

MEDIA RELEASE

Corruption watchdog to building tenderers: “we want to hear from you”

The ACT Integrity Commission is asking businesses in the building and construction industry to come forward with information relating to suspected improper conduct in ACT Government procurement processes.

A recent Performance Audit Performance Report by the ACT Auditor-General (titled ‘Campbell Primary School Modernisation Project Procurement’) was tabled in the Legislative Assembly on 22 December 2021.

The Auditor-General concluded that the procurement process for the Campbell Primary School Modernisation Project lacked probity and that the ACT Education Directorate did not deal with the tenderers fairly, impartially and consistently. The Auditor-General highlighted repeated departures from consistent recommendations of the tender evaluation teams about the superior bid, resulting in another, otherwise unsuccessful, tenderer being offered the contract. The Auditor-General also found that the overall process did not comply with proper practices and gave rise to unidentified conflicts of interest and communications with tenderers that were not appropriate, controlled or adequately documented.

The recommendation by the Delegate to the Director-General, without adequate explanation, was not based on the evaluation criteria on which tenders were sought nor on the professional advice of the tender evaluation teams. There was no appropriate de-brief conducted at the end of the process. The Auditor-General also found that unfair pressure on the unsuccessful tenderer was used to acquire its design for a sum significantly less than its true value. The Auditor-General concluded that probity was not demonstrated in the procurement process, which required suppliers to be dealt with “fairly, impartially and consistently”.

The task of the Auditor-General is not the same as that of the Integrity Commission. Essentially, the Auditor-General examines a process to assess whether it met appropriate standards of governance. The work of the Commission, on the other hand, is to examine whether circumstances that raise the possibility of impropriety also amount to corrupt conduct.

The Commission considers that the significant shortcomings identified by the Auditor-General warrant an examination of the evidence collected by the Auditor-General to consider whether a Commission investigation into the procurement process in this case is justified.

The problems uncovered by the Auditor-General raise the question whether other procurement processes have been affected in similar ways. The Integrity Commissioner is urging design, building and construction businesses to report their suspicions to the Commission:

“Businesses which have tendered for government contracts are encouraged to contact the Commission where they reasonably suspect corrupt conduct has occurred, or is occurring, in government procurement or in relation to any aspect of the ACT public sector’s operations with which they have been involved. *We want to hear from you.*”

The process for making reports to the Commission is explained on the Commission’s website: integrity.act.gov.au.

Media contact:

Mr Nick Kimpton – Senior Director, Corruption Prevention and Education
02 6205 9899 or info@integrity.act.gov.au

Contact

P (02) 6205 9899
E info@integrity.act.gov.au

Postal Address

GPO Box 1949
CANBERRA ACT 2601