Community Services

Preferred Service Provider Review and Assessment Report

[The purpose of this Preferred Service Provider Review and Assessment Report template is to provide a guide as to what should be taken into account when considering granting an existing service provider Preferred Service Provider (PSP) status. It includes the undertaking of the service review, assessing the suitability of the service provider for PSP status and the recommendation in regard to whether the service agreement services are still required and whether the service provider will be granted PSP status. It may be used as is or tailored to suit each State agency’s internal processes.

The Preferred Service Provider provisions in the [*Delivering Community Services in Partnership (DCSP) Policy*](https://www.wa.gov.au/government/multi-step-guides/buying-community-services/getting-started-community-services-procurement/introducing-the-delivering-community-services-partnership-policy) outline that State agencies may, at their discretion, exercise the option of retaining an existing service provider through a restricted process or varying the existing service agreement. The State agency is to assess whether an existing service provider is suitable to be granted PSP status. The granting of PSP status must be approved by the State agency’s authorised officer.

*Where a PSP status has been granted, the formalising of the next service agreement can be done by:*

* *Entering into a new service agreement by issuing* *a Request for a formal response or*
* *Varying the existing service agreement to extend the service agreement term.*

Further, under [*Western Australian Procurement Rule C4.2 (1) (c) – Exceptions to Procurement Methods*](https://www.wa.gov.au/government/multi-step-guides/western-australian-procurement-rules/section-c-procurement-planning)*,* the minimum competitive requirements of [*Procurement Rule C4.1 – Use the Appropriate Procurement Method*](https://www.wa.gov.au/government/multi-step-guides/western-australian-procurement-rules/section-c-procurement-planning) do not apply where the PSP provisions are applied.

[*Buying Journey 9 – Preferred Service Provider*](https://www.wa.gov.au/organisation/department-of-finance/buying-journey-9-preferred-service-provider) outlines the steps to follow to formalise the next service agreement for both options.

*To ensure appropriate probity and accountability you must ensure the service review is transparent and the service provider is involved in the review.*

State agencies must not extend the scope or duration of service agreements with debarred or suspended service providers as identified under the [*Western Australian Debarment Regime*](https://www.wa.gov.au/government/publications/debarment-regime-guide-western-australian-government-agencies). Refer to the [*Excluded Suppliers*](https://www.tenders.wa.gov.au/watenders/news/browse.do?CSRFNONCE=BC47BF6C8B895C8C0C0CB75B4FF0C4AF&&ss=1) page on Tenders WA for more information. If a service provider is debarred or suspended, refer to the [*Debarment Regime: Guide for Western Australian Government agencies*](https://www.wa.gov.au/government/publications/debarment-regime-guide-western-australian-government-agencies) – [*Contracts with excluded suppliers and subcontractors*](https://www.wa.gov.au/government/publications/debarment-regime-guide-western-australian-government-agencies#contracts-with-excluded-suppliers-and-subcontractors) section for further information.

Please note: the text in red font represents drafting instructions and should be removed after reading. Blue text is optional and should be used or removed as required. Any areas that are highlighted in yellow require a choice to be made or information to be inputted.]

# Preferred Service Provider Review and Assessment

A Preferred Service Provider (PSP) review and assessment has been conducted to determine whether the services provided under the current Service Agreement are still required, whether [insert Service Provider] is continuing to meet the Service Agreement requirements and meets the PSP criteria to be granted PSP status.

The review and assessment was conducted [on/between] [insert date/s] and involved [insert name/s] from the [State agency] and [insert name/s] from the [insert Service Provider].

## Current Service Agreement Information

|  |  |
| --- | --- |
| Service Agreement |  |
| File Number |  |
| Service Provider |  |
| Service Agreement Term(incl. all extension options) |  |
| Commencement Date |  |
| Expiry Date(incl. all extension options) |  |
| Service Agreement Value (Estimated incl. GST over the entire Service Agreement Term) | $ |
| Service Agreement Value (Spend to date) | $ |

## Service Agreement Performance

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Reporting** | **Yes** | **No** | **Document Reference #** | **Further Information / Justification** |
| KPIs met? |  |  |  |  |
| KPIs appropriate? |  |  |  |  |
| Reporting requirements met? |  |  |  |  |
| Did the reporting represent a suitable performance measurement tool? |  |  |  |  |
| **Performance Issues** | **Yes** | **No** | **Document Reference #** | **Further Information / Justification** |
| Have there been any Events of Default throughout the life of the Service Agreement? |  |  |  |  |
| Have there been any notifiable/serious incidents during the life of the Service Agreement? |  |  |  |  |
| Occurrences of non-performance? |  |  |  |  |
| Occurrences of poor performance? |  |  |  |  |
| **Risk** | **Yes** | **No** | **Document Reference #** | **Further Information / Justification** |
| Has risk been managed throughout the life of the Service Agreement? |  |  |  |  |
| Were any unanticipated risks identified? |  |  |  |  |
| Were unanticipated risks managed appropriately? |  |  |  |  |
| **Contract Management** | **Yes** | **No** | **Document Reference #** | **Further Information / Justification** |
| Have any issues been identified through the ongoing management of the Service Agreement? |  |  |  |  |

## Service (Delivery/Operational) Performance

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Service Delivery** | **Yes** | **No** | **Document Reference #** | **Further Information / Justification** |
| Services delivered in accordance with service specification? |  |  |  |  |
| Service specific outcomes achieved? |  |  |  |  |
| Agreed outputs delivered? |  |  |  |  |
| **Performance Issues** | **Yes** | **No** | **Document Reference #** | **Further Information / Justification** |
| Has the current service model / agreement achieved the service specific outcomes? |  |  |  |  |
| **Service Design**  | **Yes** | **No** | **Document Reference #** | **Further Information / Justification** |
| Does the service continue to align with the agency’s goals and objectives? |  |  |  |  |
| Is there a change in community need? |  |  |  |  |
| Does the service model represent contemporary best practice and/or has there been ongoing improvement of the service model? |  |  |  |  |
| Is there evidence that the Service Provider is/has engaged with the community? |  |  |  |  |
| **Contract Management** | **Yes** | **No** | **Document Reference #** | **Further Information / Justification** |
| Have any issues been identified through the ongoing management of the contract? |  |  |  |  |

## Preferred Service Provider Assessment Criteria

|  |
| --- |
| **1. Continuing to meet the identified need** |
| Is there a continuing need for the existing service?Yes [ ]  No [ ] [Please provide a brief summary of the evidence that supports the continuing community need (e.g. statistics, reports highlighting needs, trends analysis, impact on key target groups, community and service user feedback, information from service progress reports, service reviews/evaluations).] |
| Is there a continuing need to deliver the service in the existing location?Yes [ ]  No [ ] [Please provide a brief summary of the evidence of continuing need in the existing location (e.g. statistics, reports highlighting needs, trends analysis, impact on key target groups, community and consumer feedback, information from service progress reports, service reviews/evaluations)]. |
| Does the service specification require amendment to more appropriately address the needs of the target group?Yes [ ]  No [ ] [If yes, please identify the required amendment.] |
| **2. Meeting agreed service specifications, quality standards and contractual requirements** |
| To what extent is the service provider achieving the agreed service specifications, quality standards and contractual requirements?[ ]  [ ]  [ ]  [ ]  [ ] poor inadequate satisfactory good very good[Provide details to justify rating. In addition, if poor or inadequate please comment on the associated risks.] |
| To what extent is the service provider meeting the outcomes specified in the Service Agreement?[ ]  [ ]  [ ]  [ ]  [ ] poor inadequate satisfactory good very good[Provide details to justify rating. In addition, if poor or inadequate please comment on the associated risks.] |
| **Activity Reporting:**Have progress reports and any other required activity data and/or information been provided on time?Yes [ ]  No [ ] [If yes, provide details as to why the reporting provided has been adequate.If no, provide details (e.g. late reports, lack of responsiveness to requests for further information, incomplete reports, etc)] |
| **Data Quality:**Has the required data been captured correctly and accurately and forwarded in a timely manner?Yes [ ]  No [ ] [If no, please provide comment.]Have data errors been corrected in a timely manner?Yes [ ]  No [ ] [If no, please provide comment: (e.g. outstanding errors for more than a month, lack of responsiveness to requests to correct data, etc)] |
| **Financial Reporting:**Has the service provider adequately met all of its required financial reporting requirements (audited and unaudited) during the Service Agreement period?Yes [ ]  No [ ] [Please provide comment.]Has the service provider provided the required service within the allocated funding?Yes [ ]  No [ ] [Please provide comment.]Has the service provider demonstrated appropriate management of government funding?Yes [ ]  No [ ] [Please provide comment. Please note any unresolved qualifications on audited financial statements in relation to the Service Agreement.] |
| **Other compliance or reporting issues**Are there any other known compliance and reporting concerns?Yes [ ]  No [ ] [Please provide comment.] |
| **Quality Standards:**Has the service provider met all the quality standards that are expected in relation to the existing Service Agreement?Yes [ ]  No [ ] [Please provide comment.] |
| **3. Operating efficiently and effectively** |
| Please rate the service provider’s organisational and governance capacity to manage the service requirement/s efficiently and effectively:[ ]  [ ]  [ ]  [ ]  [ ] inadequate poor satisfactory good very good[Please provide reasons to justify the rating e.g. have progress reports, visits and other liaison activity, and any reviews/audits demonstrated the service is being provided effectively and efficiently (e.g. positive feedback, accessed by target group, positive outcomes for the community, outcome objectives met, service utilisation reasonable, the occupancy rates acceptable, within budget, staff trained and supervised, appropriate governance, appropriate policies and procedures, management committee / board issues, local community issues).]Have all services been operational during the entire Service Agreement term, excluding any agreed / planned closures?Yes [ ]  No [ ] [If no, please provide reasons for significant closure(s), action taken and outcome.]Are there any other issues adversely affecting service delivery?Yes [ ]  No [ ] [If yes, please provide comment.] |
| **4. Actively engaged in continuously improving services, being responsive to service user and government agency needs and offering innovative solutions to provide the best possible service to the community.** |
| Has the service provider met the continuous improvement requirements (e.g. been responsive to feedback relating to service provision, implemented changes or otherwise enhanced service provision)?Yes [ ]  No [ ] [Please provide explanation.] |
| Has the service provider developed and/or been responsive to innovative ideas presented by the government agency or service users?Yes [ ]  No [ ] [Please provide explanation.] |
| Has the service provider engaged with key stakeholders (e.g. service users, other complementary service providers, community groups etc) regarding continuous improvement to ensure the best possible service is being provided?Yes [ ]  No [ ] [Please provide explanation.] |

# Proposed Details for the next Service Agreement

[Document here the proposed updates, changes and issues identified during the review and assessment that will be considered for the next Service Agreement. This may include updates or changes to the service specification, quality standards, service agreement requirements, sustainability of service delivery including pricing, and any innovations. It should also include identifying the pricing model, total estimate value and proposed term of the next Service Agreement.]

## Proposed next Service Agreement Details

The following identifies the proposed updates and changes that will be considered during the consultation process for inclusion into the next Service Agreement.

### Price or Price Schedule

[Choose one of the options below or attach the price schedule to be used.]

A fixed price for all services required under the next Service Agreement will be sought, with the Preferred Service Provider nominating a sustainable volume of services to be provided against the fixed price.

Or

The service agreement will specify the volume of services required, and the Preferred Service Provider will nominate sustainable prices for the services on a unit basis (e.g. number of hours).

The proposed estimated value of [insert estimated total cost over full term, including extension options] (GST inclusive) for the next Service Agreement has been determined by [insert rationale for how the value has been determined and include how it will support sustainable service delivery].

Consultation will be undertaken to discuss the sustainability of service delivery, including the opportunity to negotiate the price versus the quantum of services, as applicable. Agreement on the sustainability of the price will be confirmed.

### Volume of services

[Insert proposed update/change]

Agreement on the sustainability of the volume of services will be confirmed.

### Term including extension options

[Insert the estimated Term for the next Service Agreement, including extension options.]

The anticipated start date for the next Service Agreement is [insert date]

### Service model

[Insert proposed update/change]

### Domain and community outcomes as per the [Outcomes Measurement Framework](https://www.wa.gov.au/government/publications/community-services-outcomes-measurement-framework)

[Insert proposed update/change]

### Service level outcomes / indicators

[Insert proposed update/change]

### Location of services

[Insert proposed update/change]

### Quality standards

[Insert proposed update/change]

### National Principles for Child Safe Organisations

[This clause to be added if not already in the Service Agreement]

In relation to Services that comprise or involve “child-related work” (as defined in section 6 of the *Working with Children (Criminal Record Checking) Act 2004 (WA)*), the Service Provider agrees to implement the National Principles for Child Safe Organisations (<https://childsafe.humanrights.gov.au/national-principles/download-national-principles>).

### Service review dates

[Insert proposed update/change]

# PSP Review and Assessment Outcome

From the PSP review and assessment conducted, in collaboration with [Service Provider], the following outcomes have been agreed:

* there [is/is not] a continuing need for the service

[Provide a brief summary to support the above statement]

* [Service Provider] [is continuing to meet/is not meeting] the performance, service delivery and operational requirements of the Service Agreement

[Provide a brief summary to support the above statement]

* [Service Provider] [has been/has not been] assessed as being suitable to be granted PSP status

[Provide a brief summary to support the above statement]

# Recommendation and Undertaking

[Choose a recommendation and undertaking, as applicable, which can be used ‘as is’ or modified or replaced to better suit an agency’s recommendation and undertaking.]

[Option for varying the existing Service Agreement]

It is recommended the Authorised Officer approves this PSP review and assessment report and that [Service Provider] be granted Preferred Service Provider (PSP) status.

This is based on the outcomes identified at section 3 of this report, that being, there is a continuing need for the service, [Service Provider] is continuing to meet the Service Agreement requirements and has been assessed as being suitable to be granted PSP status.

It is also recommended the next Service Agreement be formalised by varying the existing Service Agreement by extending the Term as allowed under the Preferred Service Provider provisions of the [Delivering Community Services in Partnership (DCSP) Policy](https://www.wa.gov.au/government/multi-step-guides/buying-community-services/getting-started-community-services-procurement/introducing-the-delivering-community-services-partnership-policy).

The varying of the existing Service Agreement will be undertaken in accordance with [Western Australian Procurement Rule E2 – Apply Rigor to Contract Variations](https://www.wa.gov.au/government/multi-step-guides/western-australian-procurement-rules/section-e-contract-management).

A consultation process will be undertaken with [Service Provider] (the Preferred Service Provider) to address and agree on the final changes and/or updates (Variations) required for the next Service Agreement. The proposed updates, changes and issues identified at section 2 of this report will form the basis of the consultation process.

The final agreed Variations will be documented in the [community services Preferred Service Provider Variation Approval](https://www.wa.gov.au/government/document-collections/community-services-templates#contract-management) template and then submitted to the Authorised Officer for approval. Where the value of the Variations is $5 million or more, the completed variation approval template will be submitted to the Community Services Procurement Review Committee (CSPRC) for review (endorsement) before being submitted to the Authorised Officer for approval.

On approval of the Variations, a letter confirming the Variations will be issued to the Preferred Service Provider.

The Variations will be updated in the Service Agreement management plan, if applicable, and detailed in the agency’s contract register.

The Variations will be published on Tenders WA in accordance with [Western Australian Procurement Rule E3.1 - Publish Updated Contract Management Information on Tenders WA](https://www.wa.gov.au/government/multi-step-guides/western-australian-procurement-rules/procurement-rule-e-contract-management#rule-e3).

The availability of appropriate funding for the varying of this existing Service Agreement has been confirmed by [State agency officer name], [title].

or

[Option for entering into a new Service Agreement]

It is recommended the Authorised Officer approves this PSP review and assessment report and that [Service Provider] be granted Preferred Service Provider (PSP) status.

This is based on the outcomes identified at section 3 of this report, that being, there is a continuing need for the service, [Service Provider] is continuing to meet the Service Agreement requirements and has been assessed as being suitable to be granted PSP status.

It is also recommended the next Service Agreement be formalised by entering into a new Service Agreement by conducting a restricted procurement process as allowed under the Preferred Service Provider provisions of the [Delivering Community Services in Partnership (DCSP) Policy](https://www.wa.gov.au/government/multi-step-guides/buying-community-services/getting-started-community-services-procurement/introducing-the-delivering-community-services-partnership-policy) and [Western Australian Procurement Rule C4.2 (1) (c) – Exceptions to Procurement Methods](https://www.wa.gov.au/government/multi-step-guides/western-australian-procurement-rules/section-c-procurement-planning).

All other procurement rules and processes that correspond with the value of the restricted procurement process will still be followed.

A consultation process will be undertaken with [Service Provider] (the Preferred Service Provider) to address and agree on the changes and/or updates required for the new Service Agreement. The proposed updates, changes and issues identified at section 2 of this report will form the basis of the consultation process.

All the agreed changes and/or updates will be finalised before the restricted procurement process commences.

Where the value of the new Service Agreement is $5 million or more, a procurement plan will be developed and submitted to Community Services Procurement Review Committee (CSPRC) for assurance and review before being submitted to the Authorised Officer for approval.

A new Request document will be developed using the agreed finalised Service Agreement requirements and selected modified qualitative criteria. The Request will be issued to the Preferred Service Provider for a formal response. The formal response received will be evaluated.

An evaluation report will be prepared for approval by the Authorised Officer, which will include details of the value for money analysis and sustainability of the services. Where the value of the new Service Agreement is $5 million or more, the evaluation report will be submitted to CSPRC for assurance and review before being submitted to the Authorised Officer for approval.

On approval of the evaluation report, an award of contract letter will be issued to the Preferred Service Provider to establish the new Service Agreement. The new Service Agreement award details will be published on Tenders WA.

Where the value of the new Service Agreement is $5 million or more, a Service Agreement management plan will be developed in accordance with [Western Australian Procurement Rule E1 – Develop a Contract or Project Management Plan](https://www.wa.gov.au/government/multi-step-guides/western-australian-procurement-rules/section-e-contract-management).

The availability of appropriate funding for the new Service Agreement has been confirmed by [State agency officer name], [title].

or

[Option for not granting PSP status]

It is recommended the Authorised Officer approves this PSP review and assessment report to not grant [Service Provider] Preferred Service Provider (PSP) status and that the Service Agreement be finalised with an Open Advertisement procurement process to be conducted to establish a new Service Agreement.

This is based on the outcomes identified at section 3 of this report, that being, there is a continuing need for the service, but [Service Provider] is not meeting the Service Agreement requirements and has not been assessed as being suitable to be granted PSP status.

[Service Provider] will be advised they have not been granted PSP status and that an Open Advertisement procurement method will be conducted to replace the current Service Agreement. No matter the outcome from the Open Advertisement procurement process, [Service Provider[ will be provided with a minimum of three months’ notice prior to the current Service Agreement ceasing.

# Submitting Officer

|  |  |
| --- | --- |
| Name: |  |
| Title: |  |
| Contact Number: |  |
| Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | Date: \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_\_ |

# Approval of the Recommendation and Undertaking

|  |
| --- |
| **Authorised Officer** |
| Name: |  |
| Title: |  |
| **Approved [ ]** **Not Approved [ ]**  | Comments: |
| Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | Date: \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_\_ |