



# Parliamentary Series Report Three

## Failure to Follow Proper Process

December 2008

### EXECUTIVE SUMMARY

#### Background to this report

This report details three matters relevant to the compliance with s.8(1)(a)-(c) and s.9 of the *Public Sector Management Act 1994* (PSM Act). All three cases examine situations where agencies have failed to follow proper process.

#### What this report found

In the case of the Heritage Council, OPSSC reports:

- that the situation with one employee had not complied with the requirements of s.9(a)(i) of the PSM Act in that there was no approval for secondary employment as required under section 102 of the Act;
- that there had been a breach of s.9(a)(ii) and (iii) of the PSM Act ; and
- that it was possible that the purchasing arrangements had not been properly managed. These issues have been referred to the State Supply Commission for consideration.

In the case of the Department of Fisheries matter, OPSSC reports:

- that the Department was in breach of the Grievance Resolution Standard; and
- that the Department was non-compliant with ss 8 and 9 of the PSM Act with respect to the general principles of human resource management and official conduct.

In the case of the Department of Health matter, OPSSC reports:

- that the hospital was in breach of the Recruitment, Selection and Appointment Standard; and
- that the hospital's transactions on this matter were not compliant with s.8(1)(c) of the PSM Act.

## What action needs to be taken

- Agencies operating under host agreements with other partners are urged to check where responsibility for legislation and administrative requirements rests.
- Where agencies establish processes to cover human resource transactions, these should be followed. In the event that the processes need to be varied, the agency should do this through proper process and report to staff accordingly.
- Regional offices present a supervision challenge for a state such as Western Australia where head offices for large departments are Perth based. Where agencies receive complaints about supervisory practice, they should examine the practice and if necessary improve it.
- All agencies should keep the principles espoused in s.8 of the PSM Act in mind. When recruiting, agencies should base all transactions on a proper assessment of merit and equity. They should treat all employees fairly and consistently and not subject them to arbitrary or capricious administrative acts.
- The management of interest continues to be of concern to OPSSC.
  - All potential, real or perceived conflicts of interest should be identified and a strategy for managing these developed and endorsed.
  - All staff declaring an interest (perceived or real) should document this for their own record.
  - All declarations of interest (perceived or real) should be minuted or documented on behalf of the agency.
  - Agencies, boards and committees should review their processes for managing interests.

OPSSC will shortly be sending all CEOs a checklist on the management of interest, before conducting a systemic audit of these matters later in the financial year.

The complete report is available from the OPSSC website  
[www.opssc.wa.gov.au](http://www.opssc.wa.gov.au).