



Our ref: J0281/201901
Enquiries: [REDACTED]

Mr Duncan Ord
Director General
Department of Local Government, Sport and Cultural Industries
[REDACTED]

Dear Mr Ord

Duncan

REVIEW OF LOCAL GOVERNMENT ACT 1995

The Department of Jobs, Tourism, Science and Innovation (JTSI) is aware the Department of Local Government, Sport and Cultural Industries (DLGSC) is undertaking a review of the Local Government Act 1995.

JTSI supports the objectives of the review and wishes to provide comment on the topic of procurement under the consultation heading of "Financial Management".

The Industry Development Division of JTSI works very closely with local industry in ensuring they have full, fair and reasonable access to contracting opportunities within the State. Through its role in industry support it has become familiar with the concerns of some local businesses in regard to local government authorities' approaches to procurement and procurement outcomes. These issues include, poor specifications, inconsistent policy application, deficient bid evaluation and poor contract management.

It is understood the Department of Finance is providing input into DLGSC's procurement policy considerations that will support the development of policies that are aligned with the State Government's approach.

JTSI would also like to offer its support in aligning local governments with the State Government's Western Australian Industry Participation Strategy (WAIPS). The WAIPS was developed under the *Western Australian Jobs Act 2017* and has been operational since October 2018.

The WAIPS applies to all State Departments, Statutory Authorities and Government Trading Entities when procurement is undertaken over the value of \$500,000 regionally and \$1 million in the metropolitan area. A requirement under the WAIPS is for a tenderer to prepare a participation plan which demonstrates that it will provide local businesses with full, fair and reasonable opportunity to supply. These participation plans are considered as part of the assessment of the tender. Further information can be found on the WA Industry Link portal <https://industrylink.wa.gov.au/>



Supporting local businesses means the generation of local jobs which is a key Government focus. The WAIPS, while a relatively new initiative, has proved to be an effective tool in encouraging greater collaboration between industry and local businesses.

We look forward to working with you.

Yours sincerely

A handwritten signature in black ink, appearing to read 'R Brown', with a horizontal line extending to the right.

Rebecca Brown
DIRECTOR GENERAL

29 March 2019