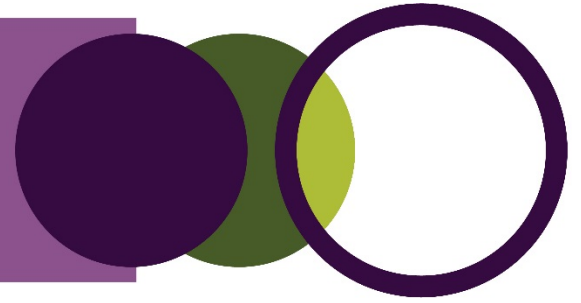




# Department of Finance Procurement Bulletin

September/October 2018



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## Business intelligence like you've never seen before

Imagine having data at your fingertips that could help your agency save money and effort.

Government Procurement has released a suite of interactive business intelligence reports and dashboards that can help you do just that.

The Who Buys What & How, an annual report detailing the sector's expenditure, gives you valuable insight to your agency's information. The [2015-16 and 2016-17](#) reports have been developed in Microsoft Power BI making it that much easier for you to analyse data and identify opportunities for savings.

The first of the CUA expenditure reports have also been developed. These reports will give you a view of your agency's spend patterns on individual CUAs, including trend analysis and comparisons to other agencies. If you have a genuine business need to view the Audit Services and Financial Advice or Retail Electricity CUA Expenditure Report's, please contact the [Data Analytics team](#).

The reports allow you to filter and drill down into your spend data and other agencies', increasing transparency and identifying cost effective options.

These reports have been showcased and have generated a lot of excitement from the WA Treasurer, a Cabinet Sub-Committee, and various Directors General, CPOs, CFOs, CIOs and Procurement Managers.

A great example of the benefits from the interactive reports is being able to visualise the quarterly sales data. The Supply of Retail Electricity CUA report is an excellent sample of this. It was made

possible by the agencies who established contracts under the terms and conditions of the CUA and by the retailers who have submitted sales reports for those agencies since the start of the CUA.

These sales reports cover invoiced information on electricity consumption, energy and other charges, retailer, duration of each invoice and the total charges for each unique site. All this data is presented through multiple dashboards to inform your agency's energy management strategies and buying decisions. Some of the dashboards on offer include:

- Summary
- Supplier Market Share
- Standard Deviation
- Detailed Information by National Meter Identifier

There is so much more information available on this CUA. Email contract managers [Sean Quintal](#) or [Steve Hawkey](#) if you'd like to know more.

More CUA Reports and other dashboards will be published over the coming months with the Who Buys What & How 2017-18 planned for release at the end of November 2018.

If you would like access to the more detailed agency version of Government Procurement's business intelligence reports and dashboards, email [GPBusinessAnalysis@finance.wa.gov.au](mailto:GPBusinessAnalysis@finance.wa.gov.au).

## Delivering Community Services in Partnership Policy 2018

We're really pleased to announce that the revised Delivering Community Services in Partnership (DCSP) Policy came into effect 1 October 2018. This was made possible in part thanks to your invaluable feedback at the workshops, online sector surveys and consultation meetings.

The revision was part of the McGowan Government's commitment to improving outcomes for all Western Australians through a genuine partnership between government agencies, the community services not-for-profit sector and service users in the planning, purchase and delivery of sustainable WA community services. A [media statement](#) announcing the DCSP Policy is available on the Government of Western Australia website.

WA agencies should apply the DCSP Policy Partnership Principles and Behaviours in conjunction with the State Supply Commission policies when engaging with the community services sector.

To support the 2018 DCSP Policy, Finance is facilitating four different workshops. To register simply click on [Procuring Community Services and the DCSP Policy](#), [Planning in Partnership](#), [Developing and Measuring Outcomes](#) and [Managing Service Agreements](#) or visit Finance's [Community Services sector - Training programs page](#).

If you would like more information or advice, email [FundingAndContracting@finance.wa.gov.au](mailto:FundingAndContracting@finance.wa.gov.au).

## Governance, the procurement way

How does Governance work in procurement?

It's about keeping an eye on how we allocate the separate roles and responsibilities we have within our organisation for achieving procurement goals for the State. This includes systems and procedures to ensure compliance with procurement policies and guidelines.

A procurement governance framework can separate reviewing bodies and committees that take an overarching view, ensuring procurements are undertaken in a compliant and appropriate way with accountability and transparency.

The concept of 'separation' is particularly important for good procurement governance. For example, tender evaluations typically require separation from suppliers as well as separation and careful handling of other stakeholders during the process to ensure there is no bias or undue influence. Similarly, procurement governance committees such as the State Tenders Review Committee and Health's Health Supply Council also require a level of separation and independence to provide impartial reviews, checks and controls. Their separation from the undue influence of other parties in the procurement process includes members of the Evaluation Panel, suppliers or stakeholders/parties with vested interests.

Government Procurement has encountered agencies like Justice and Police that operate excellent procurement governance committees that provide all the necessary independent checks and balances. Other agencies would benefit from much clearer understandings on the importance of 'separation' within their governance committees. This can not only serve to reduce risk but also improve the effectiveness and procurement outcomes for agencies 10-fold.

For more information email [Agency Procurement Services](#).

## It pays to negotiate with suppliers

WA Police will save over \$125,000 per annum with the [new Removalist Services CUA](#) that started on 1 March 2018. This contract is a sole supplier arrangement for staff and vehicle relocations over a five year term including all extension options.

The savings were borne out of the great partnership between WA Police and Government Procurement who negotiated with Wridgways to maintain the pricing from the expired CUA (saving Police approximately \$21,000 inc gst over the six months), and increase the discounts available in the new CUA from 5% to 7%.

Further negotiations with the supplier saw a decrease of pricing by 2.4% on average, available to all CUA users in WA agencies over the remaining four and a half years of the CUA, totalling over \$193,000 inc GST.

GP will offer contract negotiation workshops as part of a new procurement vocational training program to be launched in early 2019.

If you would like some tips on how to negotiate with suppliers, email [GP's CUA team](#).

## Procuring through GovNext

Is your agency ready to realise the benefits of ICT infrastructure as a service?

The [GovNext Common Use Arrangement](#) moves agencies from a capital intensive, ownership model of ICT infrastructure, to a flexible as-a-service model of only consuming and paying for what agencies need.

GovNext covers:

- **Co-location Services** (Infrastructure Co-location, Data Centre Link)
- **Network Services** (Network Connectivity (Site), Network Connectivity (Data Centre))
- **Gateway Services** (Internet Access, Security Zone)
- **Cloud Services** (Private Cloud Services)
- **IP Telephony Services** (IP Telephony, IP Telephony with Unified Communications, Standard Contact Centre IP Telephony, Advanced Contact Centre IP Telephony)
- **POTS Telephony Services**

There are three Prime Contractors agencies can engage under the GovNext arrangement to perform the required services, Atos Australia Pty Ltd, Datacom systems Pty Ltd and NEC Australia Pty Ltd.

Purchasing from the GovNext arrangement requires some planning in the beginning but assistance is available throughout the process from the GovNext Services Broker at DPC who you can engage as early as possible with the Prime Contractors to consider innovative as-a-service options.

The GovNext framework allows agencies to adopt a less traditional approach to procurement. Early contractor engagement is encouraged. Most transformative purchases under GovNext will be valued at \$250,000 and above so you will need to involve Government Procurement (GP). We have developed simplified templates to use for this process that are available in the [eDecision Aid](#).

Where your agency's transformative project is valued at \$10 million or more, you will also be required to conduct a [Gateway Review](#). GP can also facilitate this for your agency.

To get the ball rolling email the [GovNext Service Broker](#) or [GP](#) for assistance.

## Training coming up in Government Procurement

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

- Contract Management Awareness | [Thursday 8 November](#)
- Written Quotes Process | [Tuesday 20 November](#)
- Procuring CS & DCSP policy | [Wednesday 21 November](#)
- Planning in Partnership | [Tuesday 27 November](#)
- Developing & Measuring Outcomes | [Wednesday 5 December](#)
- Managing Service Agreements | [Tuesday 11 December](#)

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

## WAIPS means more jobs for local businesses

The [Western Australian Industry Participation Strategy \(WAIPS\)](#) is a game changer for West Australian jobs and local businesses. It has been developed to give effect to the objectives within the Western Australian Jobs Act 2017 so it advocates more jobs for West Australians by helping local businesses get a bigger share of government work.

The WAIPS, fully operational from 1 October 2018, heralds a new era in State Government purchasing for both agencies and industry, as it applies to all State Agencies and all forms of procurement.

The objectives are:

- Promoting the diversification and growth of the Western Australian economy by targeting supply opportunities for local industry.
- Providing suppliers of goods or services with increased access to, and raised awareness of, local industry capability.
- Encouraging local industry to adopt, where appropriate, world's best practice in workplace innovation and the use of new technologies and materials.
- Promoting increased apprenticeship, training and job opportunities in Western Australia.
- Promoting increased opportunities for local industry to develop import replacement capacity by giving local industry, in particular small and medium sized enterprises, a full, fair and reasonable opportunity to compete against foreign suppliers of goods or services.

For more information visit the [WA Industry Link website](#).



For general enquiries please email [gpbusinessdevelopment@finance.wa.gov.au](mailto:gpbusinessdevelopment@finance.wa.gov.au).