

MEDIA RELEASE

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Procurement and tendering risks again in the spotlight

The Corruption and Crime Commission today tabled a report identifying serious misconduct risks that arose when officers at the Mid West Ports Authority (MWPA) deviated from standard procurement and tender procedures.

The Commission did not form an opinion of serious misconduct on the part of any public officer involved in the tender process for security services at the Port of Geraldton, and did not find any evidence of impropriety on the part of the company who won the tender, or its owner.

“State Government agencies spend about \$27 billion for goods and services every year which makes tendering and procurement a high-risk area for corruption and serious misconduct,” said Commissioner John McKechnie.

In May 2021, the MWPA executed a contract for the provision of security services at the Port of Geraldton with a total value of more than \$2.8 million to the incumbent company, owned by a former Mayor of the City of Greater Geraldton.

Despite ranking second on the qualitative criteria for assessment, the contract was awarded to the incumbent. The Commission’s investigation could not ascertain a legitimate justification for why the tender was not awarded to the highest scoring applicant.

It did identify three crucial deviations from standard processes:

- failure to adhere to the MWPA Corporate Delegations Manual;
- preparation of a presentation to the Executive which included misleading and inaccurate statements that appear to favour the award of the contract to the incumbent;
- failure to adequately record pertinent information and decisions during the tender process.

“Each of these deviations represents a serious misconduct risk,” said Commissioner John McKechnie.

“It is critical that information provided to key decision makers is accurate and truthful.

The Commission’s report notes that the MWPA had updated its Corporate Delegations Manual by February 2022, providing greater clarity in relation to delegations.

ENDS

Contact the Corruption and Crime Commission