

58. REVIEW OF COMMON USE AGREEMENTS AND CONTRACTS

Department of Finance Review

58.1 Consistent with clause 15 of this Agreement, which confirms the preference for directly employed public sector employees to provide public services, the Department of Finance is to conduct a review of the use of the following Common Use Agreements (CUAs), or any CUA that replaces them, during the 12 months following the registration of this Agreement:

- (a) Audit Services and Financial Advice (CUAFA2018);
- (b) GovNext-ICT (CUAGNICT2015);
- (c) Human Resource (HR) and Investigation Services (CUAHR2015);
- (d) Temporary Personnel Services (CUATPS2014); and
- (e) Information and Communications Technology (ICT) Services; [CUAICTS2015].

58.2 The review described in clause 58.1 will examine:

- (a) the procurement planning process, including consideration of whether there are non-financial risks and benefits to the State and whether the CUA currently provides value for money;
- (b) whether the efficacy of each CUA has been regularly assessed, including whether there has been any audit of whether suppliers under the CUA have met their contractual obligations; and
- (c) whether there is adequate expertise within agencies to provide oversight and evaluation of the contractual arrangement and use of the CUA, including effective records management and data storage to inform future contracts.

58.3 A final review report and all relevant information is to be provided to the Union for discussion at the PCF.

Employer Reviews

58.4 Within the life of this Agreement, Employers are to review any contracts to which they are a party falling into either or both of the following categories:

- (a) tendered contracts for services with a term of four years or more, including any extension to the original term; and

- (b) contracts with a term of 12 months or more for the provision of payroll, human resource management services, internal audit services, financial advice or ICT services, the annual value of which exceeds \$1 million;

to identify opportunities to return the delivery of services to the Employer to be carried out by directly employed Public Sector employees following the expiry of the contract, where it is economically viable to do so.

58.5 Employer reviews will include consideration of the matters listed in clause 58.2, but limited to the scope of each individual contract.

Clause 58.2 refers to items that the Department of Finance will examine as part of the CUA review. From an Employer perspective, items for consideration may include:

- internal procurement planning processes;
- the efficacy of the contract and whether it provides value for money;
- the non-financial risks and benefits of the contract to the agency and the State;
- whether individual contract suppliers are meeting their contractual obligations with the agency; and
- assessing the level of internal expertise to oversee and evaluate contract arrangements.

58.6 Employers are to provide relevant information from the review and the review outcome in relation to the contracts referred to in clause 58.4 to the JCC.

58.7 Employers are to notify the Union of the expiry date of any of the following contracts to which they are a party:

- (a) a contract referred to in clause 58.4 (a):
- (i) if the Employer does not intend to extend the contract before it expires – 18 months before the expiry date; or
 - (ii) in any other case – when the contract is extended; and
- (b) a contract referred to in clause 58.4 (b) – 6 months before the expiry date.

58.8 The requirements of clauses 58.4 – 58.7 do not apply to any contract that an Employer and the Union agree does not involve the delivery of services that are core public sector functions.

Employers only need to review and provide information on contracts that are within the scope of the CSA's coverage. For example, a contract for cleaning services would be outside the scope of this Agreement.

Any agreement between the Employer and Union that a contract does not involve core public sector functions should be made in writing and a record kept.

58.9 A JCC, or any member of that Committee, may refer to the PCF for review any proposal by an Employer to enter into a contract of a kind referred to in clause 58.4 (a) or (b).

58.10 The parties acknowledge that decisions will continue to be made by Employers, who are responsible and accountable to Government for the effective and efficient operation of the Agency. Nothing in this clause prevents the Employer from using contracts for service where it is appropriate to do so.

Provision of Relevant Information for Proposed Contracts for Service – Contracting Out

58.11 Consistent with the requirements in clause 56 – Consultation and Joint Consultative Committee, Employers will provide the Union with the business case for, and all relevant information and data pertaining to, any proposed contracting out of any service or function currently performed by classifications of Employees employed by an Employer.

As per clause 16 - Public Sector Delivery of Services, where work or functions are to be outsourced, meaningful consultation will occur with the Union and affected Employees at the earliest opportunity.

Confidentiality

58.12 Employers are not required to supply any information to the Union, the JCC or the PCF from the reviews under clause 58.4 if doing so would disclose confidential, commercial in confidence, or personal information.