

NSW Procurement Board plan of action in response to recommendation made in *Report on investigation into pork barrelling in NSW (Operation Jersey)*

PART A: NSW Procurement Board's response to corruption prevention recommendation

Firstly please indicate the response to be taken for the following recommendation:

Recommendation 4:

That the NSW Procurement Board considers the need for a direction, policy or guidance that specifically prohibits or deals with pork barrelling. If necessary, relevant guidance can be published on the buy.nsw website or reflected in relevant procurement training.

Please indicate the response the NSW Procurement Board will take in its plan of action:

- Implement the recommendation as described in the report
- Implement the intent of the recommendation in an alternative way**
- Partially implement the recommendation
- Not implement the recommendation

If the action the NSW Procurement Board intends is other than "implement the recommendation as described in the report", please state the proposed action to be undertaken in the space provided below.

The Procurement Board will:

- Prepare guidance to procuring agencies regarding the roles of the public sector and Ministers in procurement decision-making; and
- Reinforce existing governance arrangements, which are deemed robust and effective in reducing the risk of pork-barrelling through procurement.

Please explain why the above action is proposed rather than the ICAC's published recommendation.

The existing probity requirements under the *Public Works and Procurement Act 1912*, the NSW Procurement Framework, the NSW Ministerial Code of Conduct and other integrity legislation comprehensively deal with the risk arising from pork barrelling in the context of government procurement.

Further, the Government has accepted recommendation 2 of the ICAC's Report with respect to amending the *Government Sector Finance Act 2018* to require that a Minister must not approve expenditure unless satisfied it is an efficient, effective, economical and ethical use of money and represents value for money.

At its meeting of 7 September 2022, the Procurement Board agreed to issue guidance to agencies on roles of the public sector and Ministers in procurement decision-making and to reinforce existing governance arrangements.

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PART B: The NSW Procurement Board's plan of action

In this section, please provide details of the NSW Procurement Board's plan of action in relation to the recommendation and/or proposed actions described above.

The scope and scale of recommendations made in investigation reports varies considerably, and the Commission recognises a single template may not suit every agency or investigation. In view of this, the NSW Procurement Board is invited to develop a format that is appropriate for the proposed plan of action and subsequent report(s).

The Commission asks that the plan of action and subsequent proposed report formats are developed in consultation with the ICAC's corruption prevention representative named in the cover letter. The ICAC corruption prevention representative will advise if the plan or report format has the Commission's endorsement.

However if the NSW Procurement Board prefers to adhere to an established format, the following may be used as a guide.

Plan of action

<p>The Procurement Board will prepare guidance to procuring agencies:</p> <ol style="list-style-type: none"> a. regarding the roles of the public sector and Ministers in procurement decision-making, and b. to reinforce existing procurement governance arrangements. 		
<p>Project Plan</p> <p>Major tasks:</p>		
Task	Completion Date	Responsible
1. Desktop review: Review existing guidance, jurisdictional review, literature review	28 October 2022	NSW Procurement
2. Consultation Clusters, Procurement Leadership Group (PLG), Construction Leadership Group (CLG) and Ministerial Office	23 December 2022	NSW Procurement
3. Draft guidance document, including cluster consultation and legal review	3 February 2023	NSW Procurement
4. Governance and approvals		
PLG endorse	16 February 2023	PLG
CLG endorse	7 February 2023	CLG

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Board approval / Ministerial noting	22 February 2023	Procurement Board
5. Implementation		
Publish guideline on buy.nsw	6 March 2023	NSW Procurement & Department of Customer Service
Cluster briefings, education and other communications	Ongoing	NSW Procurement, clusters

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