

The role of the Auditor-General

The roles and responsibilities of the Auditor-General, and hence the Audit Office, are set out in the *Public Finance and Audit Act 1983*.

Our major responsibility is to conduct financial or 'attest' audits of State public sector agencies' financial statements. We also audit the Total State Sector Accounts, a consolidation of all agencies' accounts.

Financial audits are designed to add credibility to financial statements, enhancing their value to end-users. Also, the existence of such audits provides a constant stimulus to agencies to ensure sound financial management.

Following a financial audit the Office issues a variety of reports to agencies and reports periodically to Parliament. In combination these reports give opinions on the truth and fairness of financial statements, and comment on agency compliance with certain laws, regulations and Government directives. They may comment on financial prudence, probity and waste, and recommend operational improvements.

We also conduct performance audits. These examine whether an agency is carrying out its activities effectively and doing so economically and efficiently and in compliance with relevant laws. Audits may cover all or parts of an agency's operations, or consider particular issues across a number of agencies.

Performance audits are reported separately, with all other audits included in one of the regular volumes of the Auditor-General's Reports to Parliament — Financial Audits.

© Copyright reserved by the Audit Office of New South Wales. All rights reserved. No part of this publication may be reproduced without prior consent of the Audit Office of New South Wales.

The Audit Office does not accept responsibility for loss or damage suffered by any person acting on or refraining from action as a result of any of this material.

ISBN 978 1921252 556



GPO Box 12
Sydney NSW 2001

The Legislative Assembly
Parliament House
Sydney NSW 2000

The Legislative Council
Parliament House
Sydney NSW 2000

In accordance with section 38E of the *Public Finance and Audit Act 1983*, I present a report titled **Prequalification Scheme: Performance and management services – Department of Premier and Cabinet, and Department of Finance and Services.**

A handwritten signature in black ink that reads 'Peter Achterstraat'.

Peter Achterstraat
Auditor-General
September 2011

Contents

Executive summary	2
Background	2
Conclusion	2
Supporting findings	3
Recommendations	4
Response from the Department of Premier and Cabinet, and the Department of Finance and Services	6
Introduction	10
1. The Prequalification Scheme	10
1.1 How does the Scheme operate?	10
1.2 What is the focus of the audit?	11
Key findings	12
2. Is the Scheme operated and used as intended?	12
2.1 Are the rules for operating and using the Scheme clear?	12
2.2 Is compliance monitored and managed?	14
3. Is the Scheme achieving its objectives?	18
3.1 Does the Scheme have clear objectives and targets?	18
3.2 Is performance against targets monitored and reported on?	18
3.3 Was the Scheme reviewed before it was extended?	22
4. Is the assessment of service providers efficient and transparent?	24
4.1 Are the rules for assessing service providers clear?	24
4.2 Are service providers assessed consistently and in a timely manner?	24
4.3 Are decisions and service providers' details documented and updated?	26
Appendices	28
Appendix 1: The requirements for prequalification	28
Appendix 2: About the audit	29
Appendix 3: Feedback from submissions received	31
Appendix 4: Minimum level of competition and reporting requirements	36
Appendix 5: Features of other schemes in NSW and elsewhere	38
Performance Auditing	40
Performance audit reports	41

Executive summary

2

NSW Auditor-General's Report
Prequalification Scheme:
Performance and management
services

EXECUTIVE SUMMARY

Background

The NSW Government for many years has provided agencies with guidance on how best to procure services from consultants. Its current *Guidelines for the Engagement and Use of Consultants* require agencies to use selective invitations for procurement values over \$30,000 and open tenders for much higher values. The aim is to create competitive tension between potential service providers so as to achieve value for money for NSW agencies.

However, these tendering processes are time consuming and resource intensive for the consultants and the agencies involved. For smaller engagements, the cost of the process can be disproportionate to the total value of the service and the expected value for money may not be achieved.

In response to concerns about these costs and time, in February 2008, the Department of Premier and Cabinet (DPC), in conjunction with the Department of Finance and Services (DFS), introduced the *Prequalification Scheme: Performance and Management Services* (the Scheme).

The Scheme aims to improve agencies' procurement and use of these services. It has four key objectives:

- **high probity standards**, by third party assessment and selection of service providers
- **streamlined competitive tendering processes**, by prequalifying individuals and suppliers with a demonstrated track record, saving on tendering costs relative to open tender while maintaining appropriate levels of competition
- **quality assurance in the engagement of service providers**, poor performing service providers will have their performance monitored and can be suspended or removed from the Scheme
- **fee rates that represent value for money.**

Use of the Scheme is not mandatory. Agencies may continue to work under the pre-existing *Guidelines*. However, agencies choosing to use the Scheme must comply with its terms and conditions, including:

- inviting one quote for engagements estimated at less than or equal to \$150,000
- inviting at least three proposals for engagements estimated at over \$150,000
- the total value of the first and related flow on engagements not to exceed the lesser of three times the value of the initial engagement, or \$500,000
- using the Scheme standard agreement.

Three and a half years on from the Scheme's introduction, this audit examines how well the Scheme has been managed. We answered three questions:

1. Is the Scheme operated and used as intended?
2. Is the Scheme achieving its objectives?
3. Is the assessment of service providers efficient and transparent?

Conclusion

The Scheme has achieved some but not all of its objectives. In our view, the Scheme has simplified procurement practices and allowed a faster engagement of consultants with proven credentials. However, it has not yet delivered the planned quality assurance processes to demonstrate effective management or value for money.

The use of the Scheme has increased steadily since its introduction, and most agencies and service providers consulted regard it as more efficient than previous arrangements. However, some aspects of the Scheme are not operated and used as intended. Agencies are not complying with some of the rules, and some of the rules themselves do not fully support the Scheme's objectives of delivering appropriate levels of competition and quality assurance. There are no provisions under the Scheme for monitoring the compliance of agencies and service providers.

The majority of prequalified service providers were assessed consistently against set evaluation criteria. However, the assessment rules are not clear enough to make the process efficient and to assist compliance. Also, after the initial assessment, there is little monitoring of performance and fee rates to provide continued assurance of the quality of service providers.

Action is needed to ensure the Scheme achieves its potential. We identified a number of ways management of the Scheme can be improved to deliver the expected benefits, and generate more value to both agencies and service providers.

Supporting findings

Is the Scheme operated and used as intended?

Some aspects of the Scheme are not operated and used as intended.

The rules of the Scheme lack sufficient details to help agencies apply them as intended. Some of the existing rules need to be clarified and tightened, and additional rules are needed to strengthen competition. For example, there is confusion about whether the thresholds for the Scheme are inclusive or exclusive of GST and expenses, which impacts on the number of proposals required.

Also, the requirement to *invite* rather than *obtain* three proposals from service providers is not enough to create the necessary competitive tension to achieve value for money. We found that nearly 30 per cent of engagements reviewed with an estimated value over \$150,000 each proceeded with one or two proposals only.

Agencies are not provided with all the information needed on prequalified service providers, including agreed fee rates and previous engagement outcomes, to select the best shortlist. We also found gaps and inconsistencies in published information about the Scheme, which are a potential source of confusion.

There are no provisions under the Scheme for monitoring the compliance of agencies and service providers with the rules to ensure the Scheme is used as intended. There are also no periodic risk-based compliance audits of agencies and service providers.

We found poor compliance with the rules:

- only five per cent of the required reports on the performance of service providers were submitted to DFS since the start of the Scheme
- nearly 30 per cent of the total value of engagements reviewed was in flow on work that was not reported to DFS
- only 37 per cent of the engagements reviewed complied with disclosure requirements under the *Government Information (Public Access) Act 2009* (GIPA) for contracts valued at \$150,000 or more
- one service provider had secured work worth in total over \$13 million without any other bidders.

Is the Scheme achieving its objectives?

The Scheme has clear objectives, but it does not have key performance indicators and targets to assess whether it is achieving its objectives. Still, in our view, the Scheme has delivered a structured third party process for assessing and selecting consultants, and a more streamlined tendering process for agencies and service providers.

The Scheme has not delivered the planned quality assurance processes and demonstrated that it creates enough competition to achieve value for money. The Scheme conditions state that DPC and DFS will manage the performance of service providers by monitoring performance on tendering, financial capability, compliance with the NSW Government Code of Practice for Procurement, contract performance and project outputs and outcomes. Currently, no data is collected on these important aspects of performance.

There is no public reporting on any aspect of the Scheme's operations and performance. Some performance information is currently collected, but most of it is unreliable because of poor compliance with the rules. For example, DFS recorded the potential value of engagements under the Scheme at around \$146 million. We estimated that more than \$300 million worth of consultancy services were procured under the Scheme since 2008.

The Scheme was to be reviewed in February 2010 to determine if it was achieving its objectives. The Scheme was extended for another two years, but the review did not happen.

Is the assessment of service providers efficient and transparent?

The rules for assessing service providers are not sufficiently clear to make the process efficient and to assist compliance.

The majority of prequalified service providers were assessed consistently against set evaluation criteria. However, a small number of service providers were automatically transitioned from another scheme without being assessed against the Scheme criteria.

There is no time standard for finalising assessments and we found a wide variation in turnaround time - some service providers were fast tracked within two days and some waited more than three months.

Assessment decisions regarding individual service providers are documented and kept by DFS. However, at the time of the audit, there was no clear audit trail of the Scheme Assessment Committee's (SAC) out of session decisions and other relevant documents.

DFS records details provided by service providers and the SAC. Prequalified service providers should update their details, but some have not.

The Scheme has not been resourced adequately and does not have an online system to support it efficiently. It also does not have comprehensive procedures for its operation.

Recommendations

1. To create adequate levels of competition and to achieve value for money, we recommend that DPC and DFS:
 - develop and implement options that would ensure agencies obtain a minimum of three proposals for engagements over \$150,000, by December 2011 (page 17)
 - include GST and estimated expenses in the value of the thresholds, by December 2011 (page 17)
 - develop and implement options that would support greater levels of competition for high value engagements based on a review of engagement trends, by June 2012 (page 23)
 - merge additional agency specific panels into the Scheme where efficiency and value for money are justified, by December 2012 (page 23).
2. To ensure the Scheme is used as intended, we recommend that DPC and DFS:
 - develop compliance monitoring and reporting procedures, by December 2011 (page 17)
 - specify to agencies the recordkeeping requirements for using the Scheme, by December 2011 (page 17)
 - require agencies to establish a central point of reference for compliance monitoring and dissemination of information on the Scheme, by December 2011 (page 17)
 - undertake risk-based compliance audits of agencies and service providers, by June 2012 (page 17).

3. To ensure the Scheme objectives are being met and to enhance its transparency, we recommend that DPC and DFS:
 - require agencies to report on the performance of all engagements irrespective of value, by December 2011 (page 23)
 - monitor the tendering behaviour of agencies and service providers, by June 2012 (page 23)
 - develop key performance indicators (KPIs) and set targets for the Scheme, by December 2011 (page 23)
 - monitor performance against the KPIs and targets, by June 2012 (page 23)
 - introduce periodic independent reviews of the Scheme's operations and performance, by June 2012 (page 23)
 - implement a structured process for gathering regular feedback from agencies and service providers by June 2012, and monitor results over time (page 23)
 - report publicly on the performance of the Scheme, by December 2012 (page 23)
 - review the membership of prequalified service providers every three years (page 23).
4. To improve the governance of the Scheme, we recommend that DPC and DFS:
 - introduce an independent member on the SAC, by December 2011 (page 27)
 - develop terms of reference for the SAC, by December 2011 (page 27)
 - develop comprehensive procedures for the operation of the Scheme, by December 2011 (page 27).
5. To improve the transparency and efficiency of the assessment process and to promote compliance, we recommend that DPC and DFS:
 - introduce time standards for finalising the assessment of compliant applications, by December 2011 (page 27)
 - clarify to agencies the rules for using the Scheme, particularly around the thresholds, by December 2011 (page 17)
 - clarify the assessment rules to service providers, by December 2011 (page 27)
 - address gaps and inconsistencies in information published on the rules, by December 2011 (page 17)
 - set a minimum standard for the due diligence checks required of agencies, by December 2011 (page 17)
 - determine the resource requirements for the Scheme and implement, by June 2012 (page 27)
 - introduce, for agencies using the Scheme, an online system with effective search capability and functionality, by June 2013 (page 23)
 - introduce for prequalified service providers an online system that enables them to apply, update their details and view information provided to agencies about them, by June 2013 (page 27).

The audit findings and recommendations have been informed by advice from the Independent Commission Against Corruption (ICAC). In July 2011, ICAC published a report on *Corruption Risks in NSW Government Procurement*.

DPC advised that the Minister for Finance and Services has instigated a comprehensive review of the NSW Government's current arrangements for procuring goods and services.

We welcome this review. We also trust that our report will contribute to it and prompt specific improvements in the Scheme as described above.

Conditions apply
to service
providers
wishing to join
the Scheme

4. Is the assessment of service providers efficient and transparent?

4.1 Are the rules for assessing service providers clear?

The rules for assessing service providers are not sufficiently clear to make the process efficient and to assist compliance.

Clear information to service providers on the requirements for prequalification, and how information they provide will be used, is important to ensure transparency and assist compliance.

The Scheme conditions and guidelines outline the key requirements for prequalification and the criteria that must be addressed in an application, including the provision of:

- evidence of expertise and capability in the relevant policy areas with referee reports
- a breakdown of proposed charges and/or fee structuring.

The key conditions that apply to service providers wishing to join the Scheme include:

- using a standard application form posted on the website
- compliance with the NSW Code of Practice for Procurement and other procurement policies
- recordkeeping requirements
- using the Scheme standard agreement
- performance management
- keeping hourly fee rates firm for two years
- not to advertise, promote or publicise prequalification without DPC's written consent.

Some of the Scheme conditions and how information provided by a service provider is used are not sufficiently clear, particularly:

- whether and how information about the expertise and performance of a service provider will be presented to agencies
- whether the proposed fee rates count toward the assessment of a service provider
- whether and how agencies will access the proposed fee rates and at what stage of the engagement process.

Appendix 3 outlines some of the concerns service providers expressed about the Scheme in their submissions to the Audit Office.

4.2 Are service providers assessed consistently and in a timely manner?

The majority of prequalified service providers were assessed consistently against set evaluation criteria. However, a small number of service providers were automatically transitioned from another scheme and have not been assessed against the Scheme criteria.

There is no time standard for finalising assessments and we found a wide variation in turnaround time - some service providers were fast tracked within two days and some waited for more than three months.

The Scheme has not been resourced adequately and does not have an online system to support it efficiently.

DFS uses a standard checklist to screen applications and only compliant applications are referred to DPC for assessment. At least two officers from DPC and/or NSW Treasury with relevant skills assess applications against four evaluation criteria before referring them to the SAC for determination. The SAC can either accept or reject the recommendations of the assessors. A service provider may be deemed suitable in some areas of expertise, but excluded from others.

The SAC comprises officers from DFS, DPC and NSW Treasury, and members declare any conflict of interest at the start of each meeting. This is a commendable practice, especially that some members may have had prior involvement with a service provider.

DFS has not been resourced to administer the Scheme and does not have an online system to carry out its work efficiently

No comprehensive procedures for operating the Scheme

DPC considers that the SAC needs certain discretion to give it flexibility to respond to urgent government priorities and requests without raising unrealistic expectations on the part of service providers and agencies. However, developing terms of reference for the SAC and documenting the types of discretion allowed would assist scrutiny of decisions and avoid any perception of favouritism, or lack of fairness. This is particularly important as:

- not all agencies are aware that they can request fast tracking a decision
- some service providers are fast tracked while others wait months in the queue to prequalify.

Service providers can apply at any time to prequalify, upgrade their prequalification, or resubmit an application as often as they want. This generates considerable paperwork and manual data entry. Over the three years since the Scheme started, DFS processed over 389 applications and dealt with a constant flow of work, responding to agencies and service providers.

DFS has not been resourced to administer the Scheme and does not have an online system to carry out its work efficiently. DPC also does not have dedicated full time resources to complete the assessment of applications. Officers undertake these tasks in addition to their substantive duties.

When the Scheme was established, there was inadequate information on the potential demand for the Scheme. Therefore, it was not possible to predict the optimal number of resources and the systems needed. The Scheme has been operating for well over three years. There should be enough information now to determine the resources required to operate the Scheme efficiently.

4.3 Are decisions and service providers' details documented and updated?

There are no comprehensive procedures for the operation of the Scheme.

Assessment decisions regarding individual service providers are documented and kept by DFS. However, at the time of the audit, there was no clear audit trail of the SAC's out of session decisions and other relevant documents.

DFS records all details provided by service providers and the SAC. Prequalified service providers should update their details, but some have not.

The Scheme does not have comprehensive procedures, covering the roles and responsibilities of DPC and DFS to strengthen accountability and improve the transparency of the process.

DFS has a workflow diagram depicting its role with a brief reference to that of DPC and NSW Treasury. DPC also has procedures for its assessors and the SAC, but these do not address the role of DFS. In fact, the role of DFS, and what this role might entail as administrator of the Scheme, is not addressed in any document.

DFS maintains a database of the SAC's decisions and advises service providers in writing of the results of their application.

The SAC meetings are documented. However, at the time of our audit, there was no clear audit trail of the SAC's out of session decisions and other relevant documents. Current procedures do not address adequately the recordkeeping requirements of the Scheme.

Service providers are required to inform DFS in writing of any significant change in their financial capacity, capability, ownership status, contact details or address. We found the details were not always up to date.

Giving service providers access to online services would help them update their details and remove this burden from DFS staff.

The Commonwealth ICT Management Consultants Multi Use List provides an online system for submitting applications for prequalification and updating details.

Recommendations

To improve the governance of the Scheme, we recommend that DPC and DFS:

- clarify the assessment rules to service providers, by December 2011
- introduce an independent member on the SAC, by December 2011
- develop terms of reference for the SAC, by December 2011
- develop comprehensive procedures for the operation of the Scheme, by December 2011.

To improve the transparency and efficiency of the assessment process, we recommend that DPC and DFS:

- introduce time standards for finalising the assessment of compliant applications, by December 2011
- determine the resource requirements for the Scheme and implement, by June 2012
- introduce for prequalified service providers an online system that enables them to apply, update their details and view information provided to agencies about them, by June 2013.

Appendices

28

NSW Auditor-General's Report
Prequalification Scheme:
Performance and management
services

APPENDICES

Appendix 1: The requirements for prequalification

Service providers wishing to join the Scheme must provide information outlined in the table below:

Requirements	Description
Organisation details	Contact details, details of the organisation's status, management and key personnel, including professional qualifications, registrations and accreditations.
Expertise	Areas of substantial expertise in which the applicant is seeking prequalification, and policy or government portfolio areas in which the applicant claims to have substantial expertise.
Capabilities	A brief statement demonstrating the applicant's capability.
Membership in other NSW Government procurement panels	The applicant's membership.
Insurance	Public Liability, Workers' Compensation and Professional Indemnity.
Experience	A list of at least three consultancies undertaken in the last three years in the areas nominated by the applicant for prequalification.
Rates/cost of services	A detailed breakdown of proposed charges and flexible fees.
Applicant referee reports	At least three referee reports of client satisfaction based on engagements completed in the last three years in types of services relevant to those offered under this application.
Statement	Signed and dated statement to verify the completeness and authenticity of the information provided in the application.

Appendix 2: About the audit

Audit objective

This performance audit assessed how well the Prequalification Scheme for Performance and Management Services is being managed.

Lines of inquiry

We sought to answer the following questions:

- Is the Scheme operated and used as intended?
- Is the Scheme achieving its objectives?
- Is the assessment of applicants efficient and transparent?

In the report, applicants are referred to as service providers.

Audit scope

The audit focused on the Department of Premier and Cabinet (DPC) and the Department of Finance and Services (DFS), and their role in managing the Scheme. The audit also reviewed practices in a sample of agencies that have used the scheme and invited submissions from all prequalified service providers.

Audit criteria

In answering the lines of inquiry, we used the following audit criteria (the 'what should be') to judge performance. We based these standards on our research of current thinking and guidance on better practice. They have been discussed, and wherever possible, agreed with those we are auditing.

For line of inquiry 1, we assessed whether:

- there are clear rules for operating and using the Scheme
- compliance is monitored and managed.

For line of inquiry 2, we assessed whether:

- the Scheme has clear objectives and targets
- performance against targets is monitored and reported on
- the Scheme was reviewed/evaluated before it was extended.

For line of inquiry 3, we assessed whether:

- there are clear rules for assessing applicants
- applicants are assessed consistently and in a timely manner
- decisions and applicants details are documented and up to date.

Audit exclusions

The audit excluded:

- verifying the accuracy of information provided by applicants seeking prequalification
- reviewing or challenging the decisions of the Scheme Assessment Committee
- challenging agencies' choice of prequalified service providers
- surveying all agencies that have used the Scheme
- assessing the adequacy of the skills of staff managing/administering the Scheme
- addressing agencies' use of e-tendering
- questioning the merit of government policy.

Audit approach

The audit team acquired subject matter expertise through:

- interviews with relevant staff in DFS, DPC and a sample of agencies that used the Scheme
- examination of relevant data and documents, including legislation, policies, guidelines, reports, strategies and reviews of the Scheme

- discussions with representatives of key stakeholders, including the Scheme Assessment Committee, prequalified service providers, ICAC, the Information Commissioner and owners of other prequalification schemes
- file review
- research into other practices
- comparisons with other schemes and/or approaches in NSW and other jurisdictions, where relevant and appropriate.

Audit sample

We selected six agencies that have used the Scheme for detailed review of practices and consultation:

- Department of Finance and Services
- Department of Premier and Cabinet
- Ageing, Disability and Home Care
- Department of Education and Communities
- NSW Treasury
- Transport NSW.

The mix included:

- different portfolios
- frequent and high users of the Scheme.

We reviewed a total of 36 engagements undertaken by these agencies. These included:

- engagements below \$150,000, above \$150,000, and flow on engagements, where relevant
- engagements of consultants and contractors.

We also invited submissions from all the prequalified service providers.

Audit selection

We use a strategic approach to selecting performance audits which balances our performance audit program to reflect issues of interest to Parliament and the community. Details of our approach to selecting topics and our forward program are available on our website.

Audit methodology

Our performance audit methodology is designed to satisfy Australian Audit Standards ASAE 3500 on performance auditing, and to reflect current thinking on performance auditing practices. We produce our audits under a quality management system certified to International Standard ISO 9001. Our processes have also been designed to comply with the auditing requirements specified in the *Public Finance and Audit Act 1983*.

Acknowledgements

We gratefully acknowledge the co-operation and assistance provided by DFS, DPC and the six agencies whose staff participated in interviews and provided information relevant to the audit.

We also appreciate the input of the prequalified service providers into this audit.

Audit team

Our team for the performance audit was Henriette Zeitoun and Bettina Ocias. Rob Mathie and Giulia Vitetta provided direction and quality assurance.

Audit cost

Including staff costs, printing costs and overheads, the estimated cost of the audit is \$265,000.

Appendix 3: Feedback from submissions received

We invited submissions from all prequalified service providers. We received 45 responses. The following summary highlights some of the issues raised, which are grouped by topic for ease of read.

The prequalification assessment process

- The application process required considerable effort to compile the required information.
- An understanding of the assessment criteria would be useful.
- The assessment is efficient. Can be confusing, but handled reasonably well. Transparency is hard to judge.
- I found the application process for prequalification thorough and it took substantial time to put the application together.
- I've found the process has worked very well from my perspective, and I'm hoping it will continue.
- The process by which we were vetted was streamlined and cost effective for us to participate.
- Application to the Scheme in January 2010, acceptance to the Scheme on September 2010. An eight-month process.
- The first priority would be to shorten the accreditation timeframe.
- Subjectivity must be removed from the evaluation decisions and replaced with criteria and scoring where the specifications and results will be available to suppliers to address in subsequent re-submissions.
- Assessments seem to be rather slow.
- The assessment of applicants for the Scheme is robust, efficient and transparent.
- The prequalification requirements should be reviewed.
- The initial submission for prequalification focused on specific criteria, and these criteria somewhat limited us in providing a full description of at least some of our services.
- The application process for assessment for inclusion in the Scheme was not especially efficient.
- Whilst there was ample information available via the internet on the Scheme it was difficult to follow the requirements in relation to application to the Scheme and necessitated a number of telephone calls to DFS.
- Unfortunately the generic nature of the forms that are required to be completed, we do not believe adequately reflect the value that an organisation such as ours can provide the Government.
- The amount of paperwork that is required to be completed to qualify for a panel we wonder whether if it is actually used.
- The Scheme changed last year to allow for a limitation of liability (from unlimited) – this was a positive move but still needs to be negotiated with each agency – it may be useful to provide guidelines to agencies saying what sort of 'multiples' of fees are reasonable in different types of assignments.
- We certainly experienced an inconsistency in the interpretation of the requirements for referees stated on the application. Two of the three referees' reports that we provided were treated as one because they originated from the same department. If this is not permissible, it should be specified in the form.

Ability to promote prequalification status

- Our significant concern about this advertising restriction is that we are excluded from telling our current clients that we can work for them under the new Scheme.
- There are minimal opportunities for consultants to promote their services.
- This panel process has simply not allowed me access to decision makers.
- The consultant is required to invest significant amounts of time in applying to be part of that panel with no guarantee of work and no ability to raise their profile with decision makers.
- Despite the prequalified panel appointment, the government agencies in NSW are unaware of us.
- There is no introduction or engagement channel to promote our capabilities to various agencies.
- When compared to other panel arrangements we felt this process lacked the ability to generate relationships with key decision makers, we felt it was very mechanical (tick and flick process) and we were not clear on what the panel actually does or what we get out of it.
- The process is very impersonal, we are not dealing with key stakeholders at any point in the process and we get concerned that we will not receive the appropriate visibility that would lead to the request for a proposal.

Selecting service providers from the lists

- I'm not sure how the filters are working.
- On this list, the agency cannot differentiate other than the name of the vendor and the 'high level' skills they can provide (e.g. procurement).
- A system that is based on a list being provided on request is not in line with the high standard of technology and rapid access to information people now expect and take for granted.
- We suggest it would be beneficial for the departments to receive detailed information about each consultant in the relevant field, to assist them with their selection process.
- The departments are not provided with sufficient detailed information about consultants to enable them to make the most informed decision about which consultants to approach for direct or select invitations.
- The Scheme would also be enhanced by linking companies to a government representative who could help with providing information and clarifying or resolving issues.

Transparency of the Scheme

- Given the paucity of opportunities provided to us over the past three years, I may be inclined to suspect that the process may be biased or unfair or, at least, is not operating effectively.
- The system is not sufficiently transparent for us to feel that we fully understand the reasons for selection or otherwise.
- Clarify who administers the Scheme. We have found it difficult to contact the relevant person.
- Transparency and monitoring agency feedback on what firms win what roles (not fees necessarily) to avoid preference going to one or two firms only and the market being locked out by default.
- Consultants are not able to ascertain:
 - what agencies are told about us
 - whether and how often we are included as suitable candidates in lists provided to agencies
 - how the central body decides which consultants are suitable for agency requests.
- Need greater transparency as to the distribution of tender opportunities and appointments procured through this Scheme. This will assist in measuring our performance against our competitors.

Source of invitations

- It is sometimes difficult to know whether an agency has sourced company details/areas of expertise from the prequalification panel if it does not disclose the origin of the request or the panel basis of the contract.
- This lack of clarity about whether invitations have come through the Scheme makes it difficult (and indeed impossible) for us to accurately track and assess the impact and benefit of the Scheme, both in terms of invitations and associated engagements.

Agencies awareness of the Scheme

- Need to raise awareness of the existence of the Scheme and what it can provide for agencies.
- It would appear that some agencies have limited awareness of the Scheme and therefore run additional prequalification or tender processes to form agency specific panels. Greater consistency in implementation would be helpful to the industry.

Securing work under the Scheme

- I have not undertaken any consultancies under the Scheme.
- Our company has had little success in attracting work.
- We have not been invited to submit quotes/proposals since our prequalification.
- We have been invited to submit quotes/proposals since our prequalification.
- We are becoming frustrated with the process.
- We have neither been invited to submit quotes or proposals, nor have we secured any engagements.
- I have been stunned that I have not received a single invitation to quote for any project.
- Since prequalification in 2009, we have received six opportunities to submit quotes/proposals and have been unsuccessful in each of these.
- Over the last three years, we have been invited on numerous occasions to submit proposals or quotes to most government agencies.

- In most NSW government departments there is such an emphasis in only using the Big 4 consulting groups that it becomes difficult to get a look in.
- We have found the Scheme to be unproductive for us and have been frustrated.
- In the 18 months or so we have been registered, we have received one enquiry. We were un-successful. Most of our work comes from inter-state and other governments.
- The Scheme appears to have provided disbenefits rather than benefits.
- Lesser-known suppliers are disadvantaged against common and larger known brands.
- My experience indicated that preference was often provided to the Big 4 and medium-sized firms.
- Since joining we have been invited once to submit an expression of interest.
- Since 2009, I have not received one phone call or communication of any kind via the Scheme. I do not know how the system operates.
- I continue to receive the majority of my contracts via word of mouth.
- Overall, we have been somewhat disappointed with our experiences of this Scheme, in terms of the number of select invitations and/or direct appointments we have received.
- We would find being prequalified more useful if, at least, we were asked to provide a quote.
- If you don't get a job how can you be evaluated?
- If 60 per cent or more of the preferred tender company's get none or few roles – then you are not achieving the procurement goal.
- Need to raise awareness of the existence of the Scheme and what it can provide for agencies.
- It would appear that some agencies have limited awareness of the Scheme and therefore run additional prequalification or tender processes to form agency specific panels. Greater consistency in implementation would be helpful to the industry.

Feedback to prequalified service providers

- Feedback would be useful in deciding whether or not it is worth investing the time in renewing my application when the current panel expires.
- There is no feedback loop as to how we are going at all.
- We would like to know if we are selected for tender based on our prequalification or some other reason.
- Until your letter we have not had an offer to provide feedback to NSW Government and have not received any ourselves.
- Improved formal feedback sessions on our unsuccessful tenders, will provide invaluable feedback in terms of improving our future tender submissions.
- Consultants provide their information by way of an application and are informed of their inclusion in the Scheme but no further information is provided.

Overall impressions of and experience with the Scheme

- I believe that the panels are beneficial and well worthwhile having and being a member of.
- My limited experience is that the process is efficient and transparent.
- The Scheme is an excellent way to manage multiple consultants wishing to work with the NSW Government.
- The tender submission process appears to be thorough and professionally managed.
- We believe it is a sound Scheme that can be used more widely.
- Is the Scheme operated and used as intended? Not as I would have imagined.
- Is the Scheme achieving its objectives? From a consultant point of view I would have to say definitely not.
- The Scheme provided improved efficiency in the procurement of professional services, with agreed hourly rates; a standard form of agreement; greater understanding of capability in the marketplace; and increased speed to engagement of service providers.
- The scheme has not reached the commercial expectation levels, and the commercial and efficiency benefits that could be delivered.
- There is no maintenance of the process.
- The Scheme provides a framework by which suppliers are short-listed but could be improved.
- We are supportive of the intent of the Scheme. We do however have some concerns about its implementation.

- The Scheme provides the most rigorous process for assessing applicants, thus enhancing the quality assurance processes for the engagement of consultants.
- If the Scheme is being used infrequently or inconsistently, it is questionable whether it is achieving its aims.
- We believe that the introduction of the Scheme has been an outstanding achievement for the NSW Government, and has significantly improved the use of professional services in NSW Government.
- While the assessment process is effective, the prequalification Scheme itself is not.
- The Scheme has allowed for the contracting process to be significantly improved and simplified.
- The NSW Scheme compares very favourably to similar schemes in other jurisdictions.
- The Scheme has significantly improved the NSW Government's access to professional service firms. It is very well managed.

Views on how to improve the Scheme

Governance and transparency

- Improve the governance of the Scheme.
- Make the Scheme far more transparent.
- Greater transparency in the implementation of the Scheme, including publicly available information (where appropriate) on the agencies using the Scheme and consultants engaged through it would, we believe, improve accountability and probity in the sector.
- Providing consultants with access to all information contained on the list.
- The best way to achieve a higher level of transparency would be by providing a secure online database that can be accessed by government departments and agencies, as well as by the companies approved for the Scheme.
- We would like to see how our company and services are described in the database and have the capacity to edit, update and enhance our entry to maximise our potential to be considered for work.
- Implement a system that allows tracking centrally which consultants are awarded select invitations and/or direct appointments (if such a system does not exist). This may help monitor the efficiency of the Scheme on an ongoing basis.

Promoting visibility of prequalified service providers

- Provide visibility of the list of prequalified contractors to departments.
- Promote the fact that we are a prequalified service provider. Conditions of appointment are that we are not allowed to mention this outside NSW Government departments. We consider it an honour to qualify for the NSW panel and would like to be able to mention it in our marketing material.
- List our prequalification publicly on the Scheme website. This would assist both NSW Government agencies in finding us and also gives us a profile and exposure.

Notice of upcoming work and communication

- Establish a communication framework by which we attend special supplier sessions based on upcoming projects.
- Create visibility on upcoming requirements by agencies.
- NSW Government agencies to notify us if a tender is distributed that requires services in our field of expertise.
- Keep us on a mailing list and inform us of the latest policies and directions e.g. premier memoranda.
- This audit is important and should help to identify the views of stakeholders on how to improve the Scheme.
- Following the audit there may be value in inviting stakeholders to participate in a teleconference, forum or webcast to discuss the results and seek further input on how to improve the Scheme.

Alignment between agencies' requirements and suppliers' capabilities

- Establish a value-added communication channel between agencies and suppliers.
- Provide agencies with the complete list for them to make the selection.
- Make suppliers 'complete' information available to agencies via an online portal. Agencies should be able to have multiple search criteria including supplier names, capabilities, testimonials from suppliers' clients, sample project etc.

- If departments received more information about each consultant during their initial inquiry process when determining which consultants to invite, this might potentially lead to an increase in the use of the Scheme.
- Provide details of our experience as it relates to specific areas of expertise and also by target audience, using keywords. In this way, the NSW Government departments would be able to better match the areas of our experience with the expertise they are seeking, matched to their target audiences.
- Review the current category structure of the Scheme to include a better allocation of business functions and granularity of expertise within each function.
- Invite quotation by rotation and award work according to pre-decided selection criteria.

Encouraging use of the Scheme

- Encourage this Scheme to be the primary mechanism for NSW Government agencies to engage consultants.
- Develop communication materials and training sessions to ensure that all relevant staff of all NSW Government agencies are aware of the existence of this Scheme, are clear about how it works, and understand the benefits to them and their department of using this Scheme.
- Determine (e.g. through an online survey or other mechanism) the level of awareness of the Panel (and how/when to use it) by NSW Government agencies and their relevant staff members. We feel it is important that all NSW Government staff have a clear understanding of how the Panel process works, and are proactively encouraged to use it (unless there is a specific reason why not).
- There would be real benefits if there was only one panel across NSW Government. This would provide a better consolidated knowledge of what services are being used and reduce the overhead to both agencies and consultants in the running of schemes.
- Make the Scheme mandatory for NSW Government agencies to use, unless there is some specific reason why this would be inappropriate in a particular instance.
- Encourage NSW Government departments to utilise this Scheme as their primary mechanism for selecting consultants for work. This will help the Scheme achieve its objectives.

Work source

- Make it clear that direct and select invitations have come through the panel.
- Letters accompanying all select and direct invitations to consultants under the Scheme should clearly state that the consultant is being approached as a result of their participation in the Scheme.

Scheme renewal

- Communicate to the market as soon as possible the likely scenario for Scheme renewal/roll over next year.

Appendix 4: Minimum level of competition and reporting requirements

Minimum level of competition requirements

Document	Minimum levels of competition
<i>State Contracts Control Board (SCCB) - General Purchasing Delegation</i>	<p>Where a SCCB contract exists, departments/agencies are required to purchase from these contracts.</p> <p>In the absence of a SCCB contract, the SCCB granted departments/agencies a delegation to undertake their own procurement in accordance with this delegation. For goods and services:</p> <ul style="list-style-type: none"> up to \$3,000 inclusive of GST, no quotation is required over \$3,001 and up to \$30,000 inclusive of GST, obtain one written quotation over \$30,001 and up to \$250,000 inclusive of GST, obtain a minimum of three written quotations over \$250,001, submit details and specifications to NSW Procurement for the invitation of tenders. <p>The requirements should not be split into components or succession of orders for the same goods or services.</p>
<i>Guidelines for the Engagement and Use of Consultants July 2004, and Premier's Circular 2004-17</i>	<p>For agencies not using the prequalification scheme, the following minimum levels of competition are required where the estimated cost of the consultancy, inclusive of GST, is:</p> <ul style="list-style-type: none"> less than \$30,000, one written proposal is acceptable between \$30,000 and \$150,000, at least three written bids should be sought over \$150,000, an open invitation should be advertised in the press. <p>The Guidelines state that at the time of issue of this document, these thresholds mirror the levels contained in the SCCB General Purchasing Delegation relating to the procurement of 'not in contract' goods and services.</p>
<i>Prequalification Scheme: Performance and Management Services</i>	<p>The Scheme does not guarantee any offer of work to prequalified service providers.</p> <p>Agencies can engage consultants and contractors under the Scheme on the following basis:</p> <ul style="list-style-type: none"> for engagements estimated at less than or equal to \$150,000, one quote from the panel must be invited for engagements estimated at over \$150,000 (to no limit), at least three proposals must be invited from the panel the total value of the first and related flow on engagements should not exceed the lesser of three times the value of the initial engagement, or \$500,000.

Disclosure obligations	
Document	Disclosure requirements
<i>Government Information (Public Access) Act 2009</i>	<p>An agency must keep a register of its government contracts that records information about each contract with an estimated value of \$150,000 or more (known as a 'Class 1 contract'), including:</p> <ul style="list-style-type: none"> entering in the register, within 60 days after the contract becomes effective, the contractor details; the contract effective date and duration; particulars of the project; and the estimated amount payable to the contractor keeping the information publicly available for 30 days, or until the completion of the contract, whichever is the longer period amending the register to reflect any material variation to the contract within 60 days after the variation becomes effective. <p>A copy of the contract register must also be published on the government tenders website.</p> <p>Additional information is required to be disclosed for Class 2 and Class 3 contracts:</p> <ul style="list-style-type: none"> Class 2 contracts are Class 1 contracts that may have involved direct negotiation, maintenance or operation of infrastructure/assets for ten years or more, a privately financed project, a transfer of assets, no tendering process, and/or made public Class 3 contracts have (or is likely to have) a value of \$5 million or more.
<i>Annual Reports (Departments) Regulation 2010</i>	<p>Agencies/departments should provide the following details in their annual reports for engagements of consultants during the reporting year:</p> <ul style="list-style-type: none"> engagements costing \$50,000 or more, the name of the consultant, the title of the project and the actual cost of each engagement engagements costing less than \$50,000, the total number and the total cost of all such engagements.

Appendix 5: Features of other schemes in NSW and elsewhere

Name of the scheme	Number of service providers	Value of engagements	Online application facility	Standard assessment timeframe	Periodic review of membership	List of providers online	Required level of competition	Open tender required	Information on upcoming work published	Public reporting against KPIs	External evaluations
NSW Prequalification Scheme: Performance and Management Services	311	Over \$300 million over three years (estimate)	x	x	x	x	For engagements: up to \$150,000, one quote over \$150,000, three proposals	x	x	x	x
NSW Contractor Prequalification and Best Practice Accreditation Scheme for Construction and Related Work	148	Around \$1 billion annually	x	x	Every 3 years – Best Practice Accreditation	x	Selective tendering	x	x	x	Last evaluation completed in 2010
NSW RTA National Prequalification System for Civil (Roads and Bridges) Construction Contracts	93	\$1.5 to \$2 billion annually	x	6 weeks	Every 3 years	✓	Open panel	x	✓	x	It is a new scheme
VicRoads National Prequalification System for Civil (Roads and Bridges) Construction Contracts	535	Up to \$1 billion annually	x	6 weeks	Every 2 years	✓	For engagements: up to \$22,000, one quote \$22,000 to \$180,000, three proposals over \$180,000, open panel	x	✓	x	It is a new scheme
Mainroads WA National Prequalification System for Civil (Roads and Bridges) Construction Contracts	38	Around \$300 million annually	x	4-8 weeks	Every 3 years	✓	Open panel	x	✓	x	It is a new scheme
Commonwealth ICT Management Consultants Multi Use List	162	Not monitored	✓	30 days	Annually	✓	Selective tendering	x	✓	x	x

Appendix 5: Features of other schemes in NSW and elsewhere

Name of the scheme	Number of service providers	Value of engagements	Online application facility	Standard assessment timeframe	Periodic review of membership	List of providers online	Required level of competition	Open tender required	Information on upcoming work published	Public reporting against KPIs	External evaluations
Whole-of-Queensland Government Prequalification (PQC) Contractors	Over 1000	Not monitored	x	4-6 weeks	x	x	For engagements: up to \$250,000, 3 to 5 quotes Over \$250,000, open panel	x	✓	x	x
ACT Government Prequalification Scheme	317	Not monitored	x	10 days	Annually	✓	Competition levels do not apply	Engagements over \$200,000	✓	x	Last evaluation completed in 2009
SA Contractor Prequalification Scheme, General Training Services	Information not available	Information not available	x	5 weeks	Annually	x	For engagements: up to \$11,000, one quote \$11,000 to \$55,000, three quotes Over \$55,000 open panel	x	Information not available	Information not available	Information not available
WA Builders Prequalification Scheme for Works Contracts	150 to 200	Not monitored	x	30 days	Every 2 years	x	Open panel up to \$50 million	Engagements over \$50 million	✓	x	x
UK ProCure21+	6 principal supply chain partners	£4 billion (2010 data)	N/A	N/A	x	✓	Open panel	x	x	✓	✓

Notes: X denotes feature is not used
N/A denotes feature is not applicable

Performance Auditing

40

NSW Auditor-General's Report
Prequalification Scheme:
Performance and management
services

PERFORMANCE AUDITING

What are performance audits?

Performance audits determine whether an agency is carrying out its activities effectively, and doing so economically and efficiently and in compliance with all relevant laws.

The activities examined by a performance audit may include a government program, all or part of a government agency or consider particular issues which affect the whole public sector. They cannot question the merits of Government policy objectives.

The Auditor-General's mandate to undertake performance audits is set out in the *Public Finance and Audit Act 1983*.

Why do we conduct performance audits?

Performance audits provide independent assurance to Parliament and the public that government funds are being spent efficiently, economically or effectively and in accordance with the law.

Through their recommendations, performance audits seek to improve the efficiency and effectiveness of government agencies so that the community receives value for money from government services.

Performance audits also focus on assisting accountability processes by holding managers to account for agency performance.

Performance audits are selected at the discretion of the Auditor-General who seeks input from Parliamentarians, the public, agencies and Audit Office research.

What happens during the phases of a performance audit?

Performance audits have three key phases: planning, fieldwork and report writing. They can take up to nine months to complete, depending on the audit's scope.

During the planning phase the audit team develops an understanding of agency activities and defines the objective and scope of the audit.

The planning phase also identifies the audit criteria. These are standards of performance against which the agency or program activities are assessed. Criteria may be based on best practice, government targets, benchmarks or published guidelines.

At the completion of fieldwork the audit team meets with agency management to discuss all significant matters arising out of the audit. Following this, a draft performance audit report is prepared.

The audit team then meets with agency management to check that facts presented in the draft report are accurate and that recommendations are practical and appropriate.

A final report is then provided to the CEO for comment. The relevant Minister and the Treasurer are also provided with a copy of the final report. The report tabled in Parliament includes a response from the CEO on the report's conclusion and recommendations. In multiple agency performance audits there may be responses from more than one agency or from a nominated coordinating agency.

Do we check to see if recommendations have been implemented?

Following the tabling of the report in Parliament, agencies are requested to advise the Audit Office on action taken, or proposed, against each of the report's recommendations. It is usual for agency audit committees to monitor progress with the implementation of recommendations.

In addition, it is the practice of Parliament's Public Accounts Committee (PAC) to conduct reviews or hold inquiries into matters raised in performance audit reports. The reviews and inquiries are usually held 12 months after the report is tabled. These reports are available on the Parliamentary website.

Who audits the auditors?

Our performance audits are subject to internal and external quality reviews against relevant Australian and international standards.

Internal quality control review of each audit ensures compliance with Australian assurance standards. Periodic review by other Audit Offices tests our activities against best practice. We are also subject to independent audits of our quality management system to maintain certification under ISO 9001.

The PAC is also responsible for overseeing the performance of the Audit Office and conducts a review of our operations every three years. The review's report is tabled in Parliament and available on its website.

Who pays for performance audits?

No fee is charged for performance audits. Our performance audit services are funded by the NSW Parliament.

Further information and copies of reports

For further information, including copies of performance audit reports and a list of audits currently in-progress, please see our website www.audit.nsw.gov.au or contact us on 9275 7100.

Performance audit reports

No	Agency or Issues Examined	Title of Performance Audit Report or Publication	Date Tabled in Parliament or Published
216	Department of Premier and Cabinet Department of Finance and Services	<i>Prequalification Scheme: Performance and Management Services</i>	September 2011
215	Roads and Traffic Authority	<i>Improving Road Safety: Speed Cameras</i>	27 July 2011
214	Barangaroo Delivery Authority Department of Transport NSW Treasury	<i>Government Expenditure and Transport Planning in relation to implementing Barangaroo</i>	15 June 2011
213	Aboriginal Affairs NSW Department of Premier and Cabinet	<i>Two Ways Together – NSW Aboriginal Affairs Plan</i>	18 May 2011
212	Office of Environment & Heritage WorkCover NSW	<i>Transport of Dangerous Goods</i>	10 May 2011
211	NSW Police Force NSW Health	<i>The Effectiveness of Cautioning for Minor Cannabis Offences</i>	7 April 2011
210	NSW Health	<i>Mental Health Workforce</i>	16 December 2010
209	Department of Premier and Cabinet	<i>Sick Leave</i>	8 December 2010
208	Department of Industry and Investment	<i>Coal Mining Royalties</i>	30 November 2010
207	Whole of Government electronic information security	<i>Electronic Information Security</i>	20 October 2010
206	NSW Health NSW Ambulance Service	<i>Helicopter Emergency Medical Service Contract</i>	22 September 2010
205	Department of Environment, Climate Change and Water	<i>Protecting the Environment: Pollution Incidents</i>	15 September 2010
204	Corrective Services NSW	<i>Home Detention</i>	8 September 2010
203	Australian Museum	<i>Knowing the Collections</i>	1 September 2010
202	Industry & Investment NSW Homebush Motor Racing Authority Events NSW	<i>Government Investment in V8 Supercar Races at Sydney Olympic Park</i>	23 June 2010
201	Department of Premier and Cabinet	<i>Severance Payments to Special Temporary Employees</i>	16 June 2010
200	Department of Human Services - Ageing, Disability and Home Care	<i>Access to Overnight Centre-Based Disability Respite</i>	5 May 2010
199	Department of Premier and Cabinet NSW Treasury WorkCover NSW	<i>Injury Management in the NSW Public Sector</i>	31 March 2010
198	NSW Transport and Infrastructure	<i>Improving the Performance of Metropolitan Bus Services</i>	10 March 2010
197	Roads and Traffic Authority of NSW	<i>Improving Road Safety: School Zones</i>	25 February 2010
196	NSW Commission for Children and Young People	<i>Working with Children Check</i>	24 February 2010
195	NSW Police Force NSW Department of Health	<i>Managing Forensic Analysis – Fingerprints and DNA</i>	10 February 2010

PERFORMANCE AUDITING

No	Agency or Issues Examined	Title of Performance Audit Report or Publication	Date Tabled in Parliament or Published
194	Department of Premier and Cabinet Department of Services, Technology and Administration NSW Treasury	<i>Government Advertising</i>	10 December 2009
193	Roads and Traffic Authority of NSW	<i>Handback of the M4 Tollway</i>	27 October 2009
192	Department of Services, Technology and Administration	<i>Government Licensing Project</i>	7 October 2009
191	Land and Property Management Authority Maritime Authority of NSW	<i>Administering Domestic Waterfront Tenancies</i>	23 September 2009
190	Department of Environment, Climate Change and Water NSW Environmental Trust	<i>Environmental Grants Administration</i>	26 August 2009
189	NSW Attorney General's Department NSW Department of Health NSW Police Force	<i>Helping Aboriginal Defendants through MERIT</i>	5 August 2009
187	Roads and Traffic Authority of NSW	<i>Improving Road Safety – Heavy Vehicles</i>	13 May 2009
186	Grants	<i>Grants Administration</i>	6 May 2009
185	Forests NSW	<i>Sustaining Native Forest Operations</i>	29 April 2009
184	NSW Police Force	<i>Managing Injured Police</i>	10 December 2008
183	Department of Education and Training	<i>Improving Literacy and Numeracy in NSW Public Schools</i>	22 October 2008
182	Department of Health	<i>Delivering Health Care out of Hospitals</i>	24 September 2008
181	Department of Environment and Climate Change	<i>Recycling and Reuse of Waste in the NSW Public Sector</i>	11 June 2008
180	Follow-up of 2003 Performance Audit	<i>Protecting Our Rivers</i>	21 May 2008
179	NSW Office of Liquor, Gaming and Racing; NSW Police Force	<i>Working with Hotels and Clubs to reduce alcohol-related crime</i>	23 April 2008

Performance audits on our website

A list of performance audits tabled or published since March 1997, as well as those currently in progress, can be found on our website www.audit.nsw.gov.au.