

QUESTION TAKEN ON NOTICE

SUPPLEMENTARY BUDGET ESTIMATE HEARING: 17 OCTOBER 2011

IMMIGRATION AND CITIZENSHIP PORTFOLIO

(SE11/0311) Program 4.3: Offshore Asylum Seeker Management

Senator Cash (L&CA 96) asked: What is the Department's policy in relation to Serco having a purchasing policy?

Answer:

Serco must provide value for money in its delivery of services under both its Contracts with the Department. The Contracts require that Serco comply with all legislation in force including the *Financial Management and Accountability Act 1997* and General Australian Government Policies including Commonwealth Procurement Guidelines issued by the Department of Finance and Administration.

These are the same guidelines that the Department must abide by.

For pass through costs, Serco must meet standard procurement guidelines where purchases are significant. For small items for local consumption, best price in the market is sought.

Serco's "Procurement and Supply Chain" Group Standard document (available online at www.serco.com) states that Serco will be professional in all its dealings with suppliers and establish a relationship where suppliers will want to do business with Serco.