

**Submission
No 3**

**INQUIRY INTO NSW GOVERNMENT'S USE AND
MANAGEMENT OF CONSULTING SERVICES**

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Upper House inquiry into NSW Government's use and management of consulting services,

Joel MacKay

I welcome the opportunity to submit to this inquiry and thank the committee for looking into this important matter.

As an advocate for a strong and efficient public service, I wish to highlight concerns and make recommendations that prioritize the well-being of the public service and ensure the effective use of taxpayer funds

The existing overreliance on consultants is undermining the growth and capabilities of the NSW public service.

Recommendations

The New South Wales government must:

1. Set strong and strictly procurement policies
2. Only use consultants strategically, and value money, and as last resort.
3. Manage conflicts of interest, breaches of contract, and unethical behavior:

It is imperative that procurement policies prioritize the interests of the public service and the community. Emphasise the need for clear guidelines that promote fair competition, encourage the consideration of in-house expertise before engaging external consultants, and ensure that selection processes are transparent, rigorous, and unbiased.

Consultants should be employed only strategically, primarily in areas where in-house capacity is lacking or requires temporary augmentation, and is a last resort. Agencies should conduct thorough cost-benefit analyses and evaluate the long-term impact on the public service before engaging consultants. Emphasize the importance of obtaining genuine value for money through competitive pricing and the achievement of desired outcomes.

Robust measures must be established to prevent and manage conflicts of interest among consultants. Agencies should implement comprehensive frameworks to address breaches of contract or any unethical behavior, including the establishment of reporting mechanisms and appropriate penalties. The government must foster a culture of accountability and integrity within the public service.