



Transforming Procurement

Transformation Program Update

Issue 07, December 2016

Welcome to the final edition of the Transforming Procurement bulletin, providing a wrap up of some of the changes since the Program's inception 15 months ago as well as highlighting some of GPs other important functions such as State Fleet and the Australian Disability Enterprise Initiative.

Amongst the many Transformation highlights have been the delivery of significant policy updates, simplification of the procurement template suite, implementation of the Accreditation Framework and the launches of the Agency Procurement Managers forum and CPO forum.

These changes and the many others will deliver greater value to the WA Government, with improved services to agencies, enhanced system and data analysis capabilities, and an increased flexibility of GP and autonomy for agencies.

For more in-depth information on the program highlights or access to the supporting tools and resources, go to the [Transforming Procurement](#) webpage.

Finally, **thank you** to all agencies for your contribution and patience during this Transformation Program.



*Have a Merry Christmas
and a Happy New Year!*

APS Model

The Transformation Program set out to deliver greater flexibility and autonomy in the way agencies procure low risk goods and services and in the way GP uses its resource pool in meeting the demands for its services.

The new service delivery model is based on transferring the responsibility and resources for procurement activity under \$250,000 to agencies. GP is now based in a central location to assist agencies with high risk procurements in a responsive and agile manner.

Agencies are also benefiting from having a single point of contact for all their procurement requirements regardless of whether these are for ICT or non-ICT goods and services, or community services.

GP has worked with agencies to make available tools, advice and education programs to build capability across the sector.

Future support will be based on capability needs as determined by the [annual procurement activity audits](#) by agencies. The first batch of findings are due in the second half of 2017. In the meantime GP will continue to support agencies with current programs, while working on new ones in the areas of developing key performance indicators and conducting risk assessment.

State Fleet

[State Fleet](#) is a branch in GP that facilitates the purchase, servicing and disposal of vehicles for the Western Australian Government.

The core functions of the branch are to:

- provide a funding facility for the acquisition of State Government vehicles
- manage Government fleet initiatives, vehicle selection publications, policy and compliance

- manage Government contracts for Vehicle Acquisition, Fleet Management and Disposal
- provide advice, training and support to agency fleet management resources.

Free self-paced [online learning modules](#) have been developed as an introduction to managing a motor vehicle fleet within a government agency.

Procurement Resources

Template updates

Changes to the goods and services templates, guides and conditions of contract are made on a regular basis. Agency buyers are reminded that they should refer to the Department of Finance's [Government Procurement Goods and Services Templates, Guides and Conditions of Contract webpage](#) before starting a new procurement process to ensure that they use the latest version of a document.

A number of changes to the templates are expected to be released prior to December 24. A summary of the changes will be articulated on the GP's [Contract webpage](#) upon release.

If you have any questions about the updated templates, please contact [Procurement Policy and Governance](#).

Supplier Performance Management Framework

Supplier Performance Management (SPM) is a business practice to measure, analyse and manage supplier performance in goods and services procurement contracts.

SPM is an essential component of best practice contract management and should be considered at all three stages of the procurement process - procurement planning, contract formation and contract management.

When undertaken correctly by agencies, SPM can:

- help agencies achieve the required contract outcomes
- reduce the possibility of poor supplier performance and ensure that the supplier is accountable for their performance on the contract
- manage the risks associated with the contract

- provide clarity for suppliers on the required standard of performance under the contract
- provide documented evidence that can be included as information when evaluating offers for future procurement processes (i.e. poor performing suppliers are not awarded future contracts).

The Department of Finance has developed the [Supplier Performance Management Framework](#) to assist agencies and support best practice contract management. The modules are designed for new Agency Fleet Coordinators whether in a full time or part time role.

State Fleet staff are available to meet with agency representatives either regularly or on an adhoc basis, to discuss ways to reduce the total cost of a fleet, whilst maintaining operational effectiveness.

If you require their services please contact statefleet@finance.wa.gov.au

Social Procurement

In 2012 amendments were made to the State Supply Commission's Open and Effective Competition Policy which allowed registered Australian Disability Enterprises (ADEs) and Aboriginal businesses to be engaged directly for contracts valued up to \$250,000. If an Aboriginal business is engaged for a contract valued over \$250,000 then approval is required from the Agency's Accountable Authority.

GP's Social Procurement Initiatives team actively promotes direct engagement with registered ADEs and registered Aboriginal businesses and encourages Government Agencies to increase procurement opportunities with these organisations, where value for money can be demonstrated.

From 2012 to July 2016, contracts valued at \$170 million have been awarded to registered Aboriginal businesses for a variety of services including construction, community and security services, education and training, revegetation, repair and maintenance, consultancy and trades.

Whilst the number of ADE contracts has already reached an impressive \$32 million across the WA public sector.

More information on the ADE and Aboriginal Business Initiatives is available on GP's [Procurement Initiatives webpage](#).

Common Use Arrangements

The Transformation Program for Common Use Arrangements (CUAs) has seen the development of a new management framework for its operations with the service delivery model based on a category management approach.

The new service delivery framework has transferred management responsibility for CUAs to a single directorate. The directorate has structured its service model into seven categories.

The first step is to work on Category management plans that have commenced and are under development. The aim is to challenge how we develop, manage and drive value from CUAs through a category management approach. It involves moving away from a procurement process focused on developing individual CUAs to leverage benefits across groups of related CUAs.

The Category Plans will contribute to an overarching CUA Business Plan that will provide a strategic direction for CUAs and how we intend to continuously improve and drive further value.

Caretaker Period

The WA State Election is scheduled for Saturday, 11 March 2017. Consistent with previous elections the caretaker period is likely to apply from the official start of the election period, traditionally the date of issue of the writs. Guidelines will be available once the caretaker period commences.

If you have any queries about contractual commitments and arrangements during the caretaker period, please seek advice from the Department of the Premier and Cabinet, by email at caretaker.conventions@dpc.wa.gov.au.

Tenders Office

In accordance with usual practice, the WA Tenders Office will be closed over the 2016/17 Christmas/New Year period.

Please note the following key dates:

- Friday 9 December was the last day to close tenders in 2016.
- Between Monday 12 December 2016 and Tuesday 3 January 2017, tenders may be released on Tenders WA but not closed.
- Between Monday 12 December 2016 and Friday 23 December 2016, the Tenders Office will be open from 8:00am to 4:00pm.
- Between Monday 26 December 2016 and Monday 2 January 2017, the Tenders Office will be closed and no staff will be in attendance.
- The first day for Tender Closings will be Wednesday 4 January 2017.

Further information is available from the Tenders Office on (08) 6551 2345.

More Information

For further information visit the [Transforming Procurement webpage](#) or contact your [APS Assistant Director](#).