



Australian Government

Department of Education, Employment and Workplace Relations

PSPPROC509A Participate in budget and procurement review processes

Revision Number: 2

PSPPROC509A Participate in budget and procurement review processes

Modification History

PSPPROC509A Release 2: Layout adjusted. No changes to content.

PSPPROC509A Release 1: Primary release.

Unit Descriptor

This unit covers the ability to participate in government budget and review processes to ensure that procurement and contract management activities occur within established procedures and financial obligations are fulfilled. It covers the budget cycle, the procedures for obtaining funding for procurement exercises, the obligations organisations have in relation to spending and the review and audit procedures that may apply to procurements and contract management.

In practice, participating in budget and procurement review processes may overlap with other public sector and local government generalist and specialist work activities, such as promoting the values and ethos of public service, undertaking negotiations, promoting compliance with legislation in the public sector or local government, managing contract performance, finalising contracts, managing procurement risk, planning to manage a contract, planning for procurement outcomes and making procurement decisions.

No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.

Application of the Unit

This unit applies to those in specialist procurement and contracting.

Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Not applicable.

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.

Performance criteria describe the performance needed to demonstrate achievement of the element. Where ***bold italicised*** text is used, further information is detailed in the range statement. Assessment of performance is to be consistent with the evidence guide.

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Comply with the budget cycle	1.1. Requirements of legislation, policy and guidelines relevant to the budget cycle are identified and incorporated into criteria for decision making. 1.2. Calendar of budget cycle is produced, including identification of approval stages and deadlines. 1.3. Organisation's internal budget processes are documented and explained to staff. 1.4. Compliance strategies are developed to ensure budget process obligations are met, including security requirements. 1.5. Consequences of non-compliance with obligations are identified and strategies to mitigate non-compliance are produced.
2. Meet cabinet and other approval-process requirements	2.1. Appropriate cabinet and/or other approval processes are identified and applied. 2.2. Relevant cabinet documentation templates are used to prepare cabinet papers and submissions. 2.3. Security requirements applicable to cabinet papers and other submissions are adhered to. 2.4. Policy requirements of the organisation applicable to cabinet papers and other submissions are met. 2.5. Internal organisational processes for cabinet submissions are complied with.
3. Prepare a simple business case	3.1. Outcomes expected of the business case are identified. 3.2. Work plans are prepared in consultation with management and other stakeholders to ensure that business case satisfies guidelines and supports expected outcomes. 3.3. Information to support the business case is sourced from inside and outside the organisation and its authenticity and reliability are confirmed. 3.4. Information gathered is organised into concise, logical argument to support required outcomes. 3.5. Appropriate reviewers for the business case are arranged and their comments are incorporated into the final submission. 3.6. Appropriate approval is obtained for the business case.
4. Comply with	4.1. Requirements of legislation, and policy and probity

**government
procurement review
processes**

guidelines for procurement reviews are identified and analysed for relevance to the procurement activity.

- 4.2. Applicable **procurement review processes** are built into activity plan.
- 4.3. Plans are prepared to ensure procurement reviews undertaken by internal or external bodies are provided with assistance required to achieve the review.
- 4.4. Preparation of **records and information** is undertaken to enable procurement review to be completed in a timely and efficient way.

**5. Implement
procurement review
recommendations**

- 5.1. Recommendations from procurement review processes are assessed against organisational policies and procedures to determine changes to those policies and procedures necessary to implement the recommendations.
- 5.2. Organisation-wide implications of recommendations are addressed through communication with areas of the organisation affected by the recommendations.
- 5.3. Processes for **continuous improvement** reflecting the recommendations are developed and initiated.
- 5.4. Evaluation of the implementation of recommendations is undertaken at appropriate intervals to ensure continuous improvement.

Required Skills and Knowledge

This section describes the skills and knowledge required for this unit.

Required skills

- communication skills to:
 - consult and negotiate with stakeholders
 - develop concise arguments, using conceptual and reasoning skills
 - convey the required message in potentially hostile situations
 - write reviews, reports, submissions and other complex documents
 - read complex documents, such as contracts, legislation and guidelines
 - provide feedback
- teamwork skills to:
 - model effective team management approaches
 - respond to diversity
 - refer issues to the correct person
- problem-solving skills to apply decision-making processes or methodologies
- initiative and enterprise skills to:
 - anticipate and neutralise potential arguments and objections
 - apply the content of complex documents, such as contracts, legislation and guidelines
 - apply OHS, environmental, sustainability and corporate social responsibility practices in the context of budget and procurement review processes
- planning and organising skills to:
 - undertake research and business analysis
 - document procurement review and budget decisions in an appropriate format
 - develop costings for budget and other submissions
- learning skills to keep up-to-date with:
 - best practice examples in procurement practice
 - relevant procurement legislation, policies and procedures
- technology skills to:
 - operate organisational IT systems
 - use electronic procurement templates

Required knowledge

- commonwealth, state or territory, and local government legislation, policies, practices and guidelines:
 - relating to budget and procurement review processes, including environmental purchasing and corporate social responsibility guidance
 - such as OHS and equity and diversity
- organisational procurement policies, practices and approval processes

- risk management procedures
- probity principles and issues that relate to budget and procurement processes
- codes of conduct, codes of practice and standards of individual behaviour relating to budget and procurement processes
- risks associated with financial and accounting issues relevant to budget and procurement review processes
- OHS requirements relevant to budget and procurement review processes
- equal employment opportunity relevant to budget and procurement review processes
- environmental, sustainability and corporate social responsibility principles relevant to budget and procurement review processes

Evidence Guide

The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.

Overview of assessment Competency must be demonstrated in the ability to participate in budget and procurement review processes consistently in accordance with legislative and organisational requirements.

Critical aspects for assessment and evidence required to demonstrate competency in this unit Assessment must confirm the ability to:

- undertake procurement activities to meet the timing and formatting requirements of the budget cycle
- prepare procurement and procurement policy documents that meet organisational approval process requirements
- participate in government procurement review processes
- prepare documents for procurement review or audit
- implement recommendations made by procurement reviews when directed to do so.

Consistency in performance

Competency should be demonstrated by providing evidence of undertaking a range of relevant work tasks in an actual or simulated procurement environment on at least two separate occasions.

Context of and specific resources for assessment The unit of competency is to be assessed in the workplace or a simulated workplace environment.

Access may be required to:

- legislation, policy, procedures and protocols relating to budget processes, procuring goods and services, managing contracts, and reviewing procurement processes
- codes of conduct and codes of practice
- workplace scenarios and case studies relating to a range of procurement activities associated with participating in budget or procurement review processes
- case studies that incorporate dilemmas and probity requirements relating to participating in budget or procurement review processes.

Method of assessment The following assessment methods are suggested:

- questions to assess understanding of relevant legislation and procedures
- review of strategies and approaches adopted for contributing to budget or procurement review processes
- review of documents demonstrating participation in budget or procurement review processes, such as budgets, budget

submissions, cabinet submissions, new policy proposals, business cases, audit reports, reviews of procurement process, investigation of procurement complaints or other documentation prepared by the candidate in a range of contexts

- review of stakeholder engagement approaches adopted by the candidate.

In all cases, practical assessment should be supported by questions to assess underpinning knowledge and those aspects of competency which are difficult to assess directly. Questioning techniques should suit the language and literacy levels of the candidate.

Guidance information for assessment

Evidence must be gathered over time in a range of contexts to ensure the person can achieve the unit outcome and apply the competency in different situations or environments.

Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended, for example:

- PSPETHC501B Promote the values and ethos of public service
- PSPGOV507A Undertake negotiations
- PSPLEGN501B Promote compliance with legislation in the public sector
- PSPPROC503B Manage contract performance
- PSPPROC506A Plan to manage a contract
- PSPPROC507A Plan for procurement outcomes.

Range Statement

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

Legislation, policy and guidelines may include:

- financial management legislation
- government procurement, purchasing and contracting legislation, policy and guidelines
- public sector standards
- probity guidelines
- ethics standards
- codes of conduct, codes of practice and standards of individual behaviour
- environmental purchasing.

Internal budget processes may include:

- costings for new policy proposals
- long-term budgets and planning
- operational plans with resources allocated
- short-term budgets
- spreadsheet-based financial projections
- efficiency dividends or other savings measures
- capability assessment processes.

Security requirements may include:

- physical security
- information security, including ICT
- media awareness
- need to know principle
- in-confidence procedures
- cabinet procedures.

Approval processes may include:

- review and vetting
- checking for correct format
- checking for accuracy
- internal approval and sign-off processes
- authority to proceed
- approval in principle
- approval for submission to Cabinet by authorised person
- incorporation of comments from approving agencies.

Stakeholders may include:

- individuals and groups (internal and external) with an interest in the process, such as:
 - employees at all levels in the organisation
 - other public sector organisations

- union and association representatives
- boards of management
- government
- ministers
- clients
- lobby groups
- public
- suppliers and potential suppliers.

Procurement review processes may include:

- general audits conducted by external audit bodies, such as:
 - Australian National Audit Office (ANAO)
 - state or territory auditors-general
 - anti-corruption bodies
- internal audits
- organisational reviews and stage approval processes
- responses to complaints
- Gateway Reviews
- political campaign advertising reviews
- ICT 2-pass reviews or other ICT-specific procurement reviews
- construction project reviews
- organisation-specific review processes
- probity audits.

Records and information may include:

- business case
- approvals
- procurement justifications
- budgets
- procurement documentation, such as:
 - procurement plans
 - requests for offer
 - specifications
 - tender evaluation plans
 - negotiation plans
 - contracts and contract variations
 - invoices
 - records of payment
- records relating to:
 - decisions made and not made
 - performance of the contractor
 - performance of the buying organisation

Continuous improvement may include:

- disputes and their resolution
- management strategies for probity issues, such as conflicts of interest or specific probity plans
- closure or finalisation plans.
- policies and procedures that allow an organisation to systematically review and improve the quality of its products, services and procedures
- cyclical audits and reviews of workplace, team and individual performance
- seeking and considering feedback from a range of stakeholders
- modifications and improvements to systems, processes, services and products
- evaluation and monitoring of effectiveness.

Unit Sector(s)

Not applicable.

Competency field

Procurement and Contract Management.