



Government of **Western Australia**
Department of **Finance**

Reforming Procurement

The Department of Finance (Finance) is leading the Procurement Reform Project. The project will develop a consolidated procurement framework that applies to goods, services and works. It will realise efficiencies across the sector, reduce red-tape and increase public confidence in procurement.

The project will improve the existing fragmented approach to goods, services and works procurement across government. It is understandable that inconsistencies in this system are challenging and frustrating for industry. The current framework also restricts government's capacity to leverage all types of procurement activity to deliver maximum benefits to the Western Australian community

At the centre of the project is the introduction of enabling legislation, the *Procurement Act 2020*, which will set the foundation for which to build and improve procurement practice.



IMMEDIATE BENEFITS

Enabled the immediate introduction of consistent procurement stimulus measures for all types of procurement, including works, through issuing of a general procurement direction on 16 July 2020.

- The changes to procurement thresholds have encouraged agencies to buy close to home and support local businesses. This demonstrated that Government is serious about simplifying the procurement framework to make it easier to contract with.
- Finance is in the process of consulting with agencies to identify the uptake of these measures and determine if any adjustments need to be made.



KEY OPPORTUNITIES

COMMUNITY

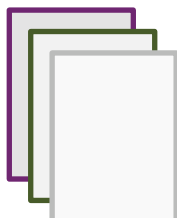


- Broadening the concept of 'Value for Money' to help counter the perception that the lowest bid always wins. The new Social Procurement Framework will support this approach, as it encourages government to better leverage its procurement spend for social, economic and environmental objectives, such as:
 - better recognising the value of creating traineeships and apprenticeships within government contracts.
 - supporting the use of local suppliers to ensure long term sustainability and improved economic outcomes across the State.
 - encouraging the use of Aboriginal businesses and regional suppliers to strengthen the sustainability of local supply chains.
- Development of a Debarment Regime.
 - Acts to elevate the importance of ethical business practices to make it fair for suppliers that do the right thing when contracting with Government.
 - Develop fraud and corruption training module for the Public Sector and industry.

PEOPLE



- Deliver contract management training modules, guidelines and a performance management toolkit, for access by the wider public sector as part of Finance's service offering.
- Consolidated Procurement Awareness Training for Suppliers.



TRANSPARENCY AND ACCOUNTABILITY



- Information from an agency's Strategic Forward Procurement Plan will be published on wa.gov.au. The information intends to provide businesses a clear view of upcoming procurement opportunities that they can position themselves for. Tenders WA will include a link to this information on wa.gov.au.
- The WA Procurement Rules will harmonise goods, services and works procurement through the application of consistent procurement policies.

LEADERSHIP



- Define Finance's new suite of service offerings as a central procurement leader.
- Streamlining the process for suppliers to provide complaints & feedback.
- New audit functionality supporting a stronger focus on compliance with the procurement framework by agencies.

SYSTEMS AND STRUCTURES



- Reviewing Tenders WA to improve efficiencies.
- Implementation of new templates designed to make it easier for suppliers to contract with government, including:
 - Extra Simple Purchase Order Terms (Goods, services & maintenance works).
 - Simple Terms and Conditions (Goods, services & maintenance works).
 - Request Conditions (for use on all forms of procurement).
 - Standing Offer Conditions (for use on all forms of procurement - used to establish panels or single supplier standing offers).