

Senate Finance and Public Administration References Committee

Inquiry into the management and assurance of integrity by consulting services (Consulting services)

Department of Finance

Response to Question on Notice

Written Question on Notice 23

Contract ID CN3732971 with the Australian Criminal Intelligence Commission and Sayers Advisory and Investments P/L was for less than two months length for a value of \$64,840.00. This represented Sayers' first contract.

1. Is it standard practice for a company's first Australian Government contract to be awarded on a limited tender?
2. How does the Department/Agency/The Department of Finance determine to engage a company in a limited tender without any prior professional engagements? How is such a company identified?
3. How many companies have received their first Australian Government contract through a limited tender process within the past 10 years?
4. To what extent does the Department of Finance require justification from agencies/departments/Ministers with respect to the specific companies which they award contracts to?
5. Did the Department of Finance inquire as to the justification for awarding of a limited tender contract to Sayers, who had never previously undertaken government work?
6. Does the Minister for Finance play a role in the approval of limited tender contracts?
7. Did the then Minister for Finance Matthias Cormann, who is now an investor in Sayers Group, have oversight of the limited tender contract (Contract ID CN3732971) awarded to Sayers group?
8. Were any concerns raised regarding the awarding of this contract? If so by whom and what were the concerns?

Response

1,2,4. The Commonwealth Procurement Framework (Framework) is devolved, which means Commonwealth entities are responsible for their own procurement practices consistent with the Framework. This includes the selection of a procurement method that is appropriate for the procurement activity, given the scale, scope and risk of the procurement. When reporting contracts on AusTender entities are required to identify the procurement method used to approach the market.

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3. 23,206.

5,8. Finance is not aware of any concerns raised in relation to this procurement or the awarding of the contract by the Australian Criminal Intelligence Commission to Sayers Advisory and Investments P/L.

6,7. Ministers, including the Finance Minister, are not responsible for making decisions in relation to Commonwealth procurement. Where a procurement has been identified as the most appropriate mechanism to achieve the entity's business needs, the entity is required to undertake the procurement, including exercising relevant delegations, in accordance with the Commonwealth Procurement Framework and that entity's Accountable Authority Instructions.