



Cabinet Committee on State Sector Reform and Expenditure Control

SEC Min (13) 18/2.2

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Minute of Decision

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Proposed Direction under the Crown Entities Act 2004 to Support a Whole of Government Approach for Procurement, ICT and Property Functional Leadership

Procurement Functional Leadership and Government Rules of Sourcing

Portfolio: Economic Development

On 3 December 2013, the Cabinet Committee on State Sector Reform and Expenditure Control (SEC):

- 1 **noted** that wider mandatory application of the Government Rules of Sourcing (the Rules) would support the aims of Procurement Functional Leadership by improving the efficiency and effectiveness of government procurement through consistently high standards of procurement practice;
- 2 **noted** that to maximise improved procurement economies and efficiency and develop procurement expertise and capability, the Rules should be applied as widely as possible;
- 3 **noted** that including School Boards of Trustees has been deferred until after implementation of the direction proposed in the submission under SEC (13) 64 so that better information can be obtained on their procurement practices and whether the application of the Rules will deliver benefits from their inclusion;
- 4 **noted** the proposed text of the direction for consultation as set out in the submission under SEC (13) 64;
- 5 **invited** the Ministers of State Services and Finance to report to SEC on the outcome of the consultation process by 31 March 2014.

Committee Secretary

Reference: SEC (13) 64

Present:

Hon Bill English (Chair)
Hon Steven Joyce
Hon Judith Collins (part of item)
Hon Tony Ryall
Hon Dr Jonathan Coleman
Hon Amy Adams
Hon Craig Foss

Officials present from:

Department of the Prime Minister and Cabinet
Ministry of Business, Innovation and Employment
Ministry of Social Development
State Services Commission
Department of Internal Affairs
Officials Committee for SEC