

Professional Advisory Services State Purchase Contract

User Guide

Professional Advisory Services State Purchase Contract

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Contents

1. General Overview	2
1.1 Purpose of the user guide	2
1.2 Background to the PAS	2
1.3 PAS SPC service categories	2
1.4 Who can use the PAS SPC?	3
1.5 Contract arrangements of the open panel PAS SPC	4
1.6 Insurance levels	4
1.7 Benefits of the PAS SPC	4
1.8 How to access information about the PAS SPC	5
2. Purchaser Guidelines	6
2.1 Steps for engaging a service provider through the PAS SPC	6
2.2 Step 1 - Has your department or agency completed a user agreement to access the PAS SPC?	6
2.3 Step 2 - Determine the service you require and whether this PAS SPC is suitable for your needs	6
2.4 Step 3 – Maximising the benefits of the PAS SPC	7
2.5 Step 4 - Determine the appropriate type of engagement with the service categories	7
2.6 Step 5 - Develop your specific terms of reference and formulate your request for proposal (RFP)	8
2.7 Step 6 - Ensure you receive the appropriate internal financial delegate approval to issue a RFP	8
2.8 Step 7 - Issue RFP to selected service provider(s)	9
2.9 Step 8 - Assess response(s) from selected service provider(s)	9
2.10 Step 9 - Seek approval of your internal financial delegate in accordance with your department or agency procurement procedures.....	9
2.11 Step 10 - Issue an order as acceptance of the successful service provider’s quote confirming their appointment for the engagement, and advise unsuccessful service providers.....	10
2.12 Step 11 - Managing the engagement with the service provider	10
2.13 Step 12 - Following engagement completion, evaluate the services provided and report performance and total engagement costs to DTF	11
2.14 Exemption Process	11
3. Service provider guidelines	13
3.1 Obtaining business.....	13
3.2 Maintaining business	13
3.3 Reporting	14
4. Appendices	15
4.1 PAS Categories detailed description.....	15
CA-1 15 Strategic Policy Review, Reform and Project Development (incorporating service need analysis, service planning, feasibility studies and strategic assessments)	15
CA-2 15 Business Case Preparation and Development.....	15
CA-3 16	

	Market Engagement and Implementation.....	16
	CA-5 17	
	Project, program and Business Review (incorporating business re-organisation reviews)	17
	CA-6 17	
	General Commercial Advice (incorporating commercial negotiations).....	17
4.2	PAS Key Performance Indicators detailed description	22

1. General Overview

This section introduces the user guide and provides a general overview of the Professional Advisory Services (PAS) open panel State Purchase Contract (SPC). This SPC provides the following service categories of professional advice:

- Commercial and Financial Advisory Services (CAFAS);
- Tax Advisory Services (TAS);
- Financial Assessment Services (FAS); and
- Probity Services

The objective of the PAS SPC is to achieve best value for money for professional services through a fit for purpose, whole of Victorian government (WoVG) arrangement.

The use of this SPC is mandatory and precludes mandated government departments and entities from using any other type of procurement methods to obtain these services.

The Department of Treasury and Finance (DTF) as the Lead Department does not make any guarantee of the volume (if any) of engagement of service providers under the SPC.

This is an interim guide that will be updated periodically within the first months of the PAS SPC.

1.1 Purpose of the user guide

The user guide is a single information resource that provides comprehensive instructions and guidelines for government users (purchasers) and service providers on how to use the SPC.

The user guide has been divided into three sections being:

1. general overview of the PAS SPC;
2. purchaser guidelines ; and
3. service provider guidelines.

1.2 Background to the PAS

DTF has established the PAS open panel SPC for use by all Victorian Government departments and entities listed within the Victorian Government Directory. Local councils, government owned entities and government supported organisations will also have access to this SPC.

The PAS SPC combines four previously separate SPCs covering CAFAS, TAS, FAS and Probity Services.

New service providers are able to submit tender responses seeking to be appointed to one or more of the services on the SPC, throughout the SPC term. Details on how to submit a tender response can be found on www.tenders.vic.gov.au, quoting reference number, SS-03-2015.

The PAS SPC may also have additional professional advisory services incorporated throughout the term of the SPC, as such opportunities are identified.

This SPC consists of qualified professional advisory service providers, approved to provide a wide range of services. It includes large and medium sized organisations, along with sole providers and small partnerships.

1.3 PAS SPC service categories

The PAS SPC has four service categories that are listed in Table 1, which have their own service sub categories. Detailed descriptions of these categories can be found in section 4.1.

Table 1: PAS service categories and sub-services categories

Service Categories		Service Sub Categories Description
CAFAS	CA-1	Strategic Policy Review, Reform and Project Development (incorporating service need analysis, service planning, feasibility studies and strategic assessments)
	CA-2	Business Case Preparation and Development
	CA-3	Market Engagement and Implementation
	CA-4	Commercial Contract Management
	CA-5	Project, Program and Business Review (incorporating business re-organisation reviews)
	CA-6	General Commercial Advice (incorporating Commercial negotiations)
TAS	TA-1	Goods and Services Tax (GST) and Luxury Car Tax
	TA-2	Employment Taxes – including Fringe Benefits Tax (FBT) and Pay As You Go (PAYG)
	TA-3	State Taxes – including Payroll Tax, Stamp Duty, Land Tax and Congestion Levy
	TA-4	Superannuation Guarantee (SG)
	TA-5	National Tax Equivalent Regime (NTER)/Income (Corporate) Tax
	TA-6	Excise – including Fuel Tax Credits Scheme (FTCS) and Customs Duty
	TA-7	International Taxes
	TA-8	Other – including Petroleum Resources Rental Tax and Film Concessions
FAS	FA-1	Prequalification Assessment
	FA-2	Tender Assessment
	FA-3	Monitoring Specific Contracts in progress
	FA-4	Adhoc – Specialised Assessment
Probity Services	PR-1	Probity Advisory Services
	PR-2	Probity Auditing Services

1.4 Who can use the PAS SPC?

The use of the PAS SPC is mandatory for all Victorian Government departments and entities subject to Victorian Government Purchasing Board (VGPB) policies.

Government entities not subject to VGPB policies also have the ability to access this SPC. These include:

- local councils;
- government owned entities; and
- government supported organisations.

For a detailed description of these entities, please refer to the VGPB web site.

Access to the PAS SPC by purchasers is governed by completion of a user agreement. Following completion of the user agreement, the nominated representatives of the department or agency will receive password access to the VGPB website containing information relating to each service provider, such as key personnel, fees, charges, service categories and areas of expertise.

For a copy of the user agreement, refer to: www.procurement.vic.gov.au/State-Purchase-Contracts/Professional-Advisory-Services

1.5 Contract arrangements of the open panel PAS SPC

Each PAS SPC service provider has entered into a SPC with DTF as the Lead Department. This is the head agreement for the PAS SPC. This contract contains all the terms and conditions such as indemnities, confidentiality, intellectual property etc.

A generic version of the SPC is available on the VGPB website: www.procurement.vic.gov.au/State-Purchase-Contracts/Professional-Advisory-Services.

A generic purchase order (PO) has been produced for PAS engagements. The terms and conditions of the head agreement shall take precedence over the terms and conditions of any PO. However, additional conditions in a PO which are not inconsistent with the head agreement, may be agreed by a purchaser and a service provider. The PAS SPC can only be used for procuring services within the scope of the arrangement.

1.6 Insurance levels

Each service provider is required to maintain the following insurances in accordance with the terms of the PAS SPC. The insurance coverage provided is detailed below.

Type of coverage	Amount (AUD)
Public liability insurance	\$10 million per claim or any occurrence giving rise to a claim in any 12 month policy period and \$20 million in the aggregate during that period
Professional indemnity insurance	\$2 million per claim or any occurrence giving rise to a claim in any 12 month policy period and \$10 million in the aggregate during that period

1.7 Benefits of the PAS SPC

The SPC provides the following benefits to both purchasers and service providers:

	Benefits
Purchasers	<ul style="list-style-type: none"> access to third party skills and expertise to support department and agency objectives for infrastructure and for major projects. open panel SPC ensures access to most appropriate service providers throughout the life of the SPC. supplier engagement undertaken through a PO, governed by the terms and conditions of the head agreement. service providers have submitted 'not to exceed' rates, from which purchasers are encouraged to negotiate improved fees. capability / quality assurance enabled by the appointment of service providers that have demonstrated past achievement and expertise in their key service category area(s). reduced costs for agencies in requiring only one competitive process for a wide range of commercial and financial advisory services.
Service providers	<ul style="list-style-type: none"> streamlined engagement processes as service providers do not need to repeatedly negotiate a contract for each individual engagement. increased business profile and marketing opportunities for the service providers with the

	Benefits
	<p>State.</p> <ul style="list-style-type: none"> • greater opportunities to develop strong partnerships with government entities. • increased opportunities to accumulate experience and expertise in relation to the government's infrastructure and capital asset, and commercial transaction requirements. • increased opportunity for service providers to showcase work undertaken through the SPC.

1.8 How to access information about the PAS SPC

Purchasers and PAS SPC service providers can access relevant SPC information through the VGPB website at www.procurement.vic.gov.au/State-Purchase-Contracts/Professional-Advisory-Services. On this site, purchasers and service providers will find instructions on user registration and procedures on how to access the SPC.

2. Purchaser Guidelines

2.1 Steps for engaging a service provider through the PAS SPC

#	Step
1	Has your department or agency completed a user agreement to access the PAS SPC?
2	Determine the service you require and whether this PAS SPC is suitable for your needs.
3	Maximising the benefits of the PAS SPC
4	Determine the appropriate type of engagement with the service categories
5	Develop your specific terms of service scope and formulate your Request for Proposal (RFP)
6	Ensure you receive the appropriate internal financial delegate approval to issue a RFP
7	Issue RFP to selected service provider(s)
8	Assess response(s) from selected service provider(s)
9	Seek approval from your internal financial delegate in accordance with your department or entity procurement procedures
10	Issue an order as acceptance of the successful service provider's quote confirming their appointment for the engagement, and advise unsuccessful service providers
11	Managing the engagement with the service provider
12	Following engagement completion, evaluate the services provided and report performance and total engagement costs to DTF

2.2 Step 1 - Has your department or agency completed a user agreement to access the PAS SPC?

To access this SPC, all government entities will need to complete a user agreement. All details can be found on the VGPB website. This needs to be completed prior to any engagement of this PAS SPC.

2.3 Step 2 - Determine the service you require and whether this PAS SPC is suitable for your needs

If you wish to engage services through this PAS SPC, carefully review the description of the services that are on offer, which can be found in section 4.1 of this document. Services providers can only be engaged for the service categories that they have been pre-qualified for and against the service categories described in this document.

Note for Probity Services - Probity advice is not limited to the tender open period and the evaluation phase of the procurement process. Early involvement of a Probity practitioner during the procurement planning stage can assist purchasers by reducing probity risk and ensure probity outcomes are maximised.

2.4 Step 3 – Maximising the benefits of the PAS SPC

To maximise the benefits of the PAS SPC, use of the SPC entails a number of obligations for purchasers. Purchasers should read and understand their specific obligations as per the PAS SPC.

Key obligations are:

- reporting – to DTF to facilitate SPC management;
- cooperation - purchasers are to be reasonable in their cooperation with the service providers, including:
 - providing an accurate and complete scope of work, clearly identifying the deliverables, in line with the SPC
 - providing access to material and facilities;
 - meeting agreed deadlines for customer related deliverables including data and access to facilities or personnel;
 - providing adequate communication in exchanging information and maintaining a dialogue through meetings and other means; and
 - providing any resources specified in the purchase order;
- payment - purchasers will pay invoices within 30 days or any other payment period as agreed between the purchaser and the service provider;
- privacy - purchasers will respect agreed confidentiality and privacy requirements; and
- disputes - purchasers are responsible to resolve any issues or disputes in a timely manner and in good faith.

Note that the above are not the only purchaser obligations. Please refer to the PAS SPC for a full list of your obligations as a PAS purchaser.

The role of purchasers

A purchaser should address issues and queries relating to a request for proposal (RFP) or purchase order directly with the contracted service provider. Further, a purchaser is responsible for direct issues or queries that may arise during an engagement with the responsible supervising officer or nominated representative of that service provider's organisation.

Purchasers should refer to this SPC user guide for any SPC related queries and issues in the first instance. Purchasers should also check the VGPB website at www.procurement.vic.gov.au/State-Purchase-Contracts/Professional-Advisory-Services regularly for any supplementary information posted by the PAS Category Manager.

2.5 Step 4 - Determine the appropriate type of engagement with the service categories

Engagement of this SPC should be in accordance with VGPB policies and guidelines, which can be found at <http://www.procurement.vic.gov.au/Buyers/Policies-Guides-and-Tools/Complexity-and-Capability-Assessment-Policy>

As a general rule, the higher the expected cost and the more complex the engagement, purchasers should seek quotes from multiple providers. Purchasers should refer to their respective procurement procedures in

determining the number of quotes required for each engagement. If unsure, please consult with your internal procurement unit.

In considering the nature and complexity of the services required, a purchaser will determine which service providers they would be requesting to submit a request for proposal.

The issuing of a request for proposal to approved PAS service providers is at the discretion of the purchaser. The purchaser must undertake appropriate due diligence on the suitability of providers for the proposed engagement.

DTF is in the process of collating profiles for each of the PAS service providers, which will be located in the confidential section of the PAS SPC web site.

Finding suitable service providers

Service providers have been appointed to the SPC by having their capability, expertise and experience evaluated for specific service categories and sub category.

A purchaser can view a current list of service providers for each service category or sub category by visiting the VGPB website at www.procurement.vic.gov.au/State-Purchase-Contracts/Professional-Advisory-Services.

Purchasers must ensure that selected service providers for RFPs are approved to provide services in the service category and sub categories for the planned engagements. The approved service categories and sub category for each service provider are available on the VGPB website.

2.6 Step 5 - Develop your specific terms of reference and formulate your request for proposal (RFP)

Preparing your RFP

Purchaser must engage service providers by issuing a RFP providing a statement of work in line and within scope of the PAS State Purchase Contract.

Guidelines have been provided within in the RFP to assist in the preparation of your RFP. This can be viewed by displaying the hidden text in the word document.



PAS Request for
Proposal - TEMPLATE

Establish your evaluation criteria

Purchasers should determine the scope of work and develop evaluation criteria for each engagement before issuing a RFP, consistent with their agency's internal procurement requirements. The evaluation criteria should specify how the service providers responses to the RFP are evaluated and should be ranked in order of relevance. Evaluations should involve both qualitative and quantitative criteria to ascertain value for money.

2.7 Step 6 - Ensure you receive the appropriate internal financial delegate approval to issue a RFP

Before a RFP is issued, the purchaser must ensure it has received the appropriate internal financial delegate approval or any other appropriate internal approval before proceeding. For any questions regarding your internal approval processes, please speak with your internal procurement unit.

Please issue each RFP with a unique reference number using the following sequential numbering convention – PAS - <CATEGORY> - <DEPT>-<YEAR>-<NUMBER>. As an example, PAS-CAFAS – DTF – 2015 – 0000.

It will be the purchaser’s responsibility to monitor reference numbers to ensure there are no duplicates issues.

2.8 Step 7 - Issue RFP to selected service provider(s)

Issue your RFP to the nominated service providers, providing a reasonable amount of time for a quality response.

2.9 Step 8 - Assess response(s) from selected service provider(s)

Service providers’ fees

A service provider’s fees and terms of business must be consistent with those contained in the SPC with DTF.

The maximum hourly and daily fees for each service provider are available via password access through the VGPB website. Fees and charges stated are a ceiling rate. They should be discounted according to the nature and terms of the engagement.

A capped fee or fixed fee may be negotiated on a project-by-project basis. In this case, if a capped or fixed fee is provided, sufficient information should be provided by the service providers to enable the purchaser to assess that the fee is based on appropriate hourly or daily rates i.e. when requesting a fixed fee, ask how many hours per service category is included in the fee, so you can determine the approximate hourly rates and overall hours included in each RFP response. The hourly or daily rates represent a benchmark by which purchasers can assess value for money.

Evaluation of service providers quotations

Purchasers should evaluate the service providers responses according to the criteria and processes determined prior to issuing the RFP.

Confidentially and Conflict of Interest Forms

Prior to the commencement of all engagements through the PAS SPC in particular CAFAS and Probity Services all purchasers need to ensure that deeds of confidentially and conflict of interest forms are completed. Refer to your internal procurement unit to obtain copies of these forms.

The SPC has clauses around confidentially, but these clauses are only between the State and the Probity firm and not with the individual probity practitioners.

2.10 Step 9 - Seek approval of your internal financial delegate in accordance with your department or agency procurement procedures

Before a purchase order is issued, the purchaser must ensure they have received the appropriate internal financial delegate approval and/or any other appropriate internal approval before proceeding with the engagement. For any questions relating your internal approval processes, please speak with your internal procurement unit.

2.11 Step 10 - Issue an order as acceptance of the successful service provider's quote confirming their appointment for the engagement, and advise unsuccessful service providers

Selection of the successful service providers should be made on the basis of value for money, taking into account relevant financial and non-financial factors. Considerations should also be given to hourly rates vs overall cost of the services as described above.

Once the purchaser has selected the successful service provider and received the required approval they will need to formally engage the service provider by issuing a Purchase Order Template in the agreed format.



PAS PO Template -
UPDATED - 2015.09.01

Purchase order template

Purchase orders provided to the successful service provider invoke the contractual terms and conditions of the SPC unless varied, where allowed by the SPC and specified in the purchase order. The "Purchase Order" template can also be found on the VGPB website.

Purchasers should inform unsuccessful respondents once it has completed its selection, received applicable internal approvals and contracted with a particular service provider. Where requested, a purchaser can advise the unsuccessful service provider how their quotation(s) could have been improved. Informative debriefs of unsuccessful service providers will improve their competitiveness within government for future work.

2.12 Step 11 - Managing the engagement with the service provider

Payment

Under the Government's Fair Payment Policy, invoices must be paid within 30 days upon receipt of a correctly rendered tax invoice (or any other payment period as agreed between the purchaser and the service provider).

If the invoice is not paid within 30 days from the date of receipt (or other payment period), and there is no dispute regarding the invoice or the provision of goods and services, the service provider may make a claim for penalty interest on the outstanding debt.

Managing service providers disputes

When a purchaser engages a service provider under the SPC, the contractual and commercial relationship is between the contracting entities (government department or entity and the service provider detailed in the SPC) for that particular engagement. The purchaser is responsible for dealing with any dispute arising either during the engagement or subsequent to it. Dispute resolution processes are outlined in Clause 23 of the SPC.

Entities must advise DTF of any dispute and potential dispute that may arise.

2.13 Step 12 - Following engagement completion, evaluate the services provided and report performance and total engagement costs to DTF

Each service provider has a contractual obligation to measure performance for each PAS engagement.

All purchasers need to complete a purchaser satisfaction form and forward it to DTF the end of each engagement or at the completion of a specific milestone for longer term projects.



PAS SPC -Purchaser Satisfaction Form.doc

This form will provide the service providers with constructive feedback and improve the quality of service provided under the SPC.

The purchaser satisfaction form should take no longer than five minutes to complete and we would encourage you to share your views openly and honestly.

Alternatively if a purchaser would like to share any additional feedback, please send your feedback to pas.spc@dtf.vic.gov.au.

2.14 Exemption Process

The Victorian Government is committed to encouraging open, equitable and effective competition between suppliers with the objective of obtaining value for money and enhancing opportunities for local business. Use of the mandatory PAS SPC to source appropriate suppliers and conduct RFT processes helps ensure this objective. However, there will be occasions when this requirement may not be the optimal sourcing strategy. Exemptions from using the PAS SPC may be granted, however the party granting an exemption must be satisfied that the exemption is based on exceptional circumstances and not for the purposes of avoiding the PAS obligations, and that the integrity of the procurement process is maintained.

Market Engagement Process - Exemption

An entity may be exempt from complying with use of the mandatory PAS SPC where it can be demonstrated that one or more of the following factors or other factors not listed that have relevance to the proposed procurement apply. Consideration should still be given to sourcing the requirement from the PAS SPC if appropriate:

NOTE: The list below is not exhaustive and multiple factors may have relevance to the proposed procurement.

- Services offered are not appropriate to your needs; non-applicability of services offered.
- Where specialist expertise of a particular nature is required and not available through suppliers listed on the PAS SPC.
- Where the preferred supplier of the services is listed on the PAS SPC but has yet to agree to the PAS contractual terms and conditions. Where the services can only be supplied by a particular supplier due to a matter such as ownership of specific intellectual property and no reasonable alternative supplier is listed on the PAS SPC.
- For additional delivery of services that are intended either as extensions of continuing services and where a change in supplier would necessitate the procurement of services that do not meet the requirements for interoperability or interchangeability.
- Matters of urgency including protection of human, animal or plant life or health, security or safety as a consequence of an unforeseen event or occurrence.

An exemption only applies to the process of market engagement and does not excuse the procurement activity from process and financial approval.

Responsibility for Granting Exemptions

Exemptions should be initially sought through your internal procurement unit. The Accountable Officer or an appropriate financial delegate is responsible for approving an exemption for usage of the PAS SPC.

The exemption request must be approved by Accountable Officer or financial delegate, before being forwarded to the Professional Advisory Services Category Manager for review and approval.

Granting of an exemption does not preclude obtaining appropriate approval for all matters that are relevant to the proposed procurement, or complying with relevant government policy (eg., VIPP). The approved exemption form should be included together with any relevant documentation associated with process approval.

DEFINITIONS

Accountable Officer means the Chief Procurement Officer of the Department or a named delegate.

Exemptions Form means a form that must be completed and sent to the Procurement Advisory team to seek an Exemption from the use of the PAS SPC.

3. Service provider guidelines

3.1 Obtaining business

Receiving and responding to a RFP

On receipt of a RFP from a purchaser using the SPC, a service provider should:

- ensure the RFP is issued under the contractual terms of the SPC;
- ensure the RFP clearly specifies the scope of work, deliverables, requirements and any other necessary details;
- consider whether you have the capacity and skills to meet the requirements of the engagement;
- ensure that the RFP has a clearly identifiable and unique reference number
- specifically address the requirement of the RFP and submit necessary information describing how you will provide the desired engagement deliverable.
- specify in the response any assumptions, risks or constraints associated with the quotation;
- quote at or below the agreed rates for the SPC; and
- submit a timely response to the RFP by responding to the purchaser in the manner described in the RFP.

Purchase orders and the PAS SPC

When the purchaser accepts a quotation, a contract is formed and the service provider should:

- confirm that it is consistent with what was quoted; and
- confirm the purchase order is issued under the contractual terms of the SPC.

3.2 Maintaining business

Service providers' obligations

There are a range of contractual obligations that service providers must abide by when engaged under the SPC arrangements. Having entered into a SPC engagement, service providers must ensure they understand these obligations.

The following information provides a general overview of key contractual and administrative obligations. The more notable obligations are:

- cooperation - service providers are to cooperate reasonably with the purchaser, including:
 - providing access to material related to the engagement;
 - meeting agreed deadlines for engagement related deliverables including data and access to facilities or personnel where applicable;
 - providing adequate communication in exchanging information and maintaining a dialogue through meetings and other means; and
 - providing any resources specified in the purchase order.
- privacy - service providers will respect agreed confidentiality and privacy requirements;
- upon providing the services, prepare and submit a timely tax invoice accordingly; and
- disputes - service providers are responsible to cooperate in the resolution of any issues or disputes in good faith.

Service providers' Information

Some elements of company information may become out of date. For example, nominated point of contact, email and business addresses or telephone numbers may change. It is important that the service provider informs the PAS Category Manager whenever change occur.

3.3 Reporting

DTF requires service providers to provide performance reporting against the performance standards detailed in the SPC

Contract Activity Reporting

These reports will be in a format specified by DTF's Category Manager and in accordance with the reporting timeframes detailed in the performance measurement table, key performance indicators, referring to section 4.2.

These reports will assist with the ongoing management of the SPC and the relationship between the purchasers and the service providers.

The data to be reported on a quarterly basis by all service providers, at both an aggregate and individual purchaser level will include (but not be limited to):

- total spend;
- spend broken down by purchaser/order point;
- savings/benefits and innovation;
- number of orders per month, quarterly, annually;
- order value per month quarterly, annually;
- order size by value by order point;
- orders by ordering method by purchaser;
- number of orders received; and
- exception reporting.

The requirement of the performance reporting will be on a quarterly basis and due on the 20th of each month being, January, April, July and October. Attached below is the template to be used for the quarterly reporting



PAS Spend and KPI
Report Template - 20

Service Level Requirement

Service providers are expected to provide reports to the Lead Department on a quarterly basis, in respect of their performance against the Performance Measures in table - Key Performance Indicators, referring to section 4.2.

Adhoc and Urgent Reports

Service providers are expected to provide other reports as requested by DTF or purchasers. It is important to note that urgent reports may be requested with very short timeframes. Service providers are to provide details of how their systems and processes can ensure that urgent reports are received in a timely manner as requested.

4. Appendices

4.1 PAS Categories detailed description

Table 1: CAFAS Services Categories

Service Categories	Specifications
CA-1 Strategic Policy Review, Reform and Project Development (incorporating service need analysis, service planning, feasibility studies and strategic assessments)	These Services include the provision of: <ul style="list-style-type: none"> • Strategic needs analysis; • Identification and prioritisation of service needs, risks and options; • Development of service reform implementation plans; • Commercial policy advice; • Feasibility studies; • Assessment of preliminary project delivery options, e.g. Design and Construct (D&C), <i>Partnerships Victoria</i> (Public Private Partnership or Private Finance Initiatives), Project Alliancing, facilities management etc.; • Development and evaluation of project delivery options and options analysis; • Preliminary cost benefit analysis; • Preliminary project costing, whole of life costing (including benchmarking and risk valuation); • Preliminary market analysis, due diligence and assessment, possibly including preliminary market soundings; and • Risk management identification and mitigation strategies.
CA-2 Business Case Preparation and Development	These Services include: <ul style="list-style-type: none"> • Preparation of business cases, including developing and/or coordinating input on: <ul style="list-style-type: none"> - Stakeholder identification, consultation and issues analysis; - Service and project opportunities and constraints - Clear identification of project scope (reference project); - Critical project assumptions; - Project Management, project governance structures and project and implementation costs; - Analysis of social and environmental factors influencing the project including costing where necessary; - Financial and economic analysis, including detailed project costing and pricing studies, cost benefit analysis and financial modelling; - Detailed market sounding; - Risk identification, analysis and valuation (including risk mitigation strategy formulation); and - Investigation and evaluation of funding models/options and project options. • Preparation of procurement strategies, including developing and/or coordinating input on: <ul style="list-style-type: none"> - Analysis of the full range of potential procurement options, including:

Service Categories	Specifications
	<ul style="list-style-type: none"> - Reviewing the features, benefits and risks of identified procurement methods in the context of the options proposed in the business case; - Detailed analysis of market capability and appetite, including an assessment of third party revenue opportunities (possibly involving market soundings); - Identification of optimal project risk allocation between the public and private sector; and - Assessment of procurement options to identify the preferred procurement method and delivery options; - Project implementation strategies and timeframes; - Public interest issues including media plan; - Development of a preliminary Public Sector Comparator or an equivalent financial benchmark; and, - Development of a Project Alliancing strategy, Project Alliance governance structure, preliminary target outturn costs and other Project Alliancing related performance targets.
<p>CA-3 Market Engagement and Implementation</p>	<p>These Services include:</p> <ul style="list-style-type: none"> • Development and management of tendering strategies addressing good commercial and government policy and practice; • Development of project tender documentation, including Invitations for Expression of Interest, Requests for Proposals, Tenders and/or Quotes, Project Briefs and Service Agreements, incorporating: <ul style="list-style-type: none"> - Clear and measurable output specifications; - Performance standards and performance management requirements; - Development of Commercial Principles, and input into the drafting of contractual documentation; - Robust payment mechanisms that provide performance incentives and match the value for money drivers; - Strategic and technical input to the development of contractual structures (in conjunction with separate legal advisors); - Development of a Public Sector Comparator or equivalent financial benchmark; and - Development of a Project Alliancing strategy and target outturn costs, and other Project Alliancing related performance targets. • Advice on and/or management of Tender processes including: <ul style="list-style-type: none"> - Development of selection/project evaluation criteria; and - Tender processes and evaluations (may include interactive tender processes and workshops); • Due diligence and financial monitoring, including in relation to the financial viability and stability of entities; and • Background investigations of identified relevant persons including: <ul style="list-style-type: none"> - Assessment and evaluations of private sector proposals; - Negotiation strategies; and - Stakeholder and community engagement strategies and plans.

Service Categories	Specifications
CA-4 Commercial Contract Management	<p>These Services include:</p> <ul style="list-style-type: none"> • Development and implementation of contract management plans, tools and processes for major commercial and project contracts; • Commissioning plans, including readiness for service activities; and • Development and implementation strategies for conducting supplier performance reviews, audits and identification of measures to increase efficiencies and maximise returns.
CA-5 Project, program and Business Review (incorporating business re-organisation reviews)	<p>These Services include:</p> <ul style="list-style-type: none"> • Project / program evaluation, including delivery, operations and benefits evaluation; • Project / program reporting, audit and compliance requirements; and • Business and re-organisation reviews, including efficiency and effectiveness reviews of related commercial and financial advisory services.
CA-6 General Commercial Advice (incorporating commercial negotiations)	<p>These Services include the provision of:</p> <ul style="list-style-type: none"> • Commercial risk identification, assessment, scoping and valuation; • Optimal risk allocation; • Financial modelling; • Commercial project finance structuring; • Development of commercial risk mitigation strategies, including advising/management of contractual issues and dispute resolutions; • Project governance issues, operational strategies, business planning; and • Commercial negotiation strategies.

Table 2: TAS Services Categories

Service Categories	Specifications
TA-1 Goods and Services Tax (GST) and Luxury Car Tax	<ul style="list-style-type: none"> • Preparation and / or Review of Business Activity Statements (BASs) • Technical advice in relation to complex tax issues. • Interpretation of taxation legislation in relation to GST and Luxury Car Tax (LCT) • Understanding of the GST issues as they relates to the Government
TA-2 Employment Taxes – including <ul style="list-style-type: none"> • Fringe Benefits Tax (FBT); and • Pay As You Go (PAYG) 	<ul style="list-style-type: none"> • Preparation and / or Review of Employment Taxes statements and forms – including Fringe Benefits Tax (FBT) Returns and Pay As You Go (PAYG) Statements • Technical advice in relation to complex tax issues • Interpretation of taxation legislation in relation to Employment Taxes – including FBT and Pay As You Go (PAYG) • Understanding of the Employment Taxes – including FBT and PAYG issues as they relate to the Government
TA-3 State Taxes including Payroll Tax, Stamp Duty, Land Tax and	<ul style="list-style-type: none"> • Preparation and / or Review of State Taxes statements and forms – including Payroll Tax, Stamp Duty, Land Tax and Congestion Levy • Technical advice in relation to complex tax issues • Interpretation of taxation legislation in relation to State Taxes – including Payroll Tax, Stamp Duty, Land Tax and Congestion Levy

Service Categories	Specifications
Congestion Levy	<ul style="list-style-type: none"> Understanding of the State Taxes – including Payroll Tax, Stamp Duty, Land Tax and Congestion Levy issues as they relate to the Government
TA-4 Superannuation Guarantee (SG)	<ul style="list-style-type: none"> Preparation and / or Review of State Taxes statements and forms – including Superannuation Guarantee (SG) Technical advice in relation to complex tax issues Interpretation of taxation legislation in relation to SG Understanding of the SG issues as they relate to the Government
TA-5 National Tax Equivalents Regime (NTER) Income (Corporate) Tax	<ul style="list-style-type: none"> Preparation and / or Review of National Tax Equivalents Regime (NTER) Income (Corporate) Tax statements and forms Technical advice in relation to complex tax issues Interpretation of taxation legislation in relation to NTER Income (Corporate) Tax Understanding of the NTER Income (Corporate) Tax issues as they relate to the Government
TA-6 Excise including Fuel Tax Credits Scheme (FTCS) and Customs Duty	<ul style="list-style-type: none"> Preparation and / or Review of Excise statements and forms – including Fuel Tax Credits Scheme (FTCS) and Customs Duty Technical advice in relation to complex tax issues Interpretation of taxation legislation in relation to Excise – including FTCS and Customs Duty Understanding of the Excise – including FTCS and Customs Duty issues as they relate to the Government
TA-7 International Taxes	<ul style="list-style-type: none"> Preparation and / or Review of International Taxes statements and forms Technical advice in relation to complex tax issues Interpretation of taxation legislation in relation to International Taxes Understanding of the International Taxes issues as they relate to the Government
TA-8 Other including Petroleum Resources Rental Tax and Film Concessions	<ul style="list-style-type: none"> Preparation and / or Review of Other statements and forms – including Petroleum Resources Rental Tax and Film Concessions Technical advice in relation to complex tax issues Interpretation of taxation legislation in relation to Other – including Petroleum Resources Rental Tax and Film Concessions Understanding of the Other – including Petroleum Resources Rental Tax and Film Concessions issues as they relate to the Government

Table 3: FAS Services Categories

Service Categories	Specifications
FA-1 Prequalification Assessment	<ul style="list-style-type: none"> Financial assessment where a department is developing a list of potential contractors or suppliers that have satisfied a range of evaluation criteria including financial viability; and Financial assessment where a department is determining a shortlist of service provider responses before moving into the evaluation stage.
FA-2 Service provider Assessment	<ul style="list-style-type: none"> Financial assessment as part of a due diligence process to assess the financial viability and capacity of short listed or preferred service providers

Service Categories	Specifications
FA-3 Monitoring Specific Contract In Progress	<ul style="list-style-type: none"> Financial assessment to determine the on-going financial viability of a contractor or supplier to complete a contract; and Financial assessment to provide an early warning or an alert of any financial issues relating to a contractor or a supplier.
FA-4 Adhoc – Specialised Assessment	<ul style="list-style-type: none"> FAS Service may be required to provide a range of adhoc and specialised assessments e.g. assess the solvency of an existing contractor following a public announcement of a major financial loss to that organisation, or to assess the financial elements of an existing legal process following a court claim.

Table 4: Probity Services Categories

Service Categories	Specifications
PR-1 Probity Advisory Services	<p>General Probity Advisory Services, these Services include:</p> <ul style="list-style-type: none"> Independent assessment and/or advice throughout the duration of the Project as to whether processes are being: <ul style="list-style-type: none"> developed consistent with relevant VGPB and State Government procurement policies, Departmental policies and relevant State and Commonwealth legislation; managed according to the documented PCP; and completed according to the published market engagement requirements such as the tender requirements. Ongoing independent advice on probity matters and issues, including but not limited to: <ul style="list-style-type: none"> reviewing, from a probity perspective, the proposed market engagement documentation (e.g. RFT documentation) relating to the process conduct for the project; reviewing internal documents (e.g. the PCP or the Evaluation Plan) relating to the process conduct for the project; attending meetings where necessary; and providing report(s) as required by the authorised representative or their delegate. Throughout the project, working as an independent, trusted member of the project team, preparing or endorsing PCPs, designing strategies to address anticipated probity issues, conducting probity briefings as required, confirming that conflict of interest and confidentiality arrangements have been established and put in place, advising on matters as they arise, and briefing governance bodies on compliance and project performance. Oversight of the evaluation process (including review of the final evaluation report); assistance if required with reviewing market requests for clarification; assistance with debriefs of unsuccessful suppliers or tenderers; assistance as required with any audit review; and oversight of Contract negotiations.

Service Categories	Specifications
	<p data-bbox="475 309 879 338">2. Specific Probity Advisory Service</p> <p data-bbox="475 342 730 371">These Services include:</p> <ul data-bbox="432 398 1401 1704" style="list-style-type: none"> <li data-bbox="432 398 1246 427">• Establishing a process to monitor and identify any conflicts of interest; <li data-bbox="432 450 1390 573">• Reviewing and advising on important project documentation such as terms of reference, the project conduct plan, tender evaluation plan, security arrangements, confidentiality documentation, administrative processes and plans and other procurement documentation; <li data-bbox="432 595 1401 651">• Providing probity related training to staff including briefings to staff outlining probity requirements for the project; <li data-bbox="432 674 1382 730">• Providing mentoring services to Victorian public servants that may take on the role of an internal probity adviser including the provision of advice from time to time; <li data-bbox="432 752 1398 808">• Providing quality, strategic and timely advice on probity issues that may arise during the course of the project; <li data-bbox="432 831 1334 887">• Understanding relevant legislation and case law involved with probity issues in government procurement; <li data-bbox="432 909 1294 965">• Contributing to the development of a PCP in accordance with the Victorian Government policies and guidelines; <li data-bbox="432 987 1382 1043">• Proactively monitoring the progress of the project for probity and providing advice to assist in maintaining the integrity of the project process; <li data-bbox="432 1066 1366 1122">• Immediately reporting any potential breach of probity to the appropriate level of management; <li data-bbox="432 1144 1366 1200">• Providing information to establish the probity requirements and obligations on all levels of staff in relation to the project; <li data-bbox="432 1223 1366 1279">• Providing advice and guidance in the event of issues and disputes arising from the Project process; <li data-bbox="432 1301 1374 1402">• Contributing to, monitoring and reviewing risk mitigation strategies to ensure that no breaches of relevant legislation or policies including Victorian government policies and guidelines occur; <ul data-bbox="475 1424 1390 1626" style="list-style-type: none"> <li data-bbox="475 1424 1382 1453">• Attending briefing and debriefing sessions with tenderers, suppliers or bidders; <li data-bbox="475 1458 1190 1487">• Observing, negotiations with tenderers, suppliers or bidders; <li data-bbox="475 1491 1382 1626">• Providing a signed report detailing the work completed by the probity adviser, including confirmation that the necessary probity requirements have been met and an explanation as to how the probity adviser reached any conclusion expressed in the report; and <li data-bbox="432 1671 1390 1704">• Providing a lessons learned assessment, either as a written report or an oral report. <p data-bbox="432 1771 975 1800">Desirable Probity Services, these Services include:</p> <ul data-bbox="432 1823 1366 2045" style="list-style-type: none"> <li data-bbox="432 1823 1350 1879">• Contributing to the probity component of business cases or similar document in accordance with Victorian government policies and guidelines; <li data-bbox="432 1901 1366 2002">• Contributing to the probity component of building and construction procurement processes in accordance with Victorian government policies and guidelines and other relevant State Government policies and legislation; <li data-bbox="432 2024 1326 2045">• Contributing to the probity component of pre-procurement and procurement

Service Categories	Specifications
	<p>processes relating to areas of government such as public-private partnerships (PPPs), Project Alliancing and Partnership Victoria procurements.</p>
<p>PR-2 Probity Auditing Services</p>	<p>General Probity Auditing Services, these Services include:</p> <ul style="list-style-type: none"> • Audit verification and sign-off on whether the adopted project processes are consistent with public sector requirements including but not limited to VGPB policy requirements on probity and whether these processes have actually been complied with. • Independent audit and appropriate sign-off at the conclusion of the Project whether the processes that was conducted: <ul style="list-style-type: none"> o actually fulfilled the requirements of the project process and the PCP; and o were within the terms of prescribed Victorian government policies, rules and guidelines. • Confirmation that the PCP and the probity evaluation plans for the Project have been followed and that the evaluation reports have been prepared in accordance with the evaluation plan; • Confirmation as to whether appropriate arrangements were put in place to manage conflicts of interest and all confidential information; • Provision of signed report detailing the work completed by the probity auditor and confirmation that the necessary probity requirements have been met; and • Response to specific challenges about how the project or part of a project was conducted. <p>2. Specific Probity Auditing Services, these Services include:</p> <ul style="list-style-type: none"> • Proactively audit compliance with processes established to identify conflicts of interest; • Proactively investigating and reporting on conflicts of interest and any other probity issues; • Proactively audit adherence to internal project documents including the PCP and the evaluation plan; • Proactively review adequacy of staff training involved in any market engagement (i.e. Tender) probity requirements; • Proactively checking completeness of registers and records of meetings and communications with suppliers, tenderers, bidders and/or offerers; • Reporting any acts or omissions in any engagement process i.e. tender process that affects or risks to affect the probity integrity; • Understanding relevant legislation and case law involved with probity issues in government; • Providing assurance in relation to the integrity of the market engagement process; • Providing required probity sign offs and reports at different stages of the process that provide an explanation as to how the probity auditor reached any conclusion expressed in the reports; and • Furnishing a final probity clearance report at the conclusion of the project.

4.2 PAS Key Performance Indicators detailed description

No	Service Element	Key Performance Indicators	Proposed Target	Proposed Measure
1	Customer satisfaction	Customer satisfaction with the advisory services	80%	<ul style="list-style-type: none"> A project specific review or general customer survey
2	Quality of financial and commercial advice received	<ul style="list-style-type: none"> That the advice facilitates delivery of the primary objectives of specific Government infrastructure and capital assets projects, and commercial transactions. That the advice is capable of supporting a decision consistent with Government policy and appropriate project and commercial transaction delivery methods and approaches. That the advice provided is sufficiently clear, precise and documented, and facilitates informed decisions in relation to the project and/or commercial transaction. That the advice provided has regard to Victorian Government policy and legislative objectives and constraints. 	100%	<ul style="list-style-type: none"> A project specific review or general customer survey
3	Timeliness of advice received	<ul style="list-style-type: none"> That the implementation of a project or a transaction is never delayed on account of outstanding financial and/or commercial advice. That the Purchaser is satisfied with the quality and timeliness of the advice provided. 	95%	<ul style="list-style-type: none"> A project specific review or general customer survey
4	Retention of Key Personnel	<ul style="list-style-type: none"> That the service provider's Key Personnel remains substantially unchanged during an engagement, or if Key Personnel vary, that the service provider can continue to meet the engagement requirements. 	80%	<ul style="list-style-type: none"> A project specific review or general customer survey
5	No adverse audit findings	<ul style="list-style-type: none"> Project audit reports contain no adverse findings related to the outcomes of professional advisory services provided. 	100%	<ul style="list-style-type: none"> A project specific review or general customer survey
6	Quality of work	<ul style="list-style-type: none"> The service provider must maintain purchaser satisfaction with the quality of work provided as part of the Services. Purchasers must be satisfied that 	100%	<ul style="list-style-type: none"> Customer Survey to be conducted by Category Management team. Performance Report to be provided by

No	Service Element	Key Performance Indicators	Proposed Target	Proposed Measure
		<p>the work is:</p> <ul style="list-style-type: none"> - Accurate; - Succinct; - Practical; - Easily understood by the intended audience; and - Responsive to the PAS issue. 		the service provider.
7	Provision of service	<ul style="list-style-type: none"> • Service providers are to make available the following method of requesting the provision of PAS reports: <ul style="list-style-type: none"> - web base access; and - email. 	95%	<ul style="list-style-type: none"> • Customer Survey to be conducted by Category Management team • Performance Report to be provided by the service provider.
8	Agreed turnaround	<ul style="list-style-type: none"> • All reports to be provided within the agreed timeframe from the day of request. 	95%	<ul style="list-style-type: none"> • Compliance that all reports and advice are to be provided within agreed timelines.
9	Contract rates correctly applied	<ul style="list-style-type: none"> • Contract rates to be consistent with agreed price schedules 	100%	<ul style="list-style-type: none"> • Accuracy checked by audit.
Additional KPIs for Probity Service Category Only				

No	Service Element	Key Performance Indicators	Proposed Target	Proposed Measure												
10	Purchaser Satisfaction	<p>The Service Provider must maintain Purchaser satisfaction with the following aspects of the provision of the Services throughout the Term of the SPC:</p> <ul style="list-style-type: none"> • Understanding and meeting Purchaser’s needs; • Timeliness of delivery; • Preparation of advice and other documents to a high quality in plain English; • Responsiveness of nominated key personnel; • Overall Purchaser satisfaction with the quality of the Services; and • Value for money outcome; • Advice provided: <ul style="list-style-type: none"> - was practicable; - was appropriate to the circumstances and - added value to the Project process. <p>Purchaser Satisfaction Forms for all service orders above the threshold value of \$2 000 or as otherwise directed by the Category Manager (refer to Purchaser Satisfaction Form attached in the Appendix of this Part B).</p> <p>The Purchaser Satisfaction Forms will be presented to the Purchaser’s Authorised Representative by the Service Provider for completion and signature. The Service Provider shall submit the completed forms to the Lead Department Category Manager each quarter</p> <p>The service provider must collect completed and signed Purchaser Satisfaction Forms from the Purchaser’s Authorised Representative upon the service provider’s completion of each engagement in respect to the Services set out in this Specification. The forms shall be submitted to the Lead Department category manager each quarter.</p>	<p>Average score of 4 from Purchaser on a scale of 1-5 (where 1 means “Performance failed to meet requirement” and 5 means “Performance met all requirements and/or exceeded requirements”) across all aspects of the provision of the Services.</p> <p>Target to be met for this KPI: Full compliance (100%)</p>	<p>Lead Department Category Manager to determine each quarter if the service provider has submitted all Purchaser Satisfaction Forms on time. Purchaser Satisfaction Forms are to be submitted within 10 business days from the end of each quarter except in the case of quarter 4 where the forms are to be submitted within 20 business days from quarter end as per table below:</p> <table border="0"> <tr> <td>Quarter End Report Due</td> <td>31 March</td> <td>10 business days from quarter end</td> </tr> <tr> <td></td> <td>30 June</td> <td>10 business days from quarter end</td> </tr> <tr> <td></td> <td>30 September</td> <td>10 business days from quarter end</td> </tr> <tr> <td></td> <td>31 December</td> <td>20 business days from quarter end</td> </tr> </table>	Quarter End Report Due	31 March	10 business days from quarter end		30 June	10 business days from quarter end		30 September	10 business days from quarter end		31 December	20 business days from quarter end
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No	Service Element	Key Performance Indicators	Proposed Target	Proposed Measure
11	Adhoc Report	<p>The Service Provider shall provide the following ad-hoc reports upon request by the Lead Department Category Manager:</p> <ul style="list-style-type: none"> • Probity Services resume updates relevant to the provision of the Services (maximum 2 pages); • Support staff resume updates relevant to the provision of the Services (maximum 2 pages); • Other service provider information for the purposes of the Probity Services information section on the VGPB website; and • Reporting information that may be requested for the purpose of ministerial requests or Freedom of Information requests. 	Target to be met for this KPI: Full compliance (100%)	Lead Department Category Manager to determine annually if the Service Provider has provided the required ad-hoc reports.

