

Australasian Procurement and Construction Council

# STRATEGIC PLAN 2012 – 2017

Optimisation of procurement outcomes through  
leadership and collaboration.

Revised October 2013



## OUR VISION

To be recognised as the leading source of knowledge and information on procurement, construction and asset management.

## OUR MISSION

To advise governments and provide leadership to industry on procurement, construction and asset management by:

- initiating policy developments to promote excellence in procurement, asset management and construction
- adding value to the way governments work with the private sector to deliver services to the community
- providing a forum for suppliers and government buyers to interchange ideas and knowledge
- participating in the development and promotion of e-business

## OUR VALUES

- Committed to knowledge sharing transfer across our membership to support and complement respective members' work programs.
- Committed to a coordinated and collaborative approach to our work program and defining the strategic direction to complement members' work programs.
- Committed to professional integrity in all aspects of APCC's relationships and all members are treated with mutual respect.

## OUR COLLABORATION

Our leadership and collaboration fosters working relationships and exchange of information and intelligence to derive benefit and influence the optimisation of procurement outcomes and service delivery for the Australian, New Zealand and Papua New Guinea communities.

Jurisdictions choose to participate in a project or activity and a project or activity can commence where there are two or more interested jurisdictions. No single jurisdiction has a right to veto an initiative.

**The APCC encourages innovative solutions in procurement and is responsive to the changing needs of government. It is at the forefront of developing strategies that balance complex and divergent procurement imperatives such as value for money, risk, sustainability, competition and whole-of-life considerations.**

*“To be efficient and effective in today’s complex, interlinked and fast-changing environment, governments need to redesign their structures and processes to capitalise on a new set of factors and tools...Governments of the future will need to adapt and continuously evolve to create value.”*

The Future of Government, World Economic Forum

## FOREWORD

In the current economic environment Governments face increased challenges across a number of areas. These areas include the higher expectations of citizens, greater public scrutiny, a global marketplace, an ageing population and a declining revenue base. Public procurement and construction performs in an environment where expectations are high and resources are lean.

The Australasian Procurement and Construction Council Inc (APCC) is the peak body whose members are responsible for procurement, construction and asset management policy for the Australian, State and Territory Governments and the New Zealand Government. Papua New Guinea is an associate member. The APCC is made up of 15 member agencies.

Over the last 35 years, the APCC has established itself as a leader in government procurement. It has championed innovation and harnessed the benefits of nationally consistent approaches for its members. Through the collective expertise and open exchange of information between individual members, the APCC is at the forefront of developing strategies and directions that balance the complex and divergent procurement imperatives.

The work of the APCC is directed towards procurement and construction innovation, solutions and efficiencies which can create savings and maximise service delivery to the communities of Australia, New Zealand and Papua New Guinea. The *APCC Strategic Plan 2012–2017* outlines the priorities for the future and key strategies for action. Under this plan, the APCC’s overarching goals include enhancing management and performance of government assets; developing procurement capability across the public sector; promoting the value of procurement as a strategic function; enhancing jurisdictional collaboration; enabling smarter procurement solutions; and ensuring the APCC remains contemporary and influential.

Good government procurement and construction is essential to ensuring good public services and the *APCC Strategic Plan 2012–2017* will drive governments towards achieving their strategic plans and goals, and towards achieving procurement effectiveness that benefits the broader community.

Rod Hook  
**Chair**  
**Australasian Procurement and Construction Council**

Chief Executive  
Department of Planning, Transport and Infrastructure  
South Australia

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## TODAY'S ENVIRONMENT

The role of procurement, construction and asset management have changed dramatically over the past decade and it continues to evolve today. The current operating environment includes the following trends which affect government procurement. The APCC takes a broad interpretation of procurement to include goods and services; capital works (construction) and asset management.

### COMMUNITY EXPECTATIONS

Communities now expect more from their governments. There are increased demands as societies become more diverse and complex. Citizens require a value-for-money approach in government spending, with transparency and accountability. They also expect their governments to demonstrate greater sensitivity to ethical, social, cultural and environmental issues in the conduct of their business.

### GLOBALISATION

Governments and business are feeling the global pressures for economic competitiveness. The impact of globalisation on small business and communities is a challenge for governments. The global slow-down impacted countries across the world and many businesses are now using local providers and shorter supply chains to ensure security of supply in case of natural or manmade disasters.

### SUSTAINABILITY

As globalisation and commercialisation impact upon our environment and natural resources, sustainability is becoming more important for both governments and business. Many governments in Australia and New Zealand have already made a commitment to sustainable procurement, construction and asset management, either as a separate initiative, or in tandem with broader environmental and social policy initiatives.

### E-BUSINESS

E-business is transforming workplaces, markets and the way governments interact with their suppliers and citizens. There are wide-reaching implications for infrastructure use, resource efficiency and new business models.

## STRATEGIC PROCUREMENT SOLUTIONS

In this operating environment, strategic procurement, including construction and asset management, is more important than ever, as governments must 'do more with less'. The role of the APCC is increasingly critical within this climate. New and innovative procurement and construction processes and practices can deliver significant savings by improving planning and risk management; by achieving best value-for-money in conjunction with whole-of-life cost considerations; and by taking a strategic planning approach that integrates asset planning.

The APCC develops specific initiatives (in some cases in partnership with industry) aimed at increasing productivity, competitiveness and long-term sustainability for the benefit of the Australian, New Zealand and Papua New Guinean communities.

Together, the APCC collective can source solutions for jurisdictions to deliver savings and efficiencies for the community in the procurement of goods, services and capital works, and optimise the quality and performance of governments' asset portfolio.

## CAPABILITIES AND ASSETS

The APCC provides leadership and promotes excellence in asset management, procurement and construction through its role as a national reference on policy advice, principles and best practice. Collaboration and intelligence-sharing through the APCC maximises the opportunities to leverage and add value to what and how governments buy, build and maintain their assets.

The APCC through its targeted Work Program remains contemporary and influential. The Work Program incorporates projects of national importance where the collective contribution will deliver greater value and outcomes than can be achieved by a single agency or jurisdiction.

### APCC: LEADERSHIP

- Champions the role of outcome focused (strategic) procurement, construction and asset management in improving service delivery and ecologically sustainable outcomes for governments and their communities.
- Drives a reform agenda that continues to position APCC jurisdictions as leaders in the development of strategies for business, procurement, construction and asset management solutions.
- Promotes strategic procurement function as a business enabler.
- Provides a contemporary governance framework through which member governments and their agencies can make procurement and construction activities a more effective tool of government.

### APCC: KNOWLEDGE CAPITAL

- A national reference point on best practices, principles and emerging issues and provide strategic advice to government on business, procurement, construction and asset management solutions.
- Knowledge exchange across the APCC through online information resources on best business and procurement, construction and asset management practices.
- Knowledge networks and relationships within government and industry to articulate best service delivery outcomes.
- Methodologies to scope future market and business models and formulate responses.

### APCC: INNOVATION

- Identifies and evaluates emerging business models for government service delivery.
- Promotes innovation by identifying a portfolio of initiatives that demonstrate new and dynamic responses to changing needs.
- Encourages key service providers to adopt best practice business, procurement, construction and asset management solutions.
- Promotes innovation through the procurement, construction and asset management strategy.

### APCC: COLLABORATION

- The collective expertise of the APCC builds on the individual member jurisdictional initiatives that contribute to the development and delivery of outcomes of national relevance.
- Facilitates development of new, effective procurement, construction and asset management practices and solutions through knowledge sharing and intelligence gathering among APCC members.
- Sponsors strong relationships with government partners and other stakeholders to promote a consistent and coordinated national approach to government procurement.
- Promotes a cohesive government procurement environment.

## STRATEGIC GOALS 2012–2017

The APCC has identified five strategic goals to optimise procurement outcomes through its leadership and collaboration over the next five years.

### 1. ENHANCED MANAGEMENT AND PERFORMANCE OF GOVERNMENT ASSETS

#### **Strategic aim**

The APCC aims to promote principles for sustainable management of government assets.

#### **Key strategies**

- Develop guidelines for optimising performance and minimising total costs of ownership of government assets.
- Develop a suite of documents/principles for jurisdictions to deliver sustainable management of government assets.
- Develop and share performance benchmarks.
- Develop nationally consistent guidelines to improve funding allocation for government assets.

### 2. PROCUREMENT CAPABILITY DEVELOPMENT

#### **Strategic aim**

The APCC aims to build procurement capability through an integrated professionalisation framework.

#### **Key strategies**

- Support sustainability of existing strategic procurement university programs to deliver the professional standard through negotiating delivery of portable, accessible, and affordable programs; and opportunities to deliver these programs across Australia and New Zealand.
- Continue to work with CIPSA to develop the procurement profession.
- Promote procurement as an attractive professional career path.
- Support a program of individual continuing professional development.
- Promote funding for recognised procurement courses and professional memberships to support the delivery of procurement capability.
- Capture the interconnecting discipline of construction procurement in the broader professionalisation discussion.
- Identify on-going opportunities to share training and education resources.
- Maintain an alliance with Government Skills Australia as the owner of the content for the AQF qualifications in procurement and seek to expand the offerings of these programs by RTOs.

### 3. PROCUREMENT AS A STRATEGIC FUNCTION

#### **Strategic aim**

The APCC aims for procurement to be represented at the highest decision-making level of government agencies.

#### **Key strategies**

- Foster the integration of strategic procurement into all government goods and services expenditure.
- Foster recognition of the value proposition an integrated procurement function and contemporary construction solutions can deliver to government as ‘the’ strategic tool.
- Promote the procurement role to be recognised as a ‘trusted adviser’.
- Foster a more strategic approach to the governance and management of procurement, construction and asset management.

## STRATEGIC GOALS 2012–2017

### 4. SMARTER PROCUREMENT AND CONSTRUCTION SOLUTIONS

#### Strategic aim

The APCC aims to share market intelligence and best practice to enable government agencies to deliver smarter procurement and construction solutions.

#### Key strategies

- Establish and maintain a national suite of policies and practices.
- Share performance information and planned significant procurement and construction activities across jurisdictions.
- Enable more common use arrangements across jurisdictions.
- Promote the effective use of new technologies to enable more agile and innovative procurement and construction solutions.
- Develop effective national supplier accreditation frameworks through mutual recognition.
- Develop a model for measuring the effectiveness and efficiencies of government procurement and construction activities (benchmarking opportunities).
- Facilitate the availability of standing offer panels to all Australian and New Zealand governments for emergency purposes.

### 5. ENHANCED JURISDICTIONAL COLLABORATION

#### Strategic aim

The APCC aims to build a broader cross-jurisdictional community of practice.

#### Key strategies

- Make better use of technologies to enable access to APCC's database of information.
- Develop a co-ordinated program of networking opportunities to address common interests.
- Ensure jurisdictional collaboration is sustainable financially.
- Establish a resource and accountability model for jurisdictions to support the APCC work program.

## APCC's Achievements

The outcomes of APCC's projects and activities are a catalyst for members to identify and realise immediate savings, efficiencies and opportunities.

Dissemination of APCC's outputs and outcomes are critical to driving improvements in government procurement; and for the APCC to be recognised as the leading source of knowledge and information on procurement, construction and asset management.

The APCC captures and reports its achievements through a range of mechanisms, for example:

- APCC website at: [www.apcc.gov.au](http://www.apcc.gov.au)
- Annual Report
- Media releases
- Social media

The APCC also draws on members' networks to effectively disseminate and market APCC's outputs and achievements.

**Together, the APCC collective sources solutions for jurisdictions  
to deliver savings and efficiencies for the community  
in the procurement of goods, services and capital works.**

## **APCC MEMBERS**

### **STATE AND TERRITORY**

#### **Australian Capital Territory**

Chief Minister, Treasury and Economic Development Directorate

#### **New South Wales**

Office of Finance and Services

#### **Northern Territory**

Department of Business

Department of Infrastructure

#### **Queensland**

Department of Housing and Public Works

#### **South Australia**

Department of Planning, Transport and Infrastructure

Department of Treasury and Finance

#### **Victoria**

Department of Treasury and Finance

#### **Western Australia**

Department of Finance

Department of Treasury

### **AUSTRALIAN GOVERNMENT**

Department of Finance

Defence Materiel Organisation

Department of Defence

### **NEW ZEALAND**

Ministry of Business, Innovation and Employment

### **PAPUA NEW GUINEA**

Central Supply and Tenders Board

### **AUSTRALASIAN PROCUREMENT AND CONSTRUCTION COUNCIL**

Suite D, 2 Geils Court

Deakin ACT 2600

PO Box 106

Deakin West ACT 2600

**Tel: +61 02 6285 2255**

**Fax: +61 02 6282 3787**

**Email: [info@apcc.gov.au](mailto:info@apcc.gov.au)**