



**New South Wales Government**

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## **Office of Finance and Services**

**Prequalification Scheme:  
Performance and Management Services**

# **Guidelines for Applicants**

**(Applications for prequalification)**

**June 2014**

## CONTACT DETAILS

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This document is available at:

<http://www.procurepoint.nsw.gov.au/performance-and-management-services-scheme>

## INTRODUCTION

In 2008, the NSW Department of Premier and Cabinet (DPC), in conjunction with the NSW Department of Finance and Services (DFS), established the *Prequalification Scheme: Performance and Management Services* (the “Scheme”). The full responsibility for the Scheme was transferred to DFS in April 2012. The Scheme creates a framework for the prequalification of organisations to provide performance and management services to NSW Government agencies and statutory corporations.

Due to changes in administrative arrangements effective 23 April 2014, the name of the Department of Finance and Services (DFS) has been changed to the Office of Finance and Services (OFS).

Along with this change:

- OFS became part of the new Treasury and Finance cluster.
- The Office of the Secretary of DFS was abolished.
- An Office of the Chief Executive of OFS was created.

For more information *on the Administrative Arrangements (Administrative Changes – Ministers and Public Service Agencies) Order 2014*, visit the NSW Government Legislation website at [www.legislation.nsw.gov.au/maintop/view/inforce/subordleg+05+1977+cd+0+N](http://www.legislation.nsw.gov.au/maintop/view/inforce/subordleg+05+1977+cd+0+N)

OFS maintains a list of individuals and companies with a demonstrated track record in one or more capabilities. The Scheme has six high level consultancy groups.

- **Performance Reviews** – including reviews of agency programs, budgetary and performance targets, management, functions, policies/strategies, legislation/regulation.
- **Infrastructure** (*relatively permanent or foundational capital investment projects that support or enable economic activity including construction, transportation, utilities, health care, education*) - advice and/or assistance regarding strategy and planning, risk, major project procurement and delivery, contracting, communication and project management.
- **Service Delivery** – advice and/or assistance regarding service strategy and planning, service implementation, service performance and service evaluation.
- **Organisational Capability** – advice and/or assistance regarding governance and reporting, corporate/business strategy, human resources, office services, audit and assurance services, investigation services and agency procurement assessment (goods and services).
- **General Technical Expertise** – advice and/or assistance regarding policy development, business case development, asset management and procurement, project governance and management, issues management, financial/budget management, economic analysis, environmental impact assessment, business process improvement and communication.
- **Information & Communication Technology (ICT) Capital Investment Process Services** – project assurance advisors for advice and/or assistance regarding ICT Strategic Plans and Business Cases and Project Quality Assurance Reporting Services.

Each of these Groups has associated sub groups or capabilities. In total there are 28 capabilities. Descriptions for all capabilities are located on the Performance and Management Services page within the ProcurePoint website.

<https://www.procurepoint.nsw.gov.au/performance-and-management-services-scheme>

NSW Government Agencies may engage members of the Scheme for high-level specialist advice and assistance that they require in the capability areas listed above.

The NSW Government **Goods and Services Procurement Policy Framework for NSW Government Agencies** ('Procurement Policy') outline's how the NSW Government will conduct its procurement activities when interacting with the private sector. The Procurement Policy establishes standards of behaviour expected from government agencies and service providers.

<http://www.procurepoint.nsw.gov.au/policy-and-reform/nsw-procurement-board/nsw-procurement-board-policy-framework>

Members of the Scheme must at all times demonstrate a commitment to; and consistent application of the standards of behaviour outlined in the Procurement Policy and; comply with the requirements of the Scheme Conditions.

### ***What services does the Scheme cover?***

The Scheme contains 28 capability areas; these are defined in the "Description of Capabilities" at <http://www.procurepoint.nsw.gov.au/performance-and-management-services-scheme>

### ***How do I become a member of the Scheme?***

Service providers who wish to become members of the Scheme must engage in the following process:

1. An application must be completed and submitted by the service provider. The application must be submitted using the online application form accessed by clicking the "Service Provider Application Form" link at <http://www.procurepoint.nsw.gov.au/performance-and-management-services-scheme>

Guidance on how to fill out the form is included.

2. All applications will be assessed initially by the Assessment Body that includes review by a Panel of Assessors, which comprises representatives from NSW Government departments and one or more independent members, in accordance with the evaluation criteria set out in clause 8 of the "Scheme Conditions".
3. If further clarification is required, the applicant may be invited to attend an interview with the Assessment Body.
4. OFS will notify all applicants of its decision via email.

5. If any applicant believes that there are substantive grounds for the Assessment Body to reconsider its decision, the applicant may request a review of the decision via email.
6. Once applicants are admitted to the Scheme, they may be engaged by NSW Government agencies to perform work in their approved capabilities.
7. The receipt of approval by a Service Provider does not guarantee:
  - a. continuity of registration or prequalification during the duration of the Scheme;
  - b. receipt of opportunities to tender; or
  - c. that engagements or work of any kind or quantity will be offered.

***What are the evaluation criteria used for assessing applications?***

All applications will be assessed according to the following evaluation criteria:

- demonstrated capability and experience in the groups and capabilities applied for;
- demonstrated capability and experience in the following general areas:
  - well developed project leadership, planning and management skills;
  - demonstrated ability to provide high level strategic advice;
  - good understanding of contemporary approaches to public sector administration and reform.
- demonstrated experience, satisfactory previous performance and applicant referee reports that include referee comments in relation to the applicants applied for capabilities.
- demonstrated capability, including management, human resources and commercial rates and prices and other resources.
- for Audit & Assurance Services **ONLY**: where applicable, demonstrated application of and compliance with professional standards from appropriate recognised professional bodies such as Institute of Chartered Accountants Australia (ICAA); CPA Australia (CPAA); Institute of Internal Auditors (IIA); Information Systems Audit & Control Association (ISACA).
- for Investigation Services **ONLY**: where applicable, applicants must hold appropriate master licenses or individual licenses for investigative activity such as Commercial Agent or Private Inquiry Agent (CAPI); license from NSW Police Force or equivalent.

An application overview and checklist for Applicants has been developed to assist the service providers in meeting the requirements of the “Scheme Conditions” on their applications (see Scheme Application Overview and Checklist and Attachment A sections of this document).

***Can Service Providers prequalified in other jurisdictions be recognised under the Scheme?***

Service providers already in consultancy panels, multi-use lists or any form of contract arrangements in other jurisdictions can be recognised and accepted under the Scheme subject to the conditions that the Service Provider:

- remains registered in the arrangement at the original jurisdiction;
- submits an application using the online application form;
- signs an agreement to provide services in NSW in accordance with the Scheme Conditions; and
- provides the rates/costs of services for the categories applied for.

***On what terms are service providers from the Scheme engaged?***

Applicants agree that, if prequalified under the Scheme, the terms and conditions of any engagement made under the Scheme will be those of the Standard Form of Agreement – Terms and Conditions contained within the “Scheme Conditions” and agree that it is not necessary to sign the Standard Form of Agreement – Terms and Conditions for each or any engagement; instead, parties will complete a form of Agreement Details in respect of each engagement.

The details of scope of work, fees and other requirements for the engagement will be set out within the Standard Form of Agreement - Agreement Details between the parties. Where the parties want to sign a document, the parties may sign the Agreement Details.

***Does the Scheme allow for additional or ‘flow-on’ engagement?***

A service provider’s engagement may result in the need for related ‘flow-on’ work. If possible, agencies will give notice to service providers when they are first invited to submit a proposal.

Whether or not advance notice is given, a service provider who has undertaken an initial engagement may be invited by the agency to submit a proposal for further work provided the following criteria are met:

- satisfactory performance;
- demonstrated knowledge and expertise developed during the initial engagement; and
- value for money for additional related engagements.

The total value of the first and related flow-on engagements is not to exceed the lesser of:

- three times the value of the first engagement or
- \$500,000 (with all costs including GST).

Where flow-on engagements are likely to exceed the applicable limit, a minimum of three service providers from the Scheme should be invited to provide quotations unless exceptional circumstances can be demonstrated. Where there are exceptional circumstances, these must be approved by the Agency’s Minister, the Board, Chief Executive Officer or authorised person at the agency in line with delegations for this particular purpose.

The following examples are provided to help service providers understand and comply with the Scheme conditions on flow-on work. All fees in the examples are inclusive of GST.

**Scenario 1:**

Agency X has engaged Service Provider A for an internal audit on its payroll process with fees totalling \$30,000. As a result of this review, weaknesses were noted on the payroll system and Agency X now requires a review on general computer controls including system security to be conducted. The estimated total fee for this additional review is \$50,000.

***Can Agency X offer the flow-on work directly to Service Provider A provided that the three mandatory criteria on satisfactory performance, demonstrated knowledge and expertise and value for money have been met?***

**Yes.** The fees for the initial engagement and the flow-on engagement total \$80,000 which is:

- less than \$500,000 and
- less than \$90,000 or three times the value of the first engagement.

**Scenario 2**

Agency X has engaged Service Provider A for an internal audit on its payroll process with fees totalling \$30,000. As a result of this review, weaknesses were noted on the payroll system and Agency X further engaged Service Provider A (after meeting all the criteria) to conduct a review on general computer controls including system security with total fees of \$50,000.

As a result of the findings from the two previous reviews, Agency X now decided to have a fraud control review performed across the entire agency. The estimated fee for this review is \$75,000.

***Can Agency X offer the work directly to Service Provider A provided that the three mandatory criteria on satisfactory performance, demonstrated knowledge and expertise and value for money have been met?***

**No.** The total fees for the initial engagement and the two flow-on engagements are \$155,000 which is:

- less than \$500,000 **but**
- greater than \$90,000 or three times the value of the first engagement.

Agency X therefore needs to obtain three (3) written quotations from prequalified service providers to perform the fraud control review.

**Scenario 3**

Agency X has engaged Service Provider A for an internal audit on its payroll process with fees totalling \$300,000. As a result of this review, weaknesses were noted on the payroll system and Agency X now requires a review on general computer controls including system security to be conducted. The estimated total fee for the additional review is \$220,000.

***Can Agency X offer the work directly to Service Provider A provided that the three mandatory criteria on satisfactory performance, demonstrated knowledge and expertise and value for money have been met?***

**No.** The total fees for the initial engagement and the flow-on engagement are \$520,000 which is:

- less than \$900,000 or three times the value of the first engagement **but**
- greater than \$500,000.

Agency X therefore needs to obtain three (3) written quotations from prequalified service providers to perform the review on general computer controls.

***What information is maintained by OFS under the Scheme?***

The NSW Office of Finance and Services will collect the following information from agencies for each engagement:

- the name of the service provider;
- the total value of the engagement;
- any variations or flow-on engagements; and
- a brief description of the engagement and the outcome.

Information submitted with an application will be treated as confidential by NSW Government agencies unless otherwise required by law, and may be subject to reference checking and other enquiries.

***How is performance monitored and reported on?***

Quality assurance, value for money, and performance improvement are key objectives of the Scheme. To help meet these objectives, agencies are required to submit a Performance Report in circumstances where:

- a service provider's performance is considered unsatisfactory; or
- the total cost of the engagement (and any related flow-on engagements) is more than \$150,000, including GST.

Where an agency considers that a service provider's performance has been unsatisfactory, the service provider will be kept informed and afforded an opportunity to show cause as to why it should not be rated 'unsatisfactory'.

***Can a service provider be removed from the Scheme?***

Yes. A service provider's membership may be revoked at any time for a number of reasons, including where the service provider:



- has breached any term of the Scheme Conditions, including adherence to the *NSW Government's Goods and Services Procurement Policy Framework for NSW Government Agencies*
- has been the subject of one or more adverse Performance Reports submitted by an agency or agencies; or
- is not considered to be suitable for future work;
- has frequently declined tendering opportunities without providing valid reasons, lodged late tenders, or lodged unsatisfactory tenders;
- has experienced an adverse change in expertise or capacity; or
- has experienced an adverse change in business status.

Before a service provider's membership is revoked, the OFS will advise the service provider of the matters prompting the revocation and will give the service provider the opportunity to provide reasons as to why its membership should not be revoked.

A service provider may also have their membership suspended if an adverse Performance Report, or a number of adverse Performance Reports, have been submitted. The service provider may be asked to show cause as to why it should not be suspended as a member of the Scheme until it can provide evidence of having rectified the conduct the subject of the adverse Performance Report or Reports.

Where a service provider who has had its membership suspended or revoked believes that there are substantive grounds for a review of the decision, the service provider may request such a review in writing. A report on the review will be prepared by the OFS will inform the service provider of the outcome of the review.

### ***What does the Scheme not cover?***

The Scheme will not cover areas of procurement already addressed by other prequalification schemes or panel contracts, including:

- NSW Procurement (period) contracts
- Construction-related consultant prequalification schemes
- Contingent Workforce Prequalification Scheme
- ICT Services Prequalification Scheme
- Other NSW Prequalification schemes

### ***How long will the Scheme operate for?***

The Scheme commenced in 2008 for an initial term to 19 February 2010. The State Contracts Control Board approved extensions of the Scheme for the period to 19 February 2015. Modifications to the Scheme may be made at the discretion of DFS during the life of the Scheme.

## SCHEME APPLICATION OVERVIEW AND CHECKLIST

This Scheme application overview and checklist is designed to help service providers in preparing and completing their application form for admission into the *Prequalification Scheme: Performance and Management Services* (the Scheme).

Only applications that fully satisfy all of the requirements in the application form will be assessed. Therefore, it is imperative that applicants carefully read, understand and address what is asked for. Applications that are incomplete or found to be misleading may not be further considered.

The applicants should also refer to the following documents when preparing their application:

- “Scheme Conditions”

For more detailed guidance, contact NSW Procurement at [NSWBuy@finance.nsw.gov.au](mailto:NSWBuy@finance.nsw.gov.au).

### Scheme Overview

Information regarding the Scheme including documentation is available via the ProcurePoint website at:

<http://www.procurepoint.nsw.gov.au/before-you-buy/prequalification-schemes-0/performance-and-management-services-0>

The Scheme is managed by the NSW Office of Finance and Services (OFS).

The Scheme provides NSW Government Agencies and associated entities with access to a panel of registered and pre-qualified services providers who provide a variety of business consultancy services.

The Scheme contains six business consultancy groups, these six groups contain 28 sub-groups or capabilities (see "Description of Capabilities" on the ProcurePoint website).

There are two types of service providers on the Scheme.

#### (1) Fully pre-qualified suppliers

Applicants apply for full pre-qualification for selected capabilities (in line with their business offering). These service providers are assessed and approved (pre-qualified) by OFS to provide consultancy services for specific capabilities.

Application for full pre-qualification includes submission of x3 referee reports, rate information and organisational experience details via supplied templates.

#### (2) The Easy Access Registration List (EARL)

Applicants register for selected capabilities (in line with their business offering). These service providers are able to provide services valued up to \$50,000 Incl. GST. EARL suppliers have not been fully pre-qualified, so are not recommended to Agencies for projects considered to be high risk or for engagements valued at above \$50,000 Incl. GST. EARL applicants do not need to provide referee reports.

## Application Process

The entire application/assessment/approval process for the Scheme is undertaken online via the NSW Governments eTendering application.

The process will allow applicants to select either EARL registration or application for full pre-qualification.

In the first instance, applicants need to set up an eTendering account.

Account set up is via the following URL:

<https://tenders.nsw.gov.au/dfs/?event=public.registereduser.new>

Applicants are also able to review the application process via a read-only version of the process.

<https://tenders.nsw.gov.au/dfs/?event=public.scheme.show&RFTUID=5AE7B95E-A020-7139-29B891589FA4E2E2>

The “read only” overview allows applicants to prepare for the application process:

- allows applicants to view descriptions of the capabilities and decide upon which capabilities they will apply for.
- download the templates required for the application (referee report, rate card and organisational experience template).

Once the applicant has decided upon the capabilities they will be applying for, they are able to download the referee report template, input details about the capabilities they are applying for and dispatch to the selected referee. (Please Note: three referee reports are only required for full pre-qualification, the referee should provide comments in relation to the applicants applied for capabilities).

The application process will also require the applicant to input free text into a number of sections, including "General Requirements" (see read only version) and "Supporting Evidence" for selected capabilities. Supporting evidence is the free text field next to each capability and should describe the applicants ability and experience for each of the applied for capabilities.

Supporting evidence gives the applicant the opportunity to describe the organisations setup and/or methodologies or frameworks used to provide these services and note specific examples of work undertaken (examples can be the same engagements as detailed within the referee reports or other engagements). This gives the application assessors an understanding of the organisations capability to provide these services from the organisations viewpoint. The referee reports provide further confirmation that the applicant has the capability to provide the applied for capabilities.

Applicants should also review the "Scheme Conditions" posted on the read-only version. The final stage of the actual application process is to agree to abide by the "Scheme Conditions". There are also guidelines for applicants posted on the read-only version of the application process.

**Checklist for full pre-qualification application:**

- Setup eTendering account
- Review read-only version of the application process
- note all areas that require free text input and submission of documentation
- x3 brief statements for the "General Requirements" section
- x1 company profile document for the "Company Profile" section
- Insurance expiry dates for the "Insurances" section
- x1 "Organisational Experience" and x1 "Rate Card" templates (completed)
- x3 referee reports (signed and with comments)
- Brief descriptions (supporting evidence) for each of the applied for capabilities (not visible within the read only version, however will be required for actual application)

Further application details are contained within Attachment A – Checklist for Applicants.

Once this information has been compiled, access the following URL and Click the "Start Application" button, log in and begin the application process

<https://tenders.nsw.gov.au/dfs/?event=public.scheme.show&RFTUID=5AE7B95E-A020-7139-29B891589FA4E2E2>

During the application process you will be able to "Save as Draft" and return to the application at a later stage if required.

# Attachment A

## PREQUALIFICATION SCHEME: PERFORMANCE AND MANAGEMENT SERVICES CHECKLIST FOR APPLICANTS

Service Provider Name: \_\_\_\_\_

**NOTE: If you mark 'NO' to any of the items below, your application may not be further considered or deemed non-compliant in which case additional information and/or clarification may be required.**

### A. ORGANISATION DETAILS

Yes No

Have you nominated an appropriate contact person at your organisation?

☐  
☐
☐  
☐

Have you included correct and complete contact details? (phone, mobile, e-mail)

Have you included the following details of your entity's key personnel and management?

- name

☐  
☐
☐  
☐

- position title

- professional certification (may only be required if applying for Audit and Assurance Services or Investigation Services)

☐  
☐
☐  
☐

### B. GENERAL CAPABILITY

Yes No

Have you provided summary statements that demonstrate your capability on **ALL** of the following general criteria?

- Well developed project leadership, planning and management skills

☐  
☐
☐  
☐

- Ability to provide high level strategic advice

- Good understanding of contemporary approaches to public sector administration and reform

☐  
☐
☐  
☐

### C. COMPANY PROFILE

Yes No

Have you provided your company profile as an attachment?

☐  
☐
☐  
☐

### D. INSURANCES

Yes No

Do you have existing policies for the following?

- Public Liability Insurance

☐  
☐
☐  
☐

- Workers Compensation Insurance (for companies or employers)

- Professional Indemnity Insurance

☐  
☐
☐  
☐

Are the above policies under the same name as the entity applying for prequalification?

Insurance certificates of currency are not required to be submitted with an application, applicants will only be required to declare they maintain adequate insurances and input an expiry date for each type of insurance cover required.

<b>E. ORGANISATIONAL EXPERIENCE</b>		<b>Yes</b>	<b>No</b>
Applicants are required to complete and submit an "Organisational Experience" template that contains <b>at least three</b> consultancies undertaken in the capability area(s) selected.		<input type="checkbox"/>	<input type="checkbox"/>
Are the sample engagements above completed in the <b>last three years</b> ? (Please note that on-going engagements will be considered on a case by case basis)		<input type="checkbox"/>	<input type="checkbox"/>
Have you described the engagements in detail by providing the following information?		<input type="checkbox"/>	<input type="checkbox"/>
- Engagement name and outline of work completed		<input type="checkbox"/>	<input type="checkbox"/>
- Name of Client organisation and location of engagement / client engagement		<input type="checkbox"/>	<input type="checkbox"/>
- Capability that the engagement relates to		<input type="checkbox"/>	<input type="checkbox"/>
- Engagement fees (paid to the applicant)		<input type="checkbox"/>	<input type="checkbox"/>
- Start and end date engagement		<input type="checkbox"/>	<input type="checkbox"/>
<b>F. RATES/COSTS OF SERVICES</b>		<b>Yes</b>	<b>No</b>
Have you provided a detailed breakdown of your proposed fee structure?		<input type="checkbox"/>	<input type="checkbox"/>
Have you provided details on costing basis, disbursements and other alternative costing proposals?		<input type="checkbox"/>	<input type="checkbox"/>
NOTE: The fees that you quote in the application form shall remain firm for an initial <b>24 month period</b> .			
<b>G. APPLICANT REFEREE REPORTS</b>		<b>Yes</b>	<b>No</b>
Have you included in your application <b>at least three</b> referee reports on completed projects that relate to the applied for capabilities? (Please note that on-going engagements will be considered on a case by case basis)		<input type="checkbox"/>	<input type="checkbox"/>
Are the engagements for which referral is made been <b>paid in full</b> by the client?		<input type="checkbox"/>	<input type="checkbox"/>
Have your referees used the Applicant Referee Report template?		<input type="checkbox"/>	<input type="checkbox"/>
Have your referees indicated your organisation name and the contact person at your organisation in the referee report?		<input type="checkbox"/>	<input type="checkbox"/>
Are the referee reports signed and dated by the appropriate person at the client organisation?		<input type="checkbox"/>	<input type="checkbox"/>
Has the referee provided comments in relation to the applied for capabilities?		<input type="checkbox"/>	<input type="checkbox"/>
<b>STATEMENT</b>		<b>Yes</b>	<b>No</b>
Have you reviewed / accepted the Scheme Conditions?		<input type="checkbox"/>	<input type="checkbox"/>
<b>GENERAL</b>		<b>Yes</b>	<b>No</b>
Have you read the Scheme Conditions and Guidelines for Applicants?		<input type="checkbox"/>	<input type="checkbox"/>
Have you included all completed attachments with the application form? (Organisational Experience template, x3 Referee Reports, Rate Card template)		<input type="checkbox"/>	<input type="checkbox"/>