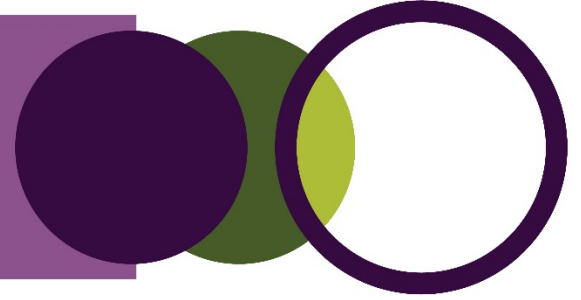




Department of Finance Procurement Bulletin

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Conflict of Interest

It's as important as ever to ensure people involved in a procurement activity sign a Declaration of Interest and Confidentiality form prior to the start of the procurement process.

This may be a little bit of a change of practice for some, as many of us only need people to sign the Declaration prior to evaluation. The new practice recognises that Conflicts of Interest, most likely in the form of specification bias, can happen before evaluation. The Declaration will also be reaffirmed at the point of evaluation to make sure no conflicts result from the submission of offers.

Conflicts of interest can happen where there is a conflict between the performance of a public duty and private or personal interests and may involve personal financial or political interests. It's important to remember that conflicts of interest may be actual, perceived or potential.

For more information on your obligations under the State Supply Commission's Probity and Accountability policy, please see the *Probity and Accountability Appendix* of the [Procurement Practice Guide](#). Government Procurement will make a stand-alone declaration available on the Finance webpage shortly and the Procurement Practice Guide will be updated to reflect this change.

Debriefing unsuccessful respondents

The main aim of a debrief is to provide the unsuccessful Respondent with constructive feedback to help them understand why they were not successful and to help improve their chances next time. The only information on the successful Respondent is on Tenders WA and in the unsuccessful letters that state who was awarded the contract and the total contract value.

Your agency is responsible for debriefing unsuccessful respondents, however Government Procurement (GP) can help. Agencies may want to make that decision on a case-by-case basis by considering the risk profile/complexity of the procurement process, or pre-empting how a particular unsuccessful Respondent may react to feedback.

Some agencies may want GP to facilitate a debrief meeting face to face, via videoconference or over the phone but with an agency representative present. GP will take care of the introductions, explain the evaluation process including value for money considerations and provide initial feedback. The agency representative (who is quite often the chairperson of the evaluation panel) will give more technical feedback. Your agency may want to chair the meeting, in which case GP will observe or act in a probity role.

If your agency decides to go it alone when debriefing the unsuccessful respondent, here are some important things to remember:

Do

- Disclose how many Offers were received. GP publish this on Tenders WA for all public tenders.
- Explain the evaluation process, including if there was a shortlisting stage and what happened, for example, product trials, samples, demonstrations or presentations.
- Communicate broadly how the Evaluated Price was derived e.g. a whole of life cost based on the initial costs and any recurring annual costs over the number of years of the contract term, including extension options.
- Provide feedback as per the contents of the Comparative Statement for that unsuccessful Respondent e.g. "With regards Suitability of Proposed Products, the Evaluation Panel had some reservations around xyz".

Don't

- Disclose any information about, or make comparisons with, any other Respondents given that the other Respondents' offers and the evaluation process should be treated as confidential.
- Disclose price ranking and qualitative ranking positions.
- Disclose scores as the numbers may be inflammatory and the language is more meaningful. Having said that, unsuccessful Respondents may be aware of scores since our Evaluation Handbook including rating scale is available on our public website.

So they can understand the process and better equip themselves to tender for State government next time, you can also direct unsuccessful Respondents to the [I'm a Supplier](#) section under the [Government Procurement](#) tab on the Finance website for documents that can help e.g. [Tendering for Agency Contracts](#) and information on seminars they can attend including 'New to Quotes and Tenders'.

If you would like more information contact your [Agency Procurement Services representative](#).

Finance's grad program tops the list

WA's Department of Finance has taken out the top position in the country for being the number one graduate employer. This is especially impressive when you consider more than 2,500 graduates from the Australian Association of Graduate Employers Top 75 list were anonymously surveyed and asked to rate their employer on a number of [key areas](#).

A crucial component is the focus on relationships and the support provided by management, supervisors, co-workers and the graduate alumni to help the graduates transition smoothly from study to a professional working environment.

The Department of Finance recruits graduates based on their values and considers students with any university degree with the majority of graduates gaining full time employment within the department or with other agencies. Last year's intake all secured roles within the department.

"I enjoyed the Finance graduate program because it gave me exposure to parts of government that I never even knew existed when I was studying at university. Finance have a really good attitude towards training and retaining graduates so I felt like my contribution was valued right from day one." said Hayley Maconachie, a 2018 WA Department of Finance graduate.

Applications for the Department of Finance 2020 graduate program closed on 22 March. If you would like more information visit our [website](#).

Finance's Leadership in Procurement Forum gets people



The Department of Finance's Government Procurement (GP) and Building Management and Works (BMW) hosted the inaugural Leadership in Procurement Forum (Forum) on March 21 at the Optima Centre. The theme, Corruption, Reform and Trust pulled 140 plus enthusiastic procurement professionals from across a wide range of agencies, GTEs and organisations.

The 4-hour *Forum* focused on the impact that the Special Inquiry into Government Programs and Projects, Public Sector Reform Unit and Corruption and Crime Commission reports had by shining a light on government procurement. It offered a platform to share expertise, discuss strategic issues, and update government agencies on developments in procurement.

This saw a wide range of interesting guest speakers that included:

- John Langoulant, Special Inquirer into Government Programs and Projects: assessing the successes and failures of government.
- A/Professor Jeannette Taylor, The University of Western Australia: whistleblowing, integrity and trustworthiness.
- Ray Warnes, Corruption and Crime Commission: bribery, corruption and conflicts of interest in the public sector.
- Carolyn McKell, State Solicitor's Office: enhancing contractual flexibility.
- Emily Roper, Department of Premier and Cabinet: establishing the Public Sector Reform Unit.
- Chris Thomson, Project Director, Procurement Reform Project Team, Department of Finance: reforming the procurement framework.

A series of panels featuring the guest speakers, and GP and BMW management, invited a lot of discussion from the inquisitive crowd. Attendees also submitted topics for discussion prior that contributed to the reform conversation.



'The experience and wealth of knowledge that the panel members brought to the day made for robust and insightful questions and discussion. It was great to see such considered and challenging questions being put forward by the crowd,' said GPs MC Kate Ingham, Director, Strategic Advisory Services.

An interactive workshop rounded off the morning that saw the attendees break into groups to discuss a range of procurement themes such as getting the most from your contracts and suppliers; better use of procurement to drive outcomes for the community; and making the public sector more business savvy.

'The inaugural Forum was a great success with attendees informed, courtesy of the guest speakers, and contributing to the panel discussions and interactive workshop. We look forward to bringing you the next one,' Kate added.

Further information including the PowerPoint presentation is available on the [Finance website](#).

GovNext-ICT has new documents to help you

The GovNext-ICT team and Government Procurement have been diligently working on a suite of new GovNext-ICT material to support you. These include explaining how to performance manage vendors under the GovNext arrangement; and what to do if you are moving buildings. In addition, there is some clarification on how to procure public and private cloud services.

These new documents are available on [GovNext -ICT's Common Use Arrangement page on Contracts WA](#). You will also find there some fantastic GovNext-ICT success stories from Healthway, Departments of Fire and Emergency Services and Justice as well as Fremantle Ports.

If you would like more information, email GovNext-DPC@dpc.wa.gov.au.

Groceries CUA delivers the savings

The [Groceries Common Use Arrangement](#) (CUA) has the honour of boasting a 100% rating for both overall satisfaction with the CUA, and satisfaction with the performance of CUA suppliers. The 2018 customer survey also showed ease of use wasn't far behind with 98% and value for money was 93%. This is especially impressive when you consider the estimated contract turnover is \$112 million (ex GST), from October 2014 to September 2018. That's approx. \$28 million spend per annum. Interestingly, the top two agencies, Department of Health and Department of Justice make up over 75% of the annual spend.

There are seven categories that together have saved agencies a staggering \$40.8M over the four years:

- Shelf Stable, Non Perishable and Dry Goods (\$12.3M)
- Dairy Products including Yoghurt, Cheese, Milk and Eggs (\$11.1M)
- Bread and Bakery Products (\$4.7M)
- Ready-to-drink Beverages (Non-Alcoholic) (\$4.1M)
- Fresh Meat, Poultry and Smallgoods (\$4M)
- Frozen Meat, Poultry, Seafood and Savoury Products (\$2.4M)
- Fruit and Vegetables including Prepared Vegetables (\$2.2M).

The items on this CUA are considerably cheaper than non CUA items and will save your agency 40% on average. It focuses on buying in bulk and aggregation of volumes. For example small aeroplane jelly in the supermarkets is 80g whilst the smallest unit available for purchase on this CUA is 1kg.

Global 2020 performed an audit on the largest supplier in terms of market share, Sealanes (30%) in January 2019 and the findings were very positive. The audit revealed their pricing provides the State with good savings and they have well established systems that operate seamlessly for the agencies. The good news kept coming with the Client Reference Group not surprisingly stating they want the CUA to continue and keep it as is.

The current contract term expires on 1 October 2019 and the procurement process for the new CUA is in full swing with the endorsement of the Procurement Plan by the State Tender Review Committee in late February.

There are some exciting new enhancements in the wings such as:

- Pre-Qualifying suppliers and awarding their entire product catalogue, rather than award suppliers on a per-category basis. This will reduce non-catalogue expenditure by agencies.
- Better categorisation for non-catalogue items so these commonly purchased items can be easily identified and added to the catalogue (through sales reports).

If you would like more information on the current or new CUA email the [Groceries CUA contract manager](#).

State Supply Commission audits – the results are in!

The 2017/2018 State Supply Commission audits produced some interesting what not-to-do's that your agency can learn from.

Some of the most common non-compliances were:

- Records for some contract award decisions and variations not published on Tenders WA. This was also a common non-compliance observed in the 2016/17 audit process.
- Not buying according to the relevant Common Use Arrangement Buyers' Guide rules.
- The Department of Finance lack of involvement, which is required under the terms and conditions of the partial exemption and supply policies.
- Contract and exemption/approval registers do not have up to date records.
- The requirement to have an exemptions/approvals register even where there were no exemptions/approvals during the audit period.

Some general issues observed in a few cases were:

- Confirming compliance was difficult due to inconsistencies in report details.
- Inadequacy of some sample sizes when considering the total procurement activity.
- Reservations around the independence or impartiality of the individuals completing the audits being the same people involved in advising on and/or undertaking the procurement activities being audited.

If you would like assistance or more information on the audits, email enquiries@ssc.wa.gov.au.

Telco's CUA rings in the savings

The [Telecommunications Services CUA](#) can deliver significant mobile service savings to your agency. It's as simple as making the most of the new CUA plans and managing your services using the new whole of government mobile Telecommunications Expense Management System (TEMS) initiative rolled out by Finance.

The whole of government mobile TEMS went live on 29 August 2018 and Public Authorities and Other Government Entities listed on the [CUA approved user list](#) get free access. The TEMS is a multi-carrier billing management platform which allows you to monitor the activity and costs of your agency's services.

Agencies that have already transitioned to the new plans and audited their services have achieved real annual savings of between 24% and 53% off existing spend.

Government Procurement (GP) strongly recommends that your agency transitions to the new CUA mobile plans if you haven't already done so. These plans have very competitive rates and inclusions that will help to avoid bill shocks through unlimited calls and texts, shared data plans and international roaming package options. Some plans also have other benefits including technology funds that can be used to subsidise mobile phone hardware purchases, and free Mobile Device Management licenses and services to help with the security management of your mobile fleet.

To further help your agency maximise the savings, GP can perform an audit of your mobile fleet. The audit will assess the current usage and spend data of your mobile fleet and provide recommendations on how to reduce the costs by suggesting the best value for money CUA plans while identifying potential idle services for cancellation. Recent audits undertaken for key agencies are showing savings opportunities of over 50% off existing spend.

For more information on the audit services or access to the TEMS system email the [Telecommunications Services CUA Contract Manager](#).

Tenders office change of hours

Building Management and Works (BMW) Tendering Services at Optima provides an independent tender management service to Government agencies either directly through Service Level Agreements or indirectly through Government Procurement and Building Management and Works. This centralised service ensures that a high level of probity and consistency is maintained in the procurement process.

BMW is committed to providing excellence in its tender management service by streamlining its processes and practices. To meet this commitment and provide a more effective and timely service for tenders closing at the Optima Tenders Office, from 02 January 2019, the business hours are 8.00am to 4.00pm, Monday to Friday.

If you would like more information email tenderingservices@finance.wa.gov.au.

Training coming up in Government Procurement

On the Common Use Arrangement (CUA) front, Government Procurement have organised some workshops to assist you with the Media Booking, Buying and Planning Services for Advertising CUA. Contractors, Initiative Media Australia and Carat Australia Media have their first workshops in early April and places filled up in record time. There are more sessions planned on the services they offer, pricing structure and using their templates and/or guides. Both contractors are also happy to pay your agency a visit. If you would like more information contact the [Media Booking, Buying and Planning Services CUA contract manager](#).

We have some other exciting procurement workshops and events planned. Register now to secure your spot by clicking on the session you'd like to attend.

- Procuring and Managing Community Services | [Thursday 2 May](#)
- Developing and Using Key Performance Indicators | [Thursday 4 April](#)
- Planning and Designing Community Services | [Tuesday 9 April](#)
- Written Quotes Process | [Thursday 11 April](#)
- Contract Management Awareness | [Thursday 9 May](#)
- Tendering for Community Services | [Wednesday 15 May](#)
- Introduction to Foreign Exchange | [Thursday 16 May](#)

For further information on these and our Online Training, please visit our [website](#) or email the [Procurement Capability and Development team](#).

