

NSW Department of Justice report on implementation of plan of action in response to *Investigation into the conduct of a senior officer of the NSW Department of Justice and others*

✓ This is a final report; the plan of action is fully implemented

Final Report

Recommendation 1

That the NSW Department of Justice ensures that the implementation of its upcoming program of capital works contains a mechanism to periodically review the program to ensure that its projects remain consistent with its business strategy and operating environment.

In response to this recommendation, the attached governance framework has been implemented. This recommendation was implemented on 26 September 2018.

Recommendation 2

That the Department of Justice finalise its restructure of Asset Management Services as a priority and recruits staff to permanently fill the associated positions.

In 2017 Asset Management Services was renamed Property and Asset Services and then later consolidated with Justice Infrastructure to form a branch known as Justice Infrastructure and Assets ('JIA').

On 12 December 2017, Martin Berry was engaged to provide consultant services as the Chief Executive Officer of JIA.

A final Change Management Plan was approved by the Secretary, Department of Justice on 24 October 2018. The Plan was subject to consultation with staff and Unions and is being implemented (see further detail below relating to the Plan).

The Plan consists of three 'phases' as follows:

- Phase 1 – direct matching of Officers to their roles. This phase has been completed;
- Phase 2 – internal expressions of interest applications. This phase has been completed; and
- Phase 3 – external advertising of any remaining vacant roles. This will be an ongoing recruitment process and will follow the Department's usual recruitment processes. Advertising of 18 vacant roles commenced on a progressive basis in December 2018 and it is expected all vacant roles will be filled by May 2019.

Recommendation 3

That the Department of Justice completes the implementation of its proposed electronic document and records management system.

The Department of Justice's electronic document record management system (EDRMS) was rolled out through JIA as follows:

- Phase 1 – all JIA staff based in Parramatta were required to use EDRMS to appropriately store and maintain all corporate documents from 26 July 2018;
- Phase 2 – EDRMS was rolled out to city based JIA staff in the second quarter of 2018

Targeted training on the use of EDRMS was provided to JIA staff during transition onto the new system. Policies, procedures and Local Business Rules (where necessary) were also developed regarding the use and security requirements of EDRMS.

Recommendation 4

That the Department of Justice develops a framework for governing its procurement activities that:

- assigns governance roles and responsibilities for different types of procurement, such as goods and services procurement and construction procurement
- has mechanisms to detect non-compliance with procedural controls, such as the mandated use of pre-qualified suppliers.

In respect of goods and services procurement, the NSW Department of Justice has adopted the NSW Government Procurement Framework. This aims to ensure procurement systems deliver value for money, are aligned with business needs, leads to service delivery improvement and supports a competitive and innovative NSW economy.

Justice business units and staff must follow the Departmental Procurement Approvals (copy attached) when procuring goods and services. Non-compliance with the goods and services Procurement Approvals and Framework is monitored and handled through an agreed process with Professional Standards. This structured approach to procurement, along with Justice specific tools and templates, enables business units and staff to undertake best practice procurement and action to be taken for non-compliance. A copy of the Procurement Non-compliance Guidelines are attached.

In respect of construction procurement, the Department has implemented the attached Infrastructure Procurement Framework.

This recommendation was implemented on 23 March 2018.

Recommendation 5

That, when developing its procurement governance framework, the Department of Justice reviews its resourcing of procurement governance to ensure that this resourcing is sufficient to successfully fulfil the associated procurement governance roles and responsibilities.

As advised in the Department's Interim Report, implementation of this recommendation was completed in March 2018. A Policy and Governance Team has been established within the Procurement Unit which monitors compliance and rates/actions non-compliance.

Recommendation 6

That, as part of the implementation of its new enterprise resource planning system, the Department of Justice reviews its procure-to-pay processes to ensure that:

- there is scrutiny around the creation of new vendors, especially if they are newly established companies
- system controls are designed to make certain an individual who certifies performance of service is familiar with the work in question.

A 'Purchase to Payment' policy has been prepared, approved and implemented. The policy has been included in the attached Secretary's Direction Purchase to Payment Policy (SD2018-13) emailed to all department staff and the policy and procedure was uploaded to the Intranet by the Communications Unit.

This recommendation was implemented on 6 July 2018.