurement, Strategic Projects, and Building Management and Works).**

### **Needs further investigation**

Whilst Government supports the need for developing the commercial acumen of the public sector, further consultation and investigation of options is required to determine whether a minimum standard of accreditation is the most appropriate way to achieve this outcome.

The development and implementation of a minimum standard of commercial accreditation should be carefully considered as it may have industrial implications, impact resourcing and have a significant cost. It would also be challenging to identify and mandate all existing relevant contract managers for the accreditation process, as well as the ongoing requirement to monitor and enforce this.

Finance will undertake further consultation with stakeholders, particularly the PSC, about the practicalities of making a commercial accreditation program compulsory across the sector. Discussion on how this is administered and funded would also need significant stakeholder input.

**Recommendation 29: The Minister for Finance should consider establishing a ‘centre of excellence’ to support best practice procurement and contract management.**

### **Supported**

The new procurement framework will establish Finance as the functional leader for all types of procurement. Finance has made significant progress for procurement and contract management, and is driving procurement related reforms via Procurement Reform.

Adoption of a functional leadership approach is being progressed to build capacity across the sector in the following common functions (with assigned functional area leaders):

- procurement and contract management (Finance);
- financial management (Treasury);
- recruitment (PSC);
- digital, data and technology (Office of Digital Government, DPC); and
- occupational health & safety (Department of Mines, Industry Regulation and Safety).

The DPC and the PSC have jointly developed a Functional Area Leadership (FAL) Framework and have held workshops with functional leads to agree scope and objectives. Functional leads are currently developing the necessary resources and outputs for users, with the FAL pilot due to commence in the first half of 2020.

As a part of their functional leadership role, Finance has committed to identifying specialist resources that can be deployed across the sector to assist on strategic or high-risk projects (including from other specialist procurement organisations, such as within the Transport portfolio).

Finance currently has a Strategic Project Support Services (SPSS) team that provides a dedicated procurement/project management service for critical projects across the sector under a placement model. The SPSS team currently support goods and services and community service procurements, however, this ‘centre of excellence’ service model will expand to works procurement and contract management under the new framework.

**Recommendation 30: The Minister for Finance should ensure that when developing a minimum standard of commercial accreditation for all public sector staff employed as project and contract managers on major projects, Finance closely monitors the results and developments of comparable programs undertaken by the United Kingdom Civil Service and other Australian Jurisdictions.**

### **Supported**

Noting the response to Recommendation 28 above, Government is committed to continuous improvement for the public sector and keeping abreast of national and international best practice. Significant research into the practices of other jurisdictions around the world has been undertaken as part of the Procurement Reform project, which will shape the new framework and ensure that Government’s procurement practice remains contemporary.

In addition, the WA public sector is a member of the Australasian Procurement and Construction Council, which provides valuable insight into other jurisdictions’ initiatives. Finance will continue to remain informed of accreditation programs and capability development initiatives in other jurisdictions.