

Plan for Implementation of Recommendations

Investigation into allegations of corrupt conduct in the provision of security products and services by suppliers, installers and consultants

University of Western Sydney

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Recommendation 1.

That NSW government agencies ensure that overall responsibility for identified tasks associated with the selection of security integrators is maintained in-house, including:

- determining project budgets
- determining the scope of projects
- selecting tenderers to bid for contracts (in the case of limited and select tenders)
- communicating with tenderers
- coordinating tender evaluation panels and making recommendations
- evaluating tender submissions and writing selection reports.

Summary of response

The recommendation will be:

- Implemented as described in the report

Action proposed

The University has reviewed and implemented a revised Procurement Policy effective from 2 December 2013. The Policy applies to all procurement undertaken at the University and has been developed to conform to the NSW Government Guidelines on Procurement.

The Procurement Policy refers to the Purchase and Tender Board Policy (effective from August 2012), which at clause 4 sets out that, 'the University will have a strategic approach to procurement and will have a Purchase and Tender Board to oversee all procurement activities undertaken by the University. The Purchase and Tender Board will be supported by specialist Tender Committees.'

The Tender Committees for security integrators (which fall either within Capital Works area of responsibility) will occur in accordance with clause 17(a):

- i. Director, Capital Works and Facilities (Chair)
- ii. Senior Manager, Relevant Procurement
- iii. Procurement Tendering and Legal Officer
- iv. Associate Director, Procurement
- v. Independent Member

The Tender Committees for security integrators (which fall either within Information Technology area of responsibility) will occur in accordance with clause 17(a):

- i. Director, Information Technology (Chair)
- ii. Relevant area Manager
- iii. Team Leader IT Procurement
- iv. Associate Director, Procurement
- v. Independent Member

Clause 15 sets out that the Independent Member is a member who is independent from the matter under review, typically from another business area but with an understanding of the issues being discussed. The Chair of the Tender Committee will appoint the independent member.

Clause 16 sets out that Tender Committees have the following terms of reference:

- a. Ensure the principles of procurement as outlined in the Procurement Policy are followed.
- b. Assess all requests to undertake a tender or purchase over the tender threshold and approve:
 - i. undertaking a selective tender process over an open tender process;
 - ii. specifications and other documentation for tender processes;
 - iii. advertising a tender process;
 - iv. exemptions from undertaking a tender process;
 - v. membership of the evaluation panel for each tender process;
 - vi. appointing a Probity Adviser.
- c. Reject submissions and provide written justification.
- d. Review tender submissions and make recommendations to the Purchase and Tender Board.
- e. Recommend to Purchase and Tender Board the acceptance a variation to a tender.
- f. Provide advice and report to the Purchase and Tender Board on tender processes.

The Procurement Policy in Part A sets out the core principles and requirements for Procurement of goods and services at the University. Part F of the Policy authorises certain units to negotiate and secure contracts for particular goods and/or services on its behalf, such as those leading to mandated or preferred suppliers mentioned in Part E. The procurement of these goods and/or services is restricted to the area of responsibility, and one of the areas nominated is Security Services, which is currently restricted to Campus Safety and Security. The University is proposing to amend this Schedule so that security projects are restricted to Information Technology Services where the project relates to only software and computer hardware and where building and construction work is involved then the security project is restricted to Capital Works and Facilities.

Section 4 of the Procurement Policy sets out the Procedures to be followed as appropriate to the Procurement method, and part J of that section sets out the process to be followed for Tenders. The University proposes to amend the Procurement Policy to expressly deal with use of external technical consultants where that expertise is not within either the University or identified within another government agency. The amendment would set out that Specialist Consultants should only sit on Evaluation Panels in a technical advisory capacity, and for large or complex projects, consideration should be given to splitting tasks between Specialist Consultants to obtain a broader variety of views and advice.

Supporting material

- Procurement Policy
- Schedule 1 – Restricted Procurement Activities
- Purchase and Tender Board Policy

Proposed evaluation methods

The effectiveness of the implementation of this recommendation will be assessed by the University's Office of Audit & Risk Assessment. Within the next 12 months the Audit & Risk Assessment Office will:

- Monitor and report on whether the above proposed amendment to the Procurement Policy is approved and implemented.
- Carry out a review of one recent major security project and assess compliance with Procurement Policy and associated documents and processes.
- Interview all staff involved or potentially involved in security projects in Capital Works & Facilities and Information Technology Services to assess staff awareness of procurement requirements as well as associated policies. If the Office determines there is any shortfall in understanding of Procurement Processes, the Office will recommend further training of staff to address any deficiencies.
- Audit one major recent security project to ensure there has been compliance with the Procurement Policy and ICAC recommendations.
- Provide a report to the University's Audit and Risk Management Committee detailing the outcomes of the above work together with any recommendations regarding the need for further reviews (if applicable).

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Recommendation 2.

That NSW government agencies embarking on new large-scale security projects adopt a rigorous product selection approach. The selection process could include:

- **obtaining feedback regarding product specifications from a variety of sources, including end-users**
- **extensive product testing and the evaluation of test results by a panel either to inform the development of tender specifications or as part of a tender evaluation process.**

Summary of response

The recommendation will be:

- Implemented as described in the report

Action proposed

The revised Procurement Policy effective from 2 December 2013 applies to all procurement undertaken at the University. For projects (including security projects) with a value over \$250,000 a tender process is mandatory. The Purchase and Tender Board must approve all tenders and purchases over \$250,000 (see clause 33). Part L of the Procurement Policy requires that evaluation panels be established for all tender processes (clause 95). Part L also encourages a panel of stakeholders, experts and independents to assess various components or for probity purposes (clause 96).

The Capital Works & Facilities pre-tender process requires that meetings be held with stakeholders, and in the case of security projects that includes end-users such as UWS Security and IT Services, to identify and prepare detailed product specifications for inclusion in the scope of works and Principal's Project Requirements.

Capital Works & Facilities requires tenderers to submit a Proof of Concept during the tender process for large projects including large security projects. This was used in a recently complete major security project at the University. The evaluation process involved two stages. The first stage was the formal evaluation of compliance, technical and price which led to a short listing of tenderers. Those tenderers considered by the TEC to offer the best value for money were then invited to the second stage, the Proof of Concept (POC). In the Proof of Concept step participating tenderers had to demonstrate to the TEC that their

equipment and software fulfilled the requirements of UWS with the expected level of functionality. The Tender Evaluation Report made an assessment which was included in its report on the second stage evaluation. Following the Proof of Concept presentations, the UWS Technical Consultant, was asked to provide a technical report prior to any final recommendation being made.

Supporting material

- Procurement Policy
- Purchase and Tender Board Policy
- Capital Works & Facilities tender process documents

Proposed evaluation methods

Within the next 12 months the Audit & Risk Assessment Office will review one recent major security project to assess whether appropriate:

- feedback was obtained on product specification;
- feedback was obtained from a variety of sources including end users;
- product testing was undertaken;
- evaluation of product testing results by a panel to either inform the development of tender specification or as part of tender evaluation.

The outcomes of this review work will be reported to the University's Audit & Risk Management Committee.

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Recommendation 3.

That NSW government agencies explore alternatives to relying exclusively on the advice of specialist consultants when selecting security integrators through a competitive process. Options for diluting the influence of specialist consultants include:

- identifying in-house security experts from other public sector agencies for tender evaluation panel participation
- ensuring that when consultants sit on tender evaluation panels, it is only in a technical advisory capacity
- identifying and seeking advice from agencies that have undertaken similar projects.

Summary of response

The recommendation will be:

- Implemented as described in the report

Action proposed

As set out above, the University has implemented a revised Procurement Policy effective from 2 December 2013. Part A of the Policy sets out the core principles and requirements for Procurement of goods and services at the University. Part F of the Policy authorises certain units to negotiate and secure contracts for particular goods and/or services on its behalf, such as those leading to mandated or preferred suppliers mentioned in Part E. The procurement of these goods and/or services is restricted to the area of responsibility, and one of the areas nominated is Security Services, which is currently restricted to Campus Safety and Security. The University is proposing to amend this Schedule so that security projects are restricted to Information Technology Services where the project relates to only software and computer hardware and where building and construction work is involved then the security project is restricted to Capital Works and Facilities.

Section 4 of the Procurement Policy sets out the Procedures to be followed as appropriate to the Procurement method, and part J of that section sets out the process to be followed for Tenders. The University proposes to amend the Procurement Policy to expressly deal

with use of external technical consultants where that expertise is not within either the University or identified within another government agency. The amendment would set out that Specialist Consultants should only sit on Evaluation Panels in a technical advisory capacity, and for large or complex projects, consideration should be given to splitting tasks between Specialist Consultants to obtain a broader variety of views and advice.

Supporting material

Please refer to the following Policies and documents:

- Procurement Policy
- Schedule 1 – Restricted Procurement Activities
- Purchase and Tender Board Policy

Proposed evaluation methods

Within the next 12 months the University's Office of Audit & Risk Assessment will:

- Review the University Procurement policies and processes to ensure that options and/or advice regarding the need to dilute the influence of specialist consultants is provided.
- Interview the staff who i) approve security related engagements; and ii) sit on tender evaluation panels (in both CW&F and ITS) to determine if they are aware of these requirements as well as associated policies.
- Audit either a recent major security project carried out or a security project carried out in the next 12 months to ensure there has been compliance with the recommendation.
- Provide a report to the University's Audit and Risk Management Committee detailing the outcomes of the above work together with recommendations regarding the need for further reviews (if applicable).

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Recommendation 4.

That NSW government agencies consider the feasibility of separating tasks between security consultants for large-scale and complex projects, in cases where specialist advice is required.

Summary of response

The recommendation will be:

- Implemented as described in the report

Action proposed

As set out above, the University has implemented a revised Procurement Policy effective from 2 December 2013. The Procurement Policy refers to the Purchase and Tender Board Policy (effective from August 2012), which at clause 4 sets out that, 'the University will have a strategic approach to procurement and will have a Purchase and Tender Board to oversee all procurement activities undertaken by the University. The Purchase and Tender Board will be supported by specialist Tender Committees.'

Section 4 of the Procurement Policy sets out the Procedures to be followed as appropriate to the Procurement method, and part J of that section sets out the process to be followed for Tenders. The University proposes to amend the Procurement Policy to expressly deal with use of external technical consultants where that expertise is not within either the University or identified within another government agency. The amendment would set out that Specialist Consultants should only sit on Evaluation Panels in a technical advisory capacity, and for large or complex projects, consideration should be given to splitting tasks between Specialist Consultants to obtain a broader variety of views and advice.

Supporting material

- Procurement Policy
- Purchase and Tender Board Policy

Proposed evaluation methods

The University's Office of Audit & Risk Assessment will undertake a review of one recent major security project over the next 12 months. This review will include checks to determine if it was feasible to segregate tasks been specialist consultants and if so, the level of compliance with this recommendation.

The Office of Audit & Risk Assessment will interview key staff on the tender panel as well as approving officers to assess their level of understanding of this approach.

The University's Office of Audit & Risk Assessment will carry out a check to assess whether the Procurement Policy has been amended to reflect the proposed amendment in accordance with this recommendation.

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Recommendation 5.

That NSW government agencies adopt a broad approach to the due diligence enquiries that are conducted as part of a security procurement process, including:

- the scrutiny of low bids
- consideration of previous performance
- seeking referee reports beyond those nominated by the tenderer
- the verification of case studies provided by tenderers
- conducting criminal record checks on successful applicants
- seeking information from established information networks.

Summary of response

The recommendation will be:

- Implemented in an alternative way

Action proposed

Recommendation 5 will be implemented, except for carrying out criminal checks as the University is not authorised to do so.

As set out above, the University has implemented a revised Procurement Policy effective from 2 December 2013. Clause 7 of the Policy states that, 'UWS seeks value for money in all procurement. Value for money is achieved in an open competitive environment in which suppliers can be confident that their proposals will be assessed on merit. It does not automatically mean "lowest price"; it incorporates and considers fitness for purpose; fair market price; return on investment; whole-of-life costs; timely delivery; post-delivery support; environmental sustainability; social responsibility; evidence of previous performance or experience, effective warranty and conformity to law.'

In Assessing Tender section in the Procurement Policy at clause 85, it is required that, 'Evaluation panels should recommend acceptance of the tender that best meets the specification requirements and evaluation criteria (if developed), and the value for money principles outlined in Part A. The Evaluation Panel should provide justification in writing along with their recommendation to the delegate for approval.'

The University proposes to add to the Procurement Policy a requirement that evaluation panels should also consider previous performance of suppliers, referee reports beyond those provided by the suppliers, verification of case studies and feedback from other Government or sector agencies when evaluating responses.

The University's Contract Development & Management Compliance Manual, which was released in 2013, provides staff with information and a guide on contract development and management. Section 4 deals with contract planning and development. Section 4.2.4 sets out that due diligence on potential suppliers is a critical starting point and should be an integral part of any tender or other selection process. Section 4.2.5 - 4.2.9 set out the steps to be taken in any due diligence, including verifying the existence of the business and the ACN/ABN numbers through ASIC, bankruptcy and insolvency searches, credit checks through a credit search agency, check of the Personal Property Security Register, obtaining copies of financial accounts and other organisational information from the other party directly (such as, approaches, techniques methods to products/service delivery, number of personnel, qualifications whether they are employees or contractors, conducting checks of qualifications and experience), obtaining references and feedback from other clients or customers about track record and experience, reviewing industry, media and other reports (including by internet searches).

Supporting material

- Procurement Policy
- Contract Development & Management Compliance Manual

Proposed evaluation methods

The University's Office of Audit & Risk Assessment will be undertaking a review of one recent major security project over the next 12 months. This review will include checks to determine if the due diligence enquiries contained in the recommendation have been pursued and carried out properly. The Office will also interview key staff on the tender panel as well as approving officers to assess their level of understanding of due diligence requirements.

The University's Office of Audit & Risk Assessment will carry out a check to assess whether the Procurement Policy has been amended to reflect the proposed amendment in accordance with this recommendation.

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Recommendation 6.

That NSW government agencies adopt a preference for open tender methodologies (including staged processes that involve open expressions of interest) for new security installation projects above \$250,000 in value. For contracts up to \$250,000 in value, a minimum of three written quotes should be obtained, unless exceptional circumstances exist and are documented or the contract is worth \$30,000 or less.

This recommendation does not apply where whole-of-government or multi-agency arrangements are in place. It also does not apply where the agency has a pre-qualification scheme in place or where existing warrantee or integration issues preclude open competition.

Summary of response

The recommendation will be:

- Implemented as described in the report

Action proposed

As set out above, the University has implemented a revised Procurement Policy effective from 2 December 2013. The Policy applies to all procurement undertaken at the University and has been developed to conform to the NSW Government Guidelines on Procurement.

Part B of the Procurement Policy sets out the Procurement Rules (clauses 25-32) and the matrix defines the minimum requirements for procurement with graduated threshold dollar values and the minimum number of quotes required for each threshold. Clause 25 sets out that the head of unit can seek more quotes or elect to call tenders for any process. The matrix sets out that tenders must be called for projects of more than \$250,000 in value.

Thresholds (excluding GST)	Minimum	Notes
Less than \$5K	No quote required	Use corporate card where possible

Less than \$30K (Consultants only - Account Code 7107)	1 written quote	One-off engagement of consultant. Attach copy of quote and other relevant information in Oracle I-Procurement.
More than \$5K to \$50K	3 written quotes	Attach copies of quotes and other relevant information in Oracle I-Procurement.
Less than \$150K (procurement of scientific equipment or accessories to match existing assets for research or teaching continuity or maintenance agreement with equipment OEM or sole agent)	1 written quote	Where supplier can be proven to be the only Australian agent for equipment. Attach copy of quote and proof of OEM or sole agency in Oracle I-Procurement.
More than \$50K to \$250K	3 written quotes and submission to the Associate Director, Procurement or as per Clause 67.	Use UWS pro-formas and complete a procurement plan prior to procurement action commencing. Attach copies of quotes and other relevant information in Oracle I-Procurement.
More than \$250K	Tenders called	

Clause 71 of the Procurement Policy sets out the benefits of open tender processes so that any potential supplier can submit a tender and to test the open market.

Supporting material

- Procurement Policy - in particular Table 1 Procurement Matrix

Proposed evaluation methods

The University's Office of Audit & Risk Assessment maintains an ongoing cyclical Administrative Audit Program as well as a range of automated checks of general ledger transactions (CAATS program). Both programs assess the integrity of financial information and check that expenditure is in compliance with the University Procurement Policies, i.e. three quote requirement, open tenders etc. As this Audit Program is carried out the findings will be reported on to the University Audit and Risk Management committee.

The University's Office of Audit & Risk Assessment also undertakes quarterly corruption prevention training with supervisors and managers attending mandatory professional development courses (the University's iManager series) administered by the Office of Organisational Development. These 90 minute training sessions include probity issues and cover the need to maintain competitive procurement practices. Staff who attend this training complete evaluation sheets at the conclusion of each session and the feedback is and will be reviewed to assess staff understanding of probity requirements. The Office will make any appropriate adjustments to the University's training and any further recommendations, as appropriate.

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Recommendation 8.

That NSW government agencies improve their project management systems by:

- clarifying project roles and responsibilities
- developing in-depth project scopes and plans, as appropriate, to the size and complexity of a project
- specifying and ensuring compliance with contract terms and conditions
- introducing tight inventory controls
- close monitoring of project budgets and project expenditure
- establishing processes to verify and approve variations, including the use of quantity surveyors.

Summary of response

The recommendation will be:

- Implemented as described in the report

Action proposed

Capital Works and Facilities has developed and documented a project management methodology to manage projects, referred to as the Five Stage Phase Review Process. This also includes a financial and technical review process, which CW&F review annually and benchmark against industry standards to enable the process to be continuously improved.

The Five Stage Phase Review Process requires that each project has a Project Control Group (PCG) which meets monthly. Compliance with the terms and conditions of contracts are monitored at those meetings. Any issues or matters of concern are referred to the Procurement, Tendering and Legal Office for review and resolution. Budgets and expenditure are monitored by: monthly Project Steering Committee at which the Quantity Surveyor attends and reports; monthly PCG meeting attended by the head contractor who is contractually obligated to report on the status of the project; a monthly status report is prepared by the CW&F Senior Project Manager; and CW&F daily reviews of project cash flows. Prior to sending variations to the Quantity Surveyor, the Superintendent and Project Manager review and check the requested variation. On all major projects an independent

quantity surveying firm is engaged to ensure an objective analysis and confirmation as to compliance and certification that variation is fair and reasonable.

Information Technology Services uses the Prince 2 project management methodology, initially developed by the UK government agency Office of Government Commerce. Based on the Prince 2 system, ITS has developed a Project Delivery Methodology to manage all projects including any security projects.

The University's Contract Development & Management Compliance Manual, which was released in 2013, provides staff with information and a guide on contract development and management. Section 4 deals with contract planning and development and covers resourcing, relationships, contract deliverables, monitoring and measuring performance, contract pricing, contract payments, and conflicts of interest. Section 6 deals with contract management and covers contract management generally, contractor/supplier performance, systems, changes to circumstances or requirements. Section 7 deals with contract termination or expiry and the management of related risks, such as outstanding contract obligations, transitioning out, evaluating contract performance and management, record-keeping and final payments and additional costs or disputes.

Supporting material

- Capital Works & Facilities Phase Review documents, including technical and financial review, and steering group project template documents
- ITS Project Delivery Methodology based on Prince 2
- University's Contract Development & Management Compliance Manual

Proposed evaluation methods

The University's Office of Audit & Risk Assessment will undertake a review of one recent major security project over the next 12 months. This review will include checks to determine whether the project methodology used complies with recommendation 8. The review will also identify and recommend any improvements to be made to the project methodology to be used in future projects.

The University's Office of Audit & Risk Assessment will also interview key staff on the major security project reviewed, to assess their level of understanding of these project management requirements. Outcomes will in turn be reported to the University executive and the University Audit & Risk Management Committee.

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Recommendation 9.

That NSW government agencies ban employees directly involved in procurement activities from accepting any gifts, benefits and hospitality from potential contractors and consultants and existing contractors and consultants.

Summary of response

The recommendation will be:

- Implemented in an alternative way

Action proposed

The University has clear Policies and Guidelines to avoid and/or manage the potential acceptance of any gifts, benefits and hospitality from existing or potential contractors and consultants. The relevant Policies and Guidelines include:

- Procurement Policy;
- Conflict of Interest Policy;
- Gifts and Benefits Acceptance and Management Policy;
- Gifts and Benefits Reporting and Registration Procedures.

Below is an overview of the University's approach -

The Procurement Policy states:

Clause 13 - 'employees involved in procurement actions are prohibited from accepting gifts or extensive hospitality or other benefits from current or prospective suppliers. Modest hospitality (e.g. in house lunch, coffee, tea) associated with meetings to discuss goods and/or services being acquired by the University is acceptable but restaurant lunches and dinners, the provision of alcohol, tickets to the theatre or sporting events are not.'

Clause 14 – 'while it is legitimate, as part of the procurement process, to travel to view prospective goods or services, such as equipment, situations where the potential supplier pays for such travel and associated accommodation should be avoided.'

Clause 15 – 'where there is confusion or difficulties surrounding proffered gifts and/or other benefits the Associate Director, Procurement should be consulted. The Gift and Benefit Acceptance Management Policy can also be used as a reference.'

The Conflict of Interest Policy states, 'conflicts of interest or perceived conflicts of interest must be declared and managed to ensure integrity and transparency' (clause 5). Clause 30 states, 'the giving and receiving of gifts and/or benefits is potentially problematic and should be handled in accordance with the University's Gift and Benefit Acceptance and Management Policy.'

The Gift and Gift and Benefit Acceptance and Management Policy sets out at clause 16 that: 'The best method for avoiding compromising situations is to forgo participation in any transaction or activity that may be perceived as corrupt or unethical. Accordingly the University applies the following general principles to the acceptance of gifts and/or benefits.

- a. As a general rule and wherever practical, employees should decline acceptance of any gift(s) and/or benefit(s).
- b. An employee must not accept a gift and/or benefit that could reasonably be perceived as having been provided with the intent of influencing the employee in carrying out their duties with the University.
- c. Transparent processes are in themselves a defence against allegations of corruption, therefore the University requires that employees report offers of gifts and/or benefits and the outcome of such incidents (i.e. acceptance/refusal of gift/benefit). See the Gift and Benefit Reporting and Registration Procedures.'

The Gift and Benefit Reporting and Registration Procedures outline the requirements for staff to report gifts or benefits they have received or accepted in accordance with the Gift and Benefit Acceptance and Management Policy.

Supporting material

- Conflict of Interest Policy
- Gifts and Benefits Acceptance and Management Policy
- Gifts and Benefits Reporting and Registration Procedures

Proposed evaluation methods

The University's Office of Audit & Risk Assessment undertakes quarterly corruption prevention training with supervisors and managers attending mandatory professional development courses (the University iManager series) administered by the Office of Organisational Development. These are 90 minute training sessions include gifts and benefits case studies and cover the need to comply with our Code of Conduct, Gifts & Benefit Policy and Procurement Policy. Staff who attend this training complete evaluation sheets at the conclusion of each session. The University reviews and will continue to closely review the feedback to assess staff understanding of probity requirements.

The University's Office of Audit & Risk Assessment will continue to provide mandatory corruption prevention training to all staff in Capital Works & Facilities on an annual basis and seek to extend this mandatory training to all staff involved in procurement in Information Technology Services. This training takes approximately 2 hours per session and focuses on probity and procurement issues. Staff will be asked to complete evaluation sheets at the conclusion of each session. The Office will review the feedback to assess staff understanding of probity requirements and will make any appropriate adjustments to the University's training and any further recommendations, as appropriate, for revising University Policies and procedures.

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Recommendation 10.

That NSW government agencies be proactive in explaining the obligations on contractors and consultants to declare conflicts of interest, including those arising from either a pecuniary or non-pecuniary relationship.

Summary of response

The recommendation will be:

- Implemented as described in the report

Action proposed

Pursuant to the University's Procurement Policy all parties involved in tender processes on the University's behalf, both internal and external, must complete a formal 'no interest' declaration, which is placed on the TRIM file (clause 11 and clause 76).

Capital Works and Facilities requires all tenderers to complete a Statutory Declaration including that the tenderer has not engaged in collusive tendering nor cover bidding (form D2). As part of the tender process for Capital Works and Facilities projects, tenderers are required to complete a schedule, 'Conflicts of Interest and Fair Dealing' (form D9). The form sets out the University's requirements, explains the obligations of the tenderer and requires disclosure of potential conflicts of interest.

The University's Statement of Business Ethics for Suppliers and Service Providers specifically addresses conflicts of interest and requires that any existing, potential or perceived conflicts be declared to the UWS manager handling the engagement.

The University proposes that the External Supplier Purchase or Work Order Standard Terms and Conditions be amended to expressly require compliance with the Statement of Business Ethics for Suppliers and Service Providers.

Supporting material

- Procurement Policy
- Statement of Business Ethics for Suppliers and Service Providers
- Forms D2 and D9 in Request for Tender documents
- External Supplier Purchase or Work Order Standard Terms and Conditions

Proposed evaluation methods

The University's Office of Audit & Risk Assessment will within 12 months:

- Audit all security projects to ensure all 'no interest' declarations have been completed and placed on TRIM.
- Carry out an audit to see whether new suppliers and contractors have been made aware or provided with the Statement of Business Ethics for Suppliers and Service Providers.

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Recommendation 11.

That NSW government agencies ensure compliance with the Department of Premier and Cabinet's *Guidelines for the Engagement and Use of Consultants (C2004-17)* when engaging and using consultants.

Summary of response

The recommendation will be:

- Implemented as described in the report

Action proposed

The University's Procurement Policy has been developed to conform to the NSW Government Guidelines on Procurement. The University proposes to amend the Procurement Policy to expressly deal with use of external technical consultants where that expertise is not within either the University or identified within another government agency. The amendment would set out that Specialist Consultants should only sit on Evaluation Panels in a technical advisory capacity, and for large or complex projects consideration should be given to splitting tasks between Specialist Consultants to obtain a broader variety of views and advice.

Supporting material

- Procurement Policy

Proposed evaluation methods

The University's Office of Audit & Risk Assessment will within 12 months:

- Review the University's Procurement Policy to ensure the above amendments to the policy have been implemented.
- Carry out a check with University management responsible for procurement that the University Procurement Policy and other relevant documents have been reviewed by appropriate staff to ensure that the University complies with the *Guidelines for the Engagement and Use of Consultants (C2004-17)*.