

# Contractor Central

FY 2018-19  
Supplier Forum



6 August 2019

Welcome

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Director Category Management - Human Services  
NSW Procurement

# Agenda

- NSW Government Contingent Workforce Strategy Update
- Machinery of Government
- Analysis
  - Whole of Government Spend
  - Contractor Central
  - Supplier Performance
  - SCM0007
- Employment checks
- Q & A

# Activity: FY 2018-19



## Contractor Central

- 304 suppliers have completed onboarding in at least 1 instance of Contractor Central
- Education migrates to Beeline
- **NSW Transport implementation has begun!**

## SCM0007

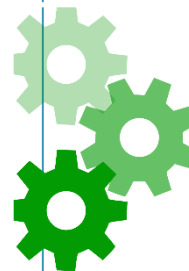


- KPI Management has identified our best and worst suppliers
- Scheme rules update v3.1
- 30 temporary suspensions  
10 removals



## Spend under management

- \$1.6 Billion spend under management, \$1 Billion through the VMS
- Over 14000 workers
- 5% growth from last FY

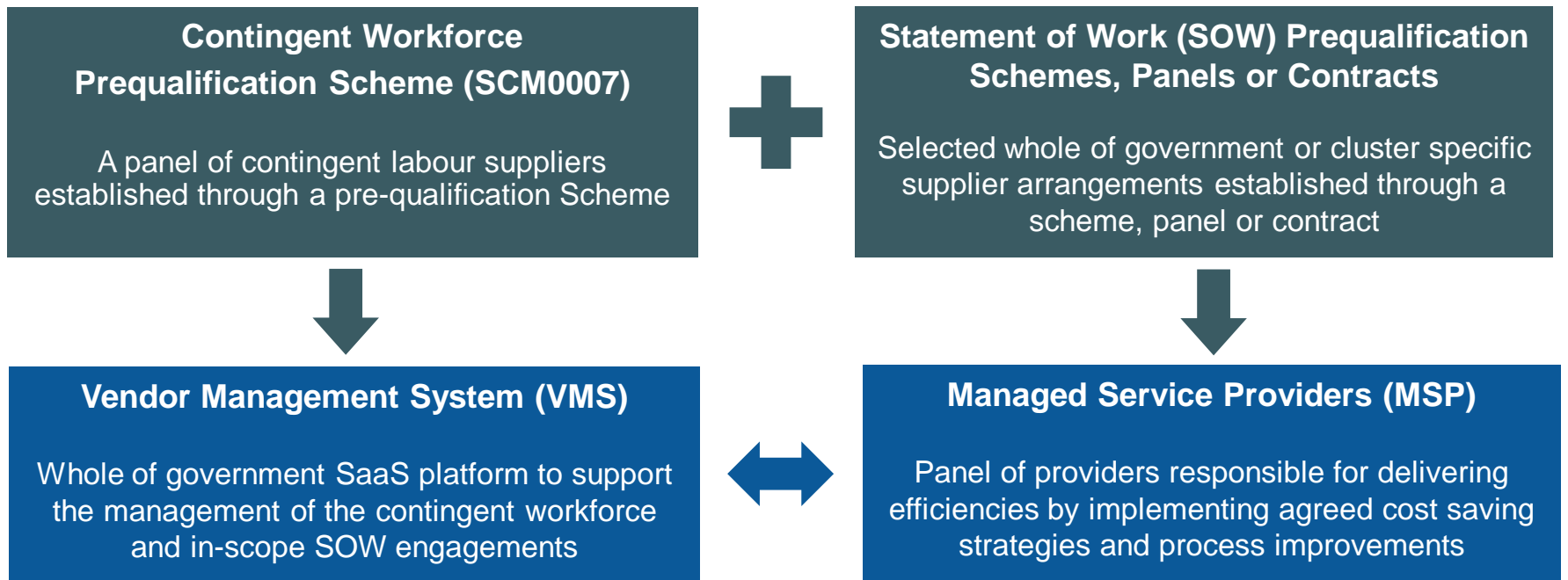


## Machinery of Government

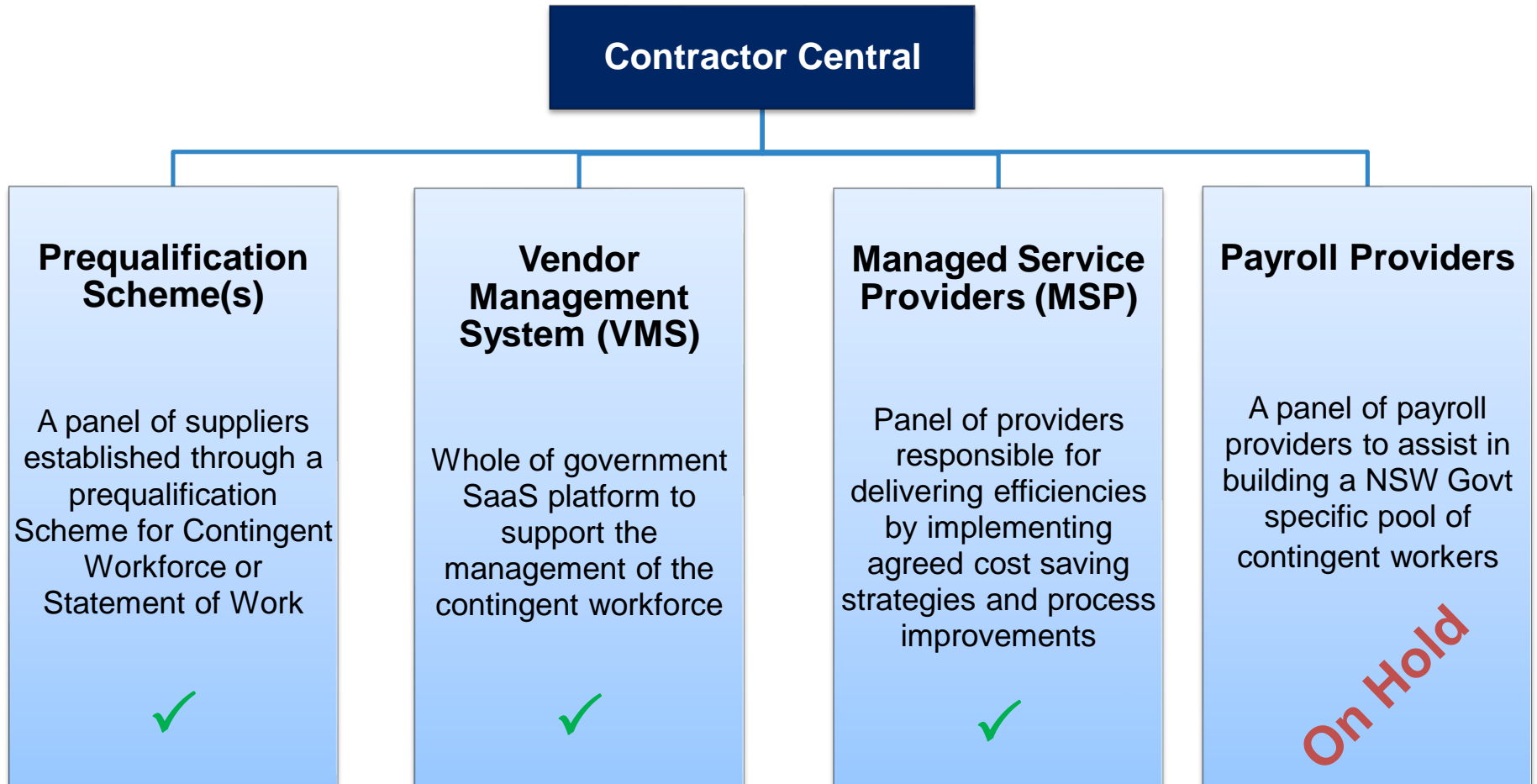
- Biggest change in over 20 years
- Contractor Central agency / worker migrations scheduled over the next 12 months.
- New Reporting template

# The Contractor Central Model

## Contractor Central



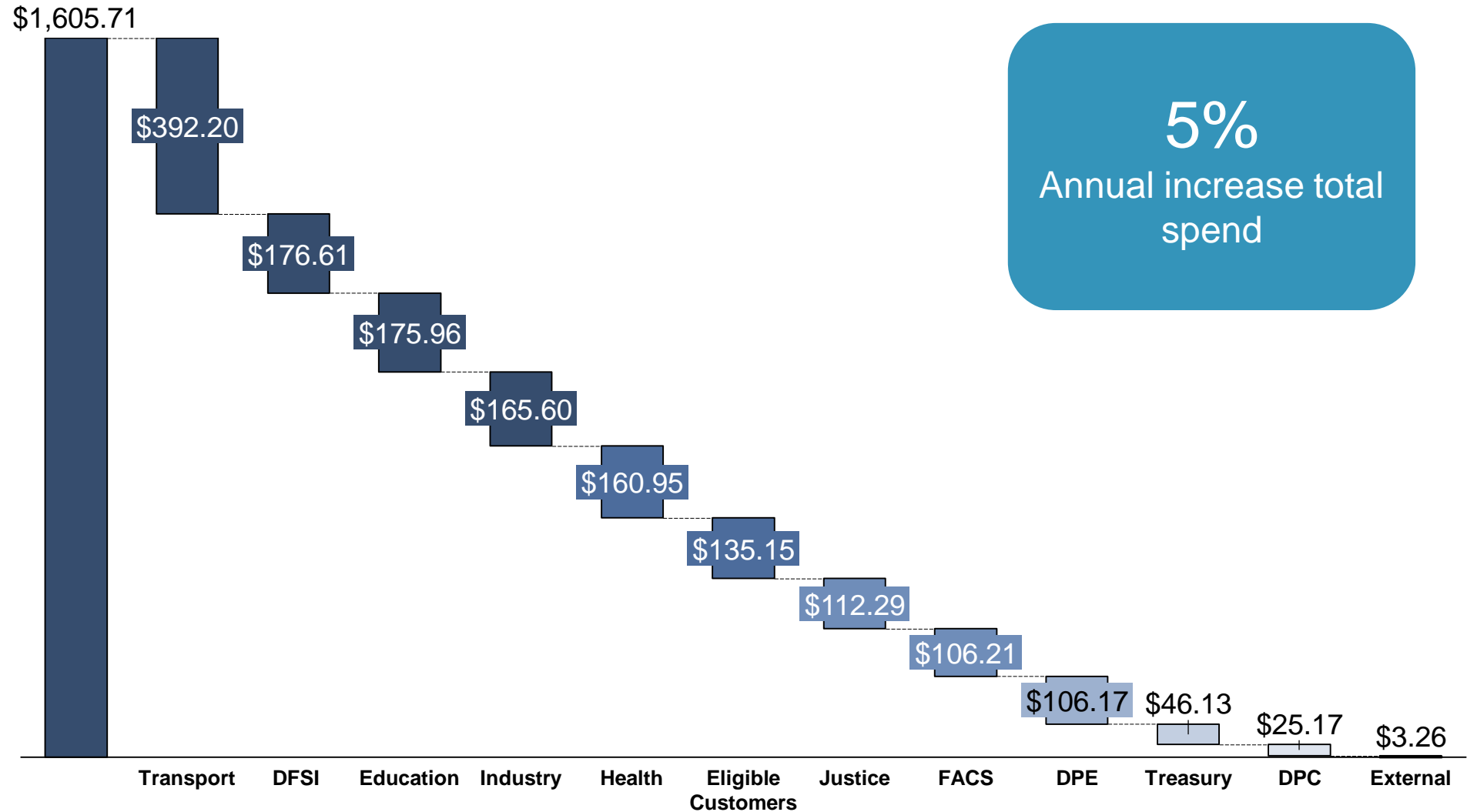
# Contingent Workforce Strategy



# Spend by Cluster

FY 2018-19

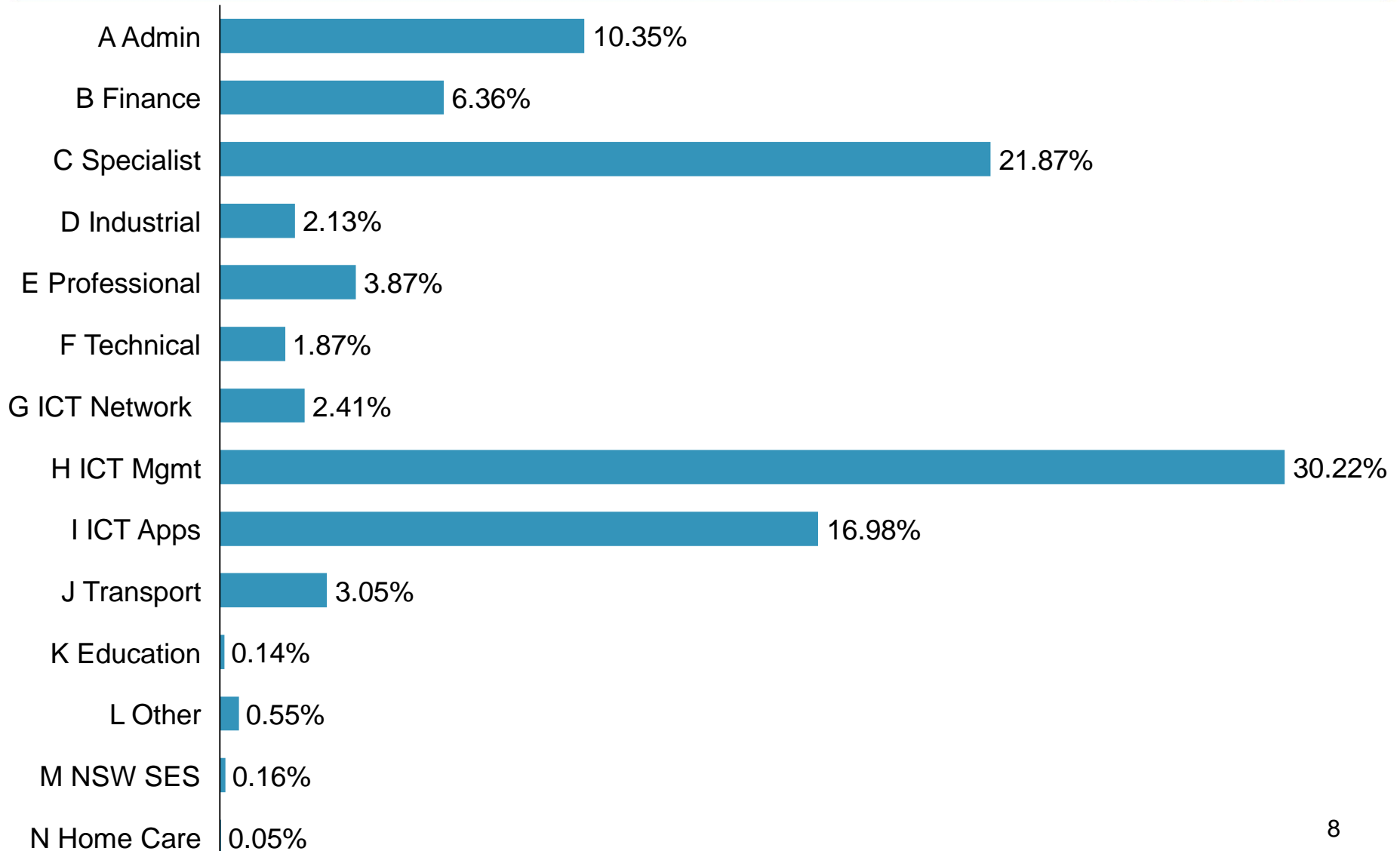
5%  
Annual increase total  
spend



\$ Millions

# Spend by Category

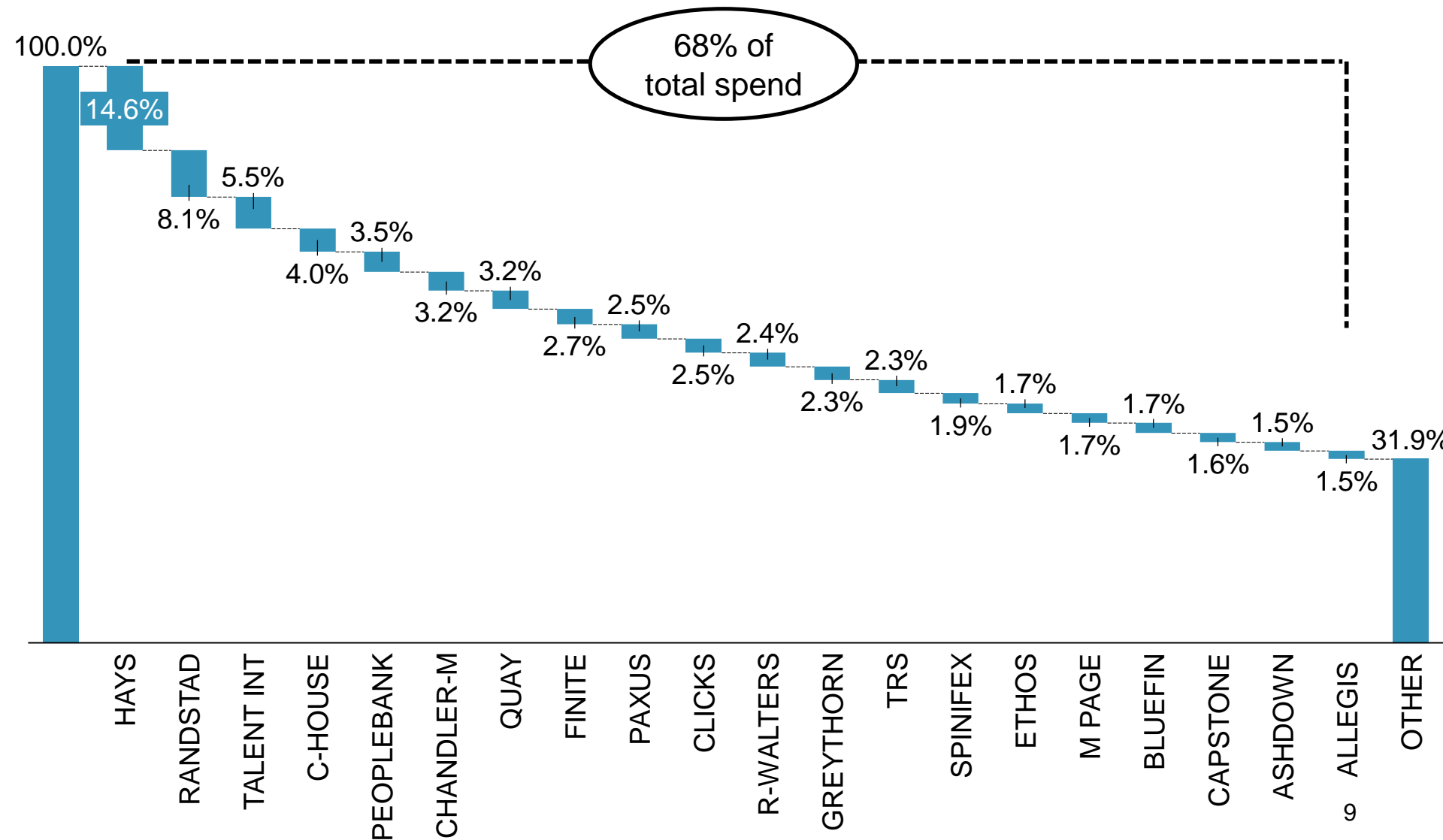
FY 2018-19





# Top 20 Suppliers

FY 2018-19



# Spend by business size

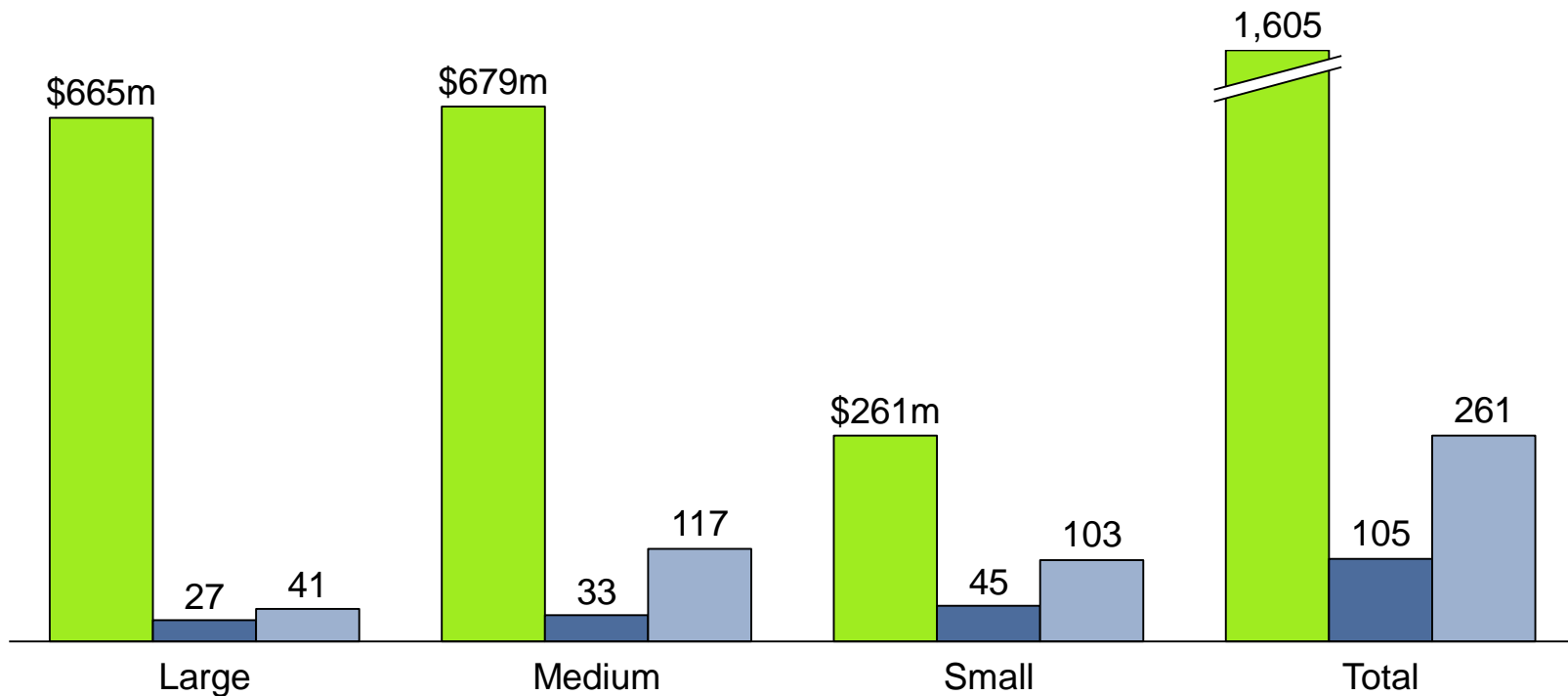
FY 2018-19

58%

of spend is with  
Small / Medium  
business

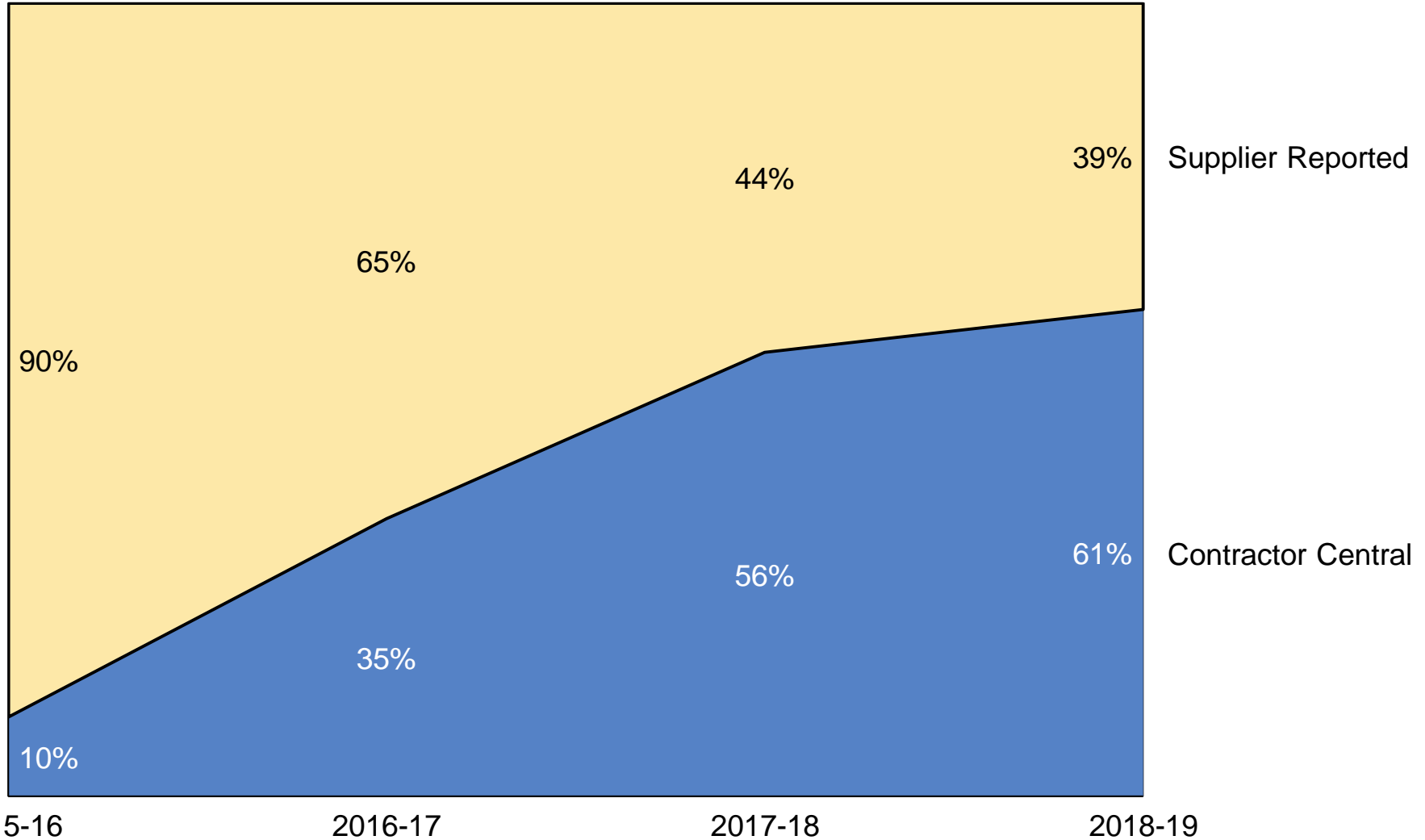
Over 200 Small /  
Medium business  
are currently  
providing workers to  
NSW Government

- Spend
- Suppliers W/O spend
- Supplier W/Spend



# VMS vs Non VMS Spend

FY 2018-19



# Supplier performance responses to Job Postings

FY 2018-19

**7,980**

Job Postings

**3.5**

Approx. Suppliers invited  
per Job posting  
(Sector Average)

**27,021**

Opportunities for a supplier  
to respond  
(Job Postings)

**62,556**

CVs Submitted

**41%**

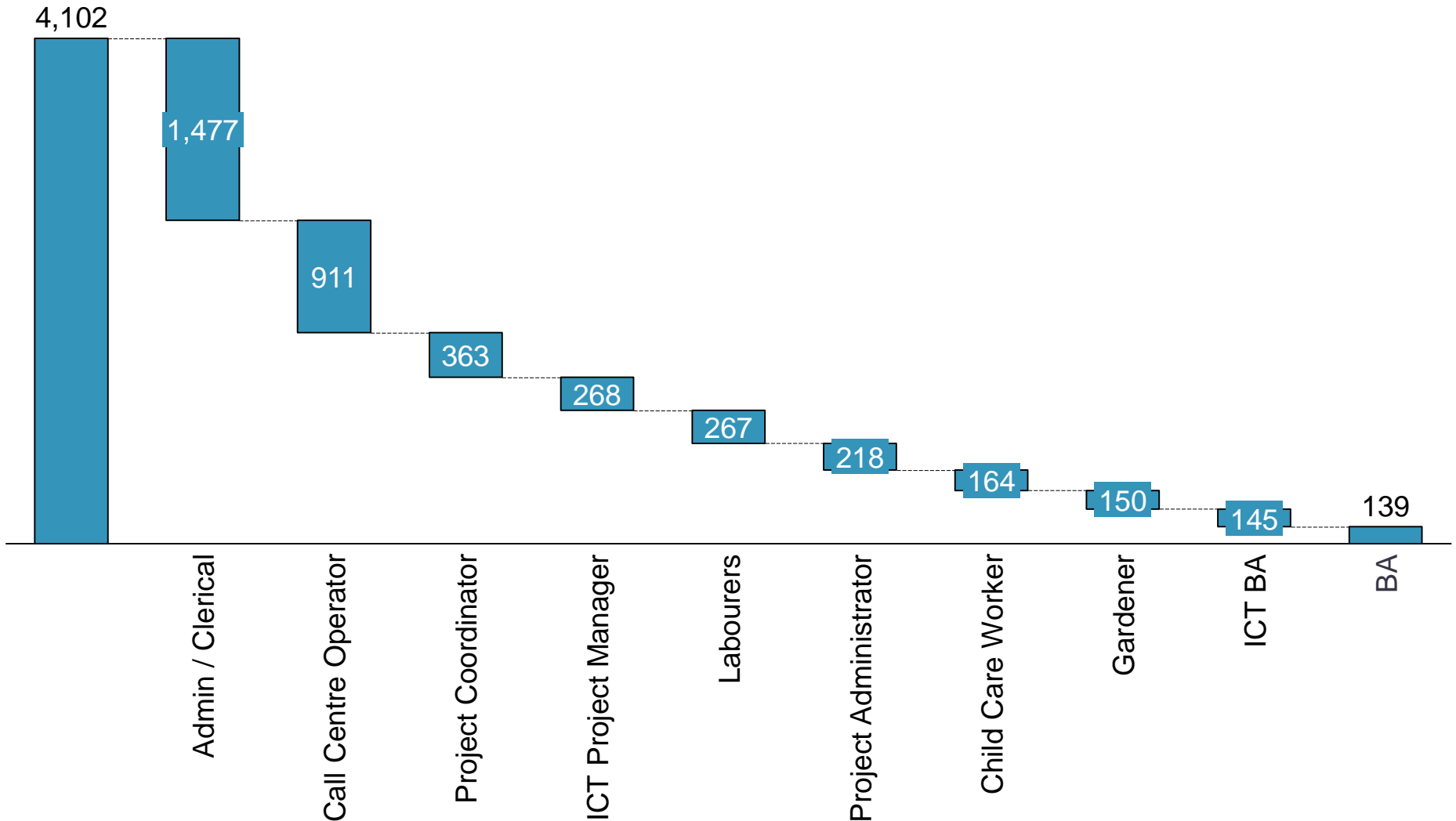
of CVs are shortlisted

**34%**

of shortlisted are hired

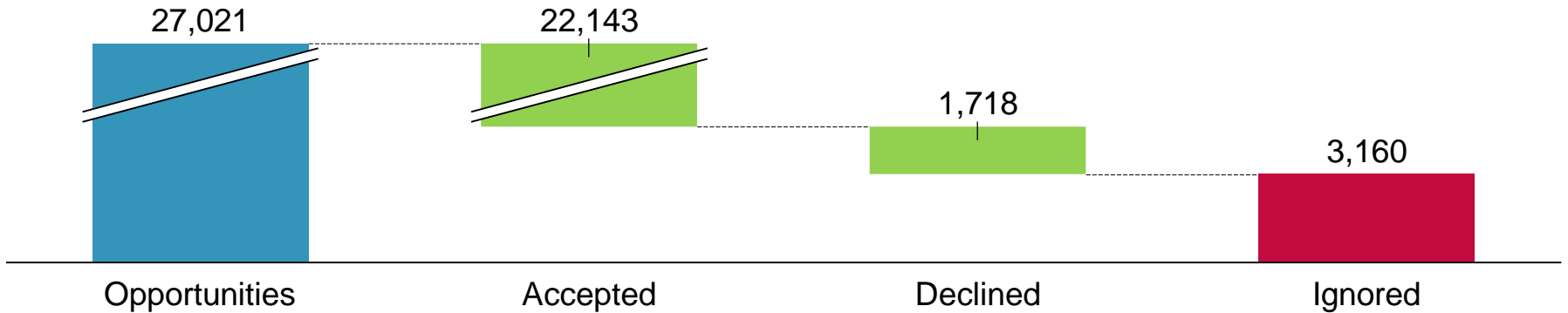
# Top 10 Contractor Central Role Types by Number of New Hires

FY 2018-19



# Supplier performance responses to Job Postings

Jul to Dec 2018



# Contractor Central Implementation Update

Contractor Central  
(Includes SCM0007)

SCM  
0007  
Only

SAP Fieldglass

Beeline

**Cluster Live**

- Health
- DPIE
- Customer Service
- Education (TAFE)
- Stronger Communities
- ACT Government

**Migrating**

- Education

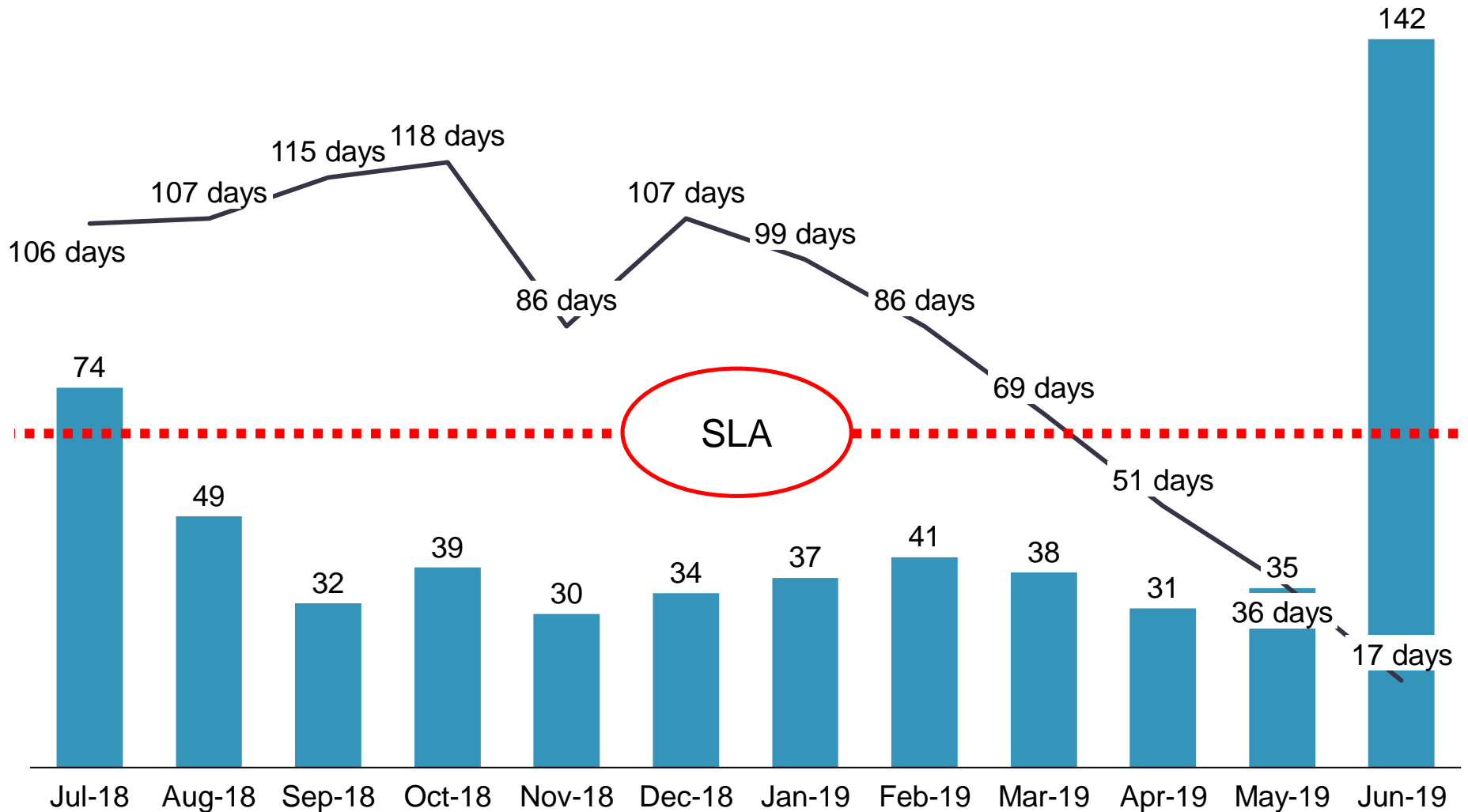
**Implementing**

- Transport

Treasury

# SCM0007 – Application processing times

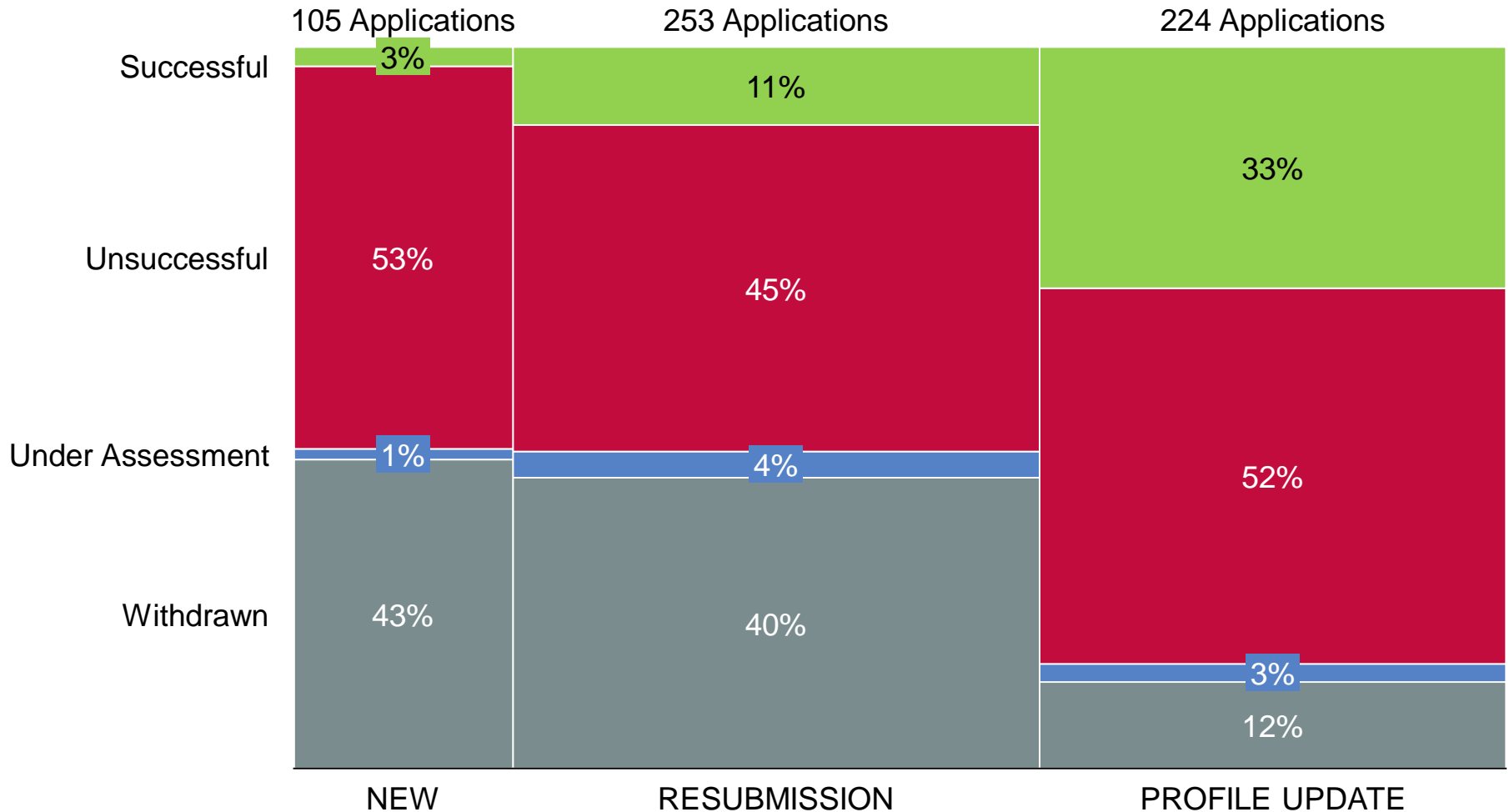
FY 2018-19





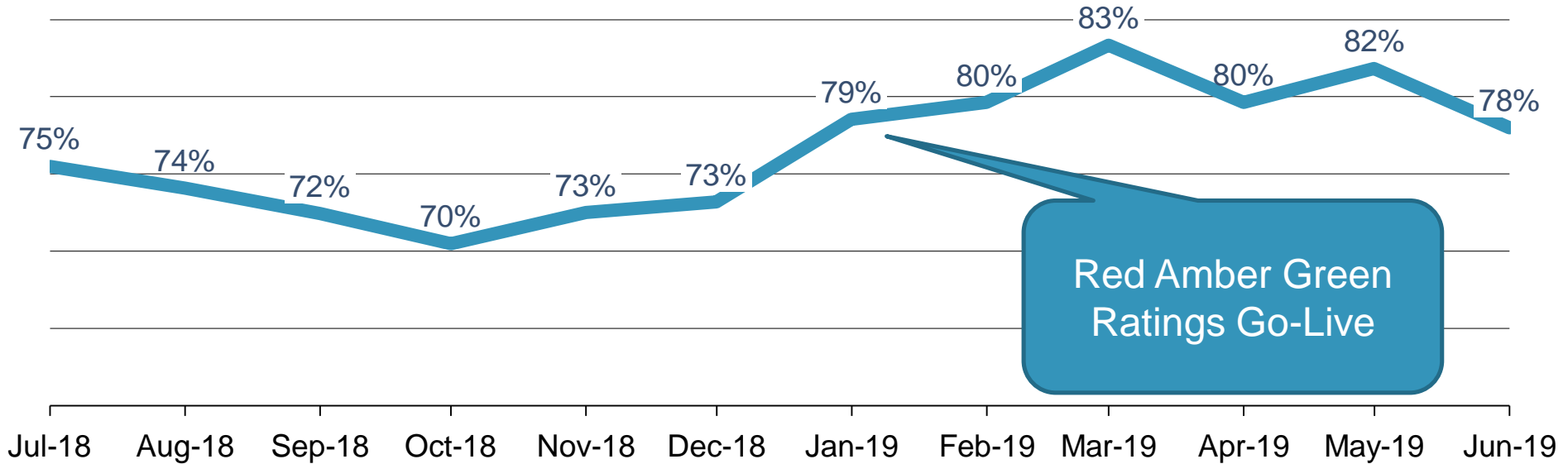
# SCM0007 – Applications status

FY 2018-19



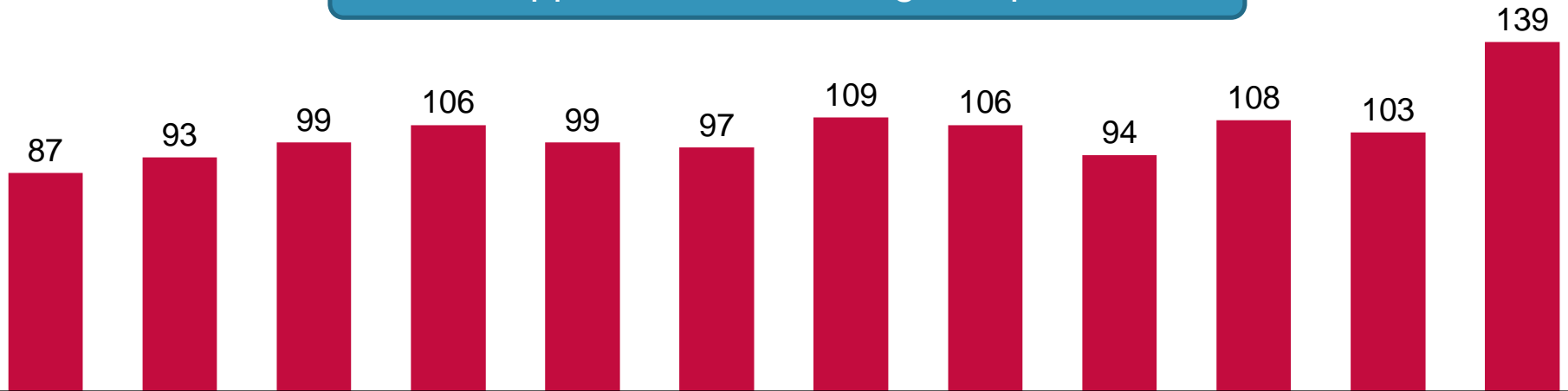
# Supplier Performance: KPI 7 - Reporting

FY 2018-19



Red Amber Green  
Ratings Go-Live

Suppliers are still failing to report!



# Certificates of Currency

## Expired Certificates of Currency

In June 2019 an audit of Contingent Workforce Suppliers revealed that 3 in 4 suppliers had at least one out of date certificate of currency.

On 14 June we wrote to these suppliers and requested that they update these documents by 21 June 2019. As of today, there are still suppliers who have yet to update their certificates.

From 1 July 2019, suppliers with out of date certificates of currency will be coloured **RED** in our supplier list. This will impact the amount of opportunities you receive.

**Formal suspensions will begin from 1 September**  
**Check your insurance certificates now!**

[www.tenders.nsw.gov.au](http://www.tenders.nsw.gov.au)

# Supplier Performance Rating

Jan to Dec 2018

**70**

Suppliers who are 100% compliant

**162**

Suppliers with between 99% to 70% compliance

**98**

Non Compliant, i.e. under 70% compliance

**11**

0% compliance - suppliers entering the suspension process

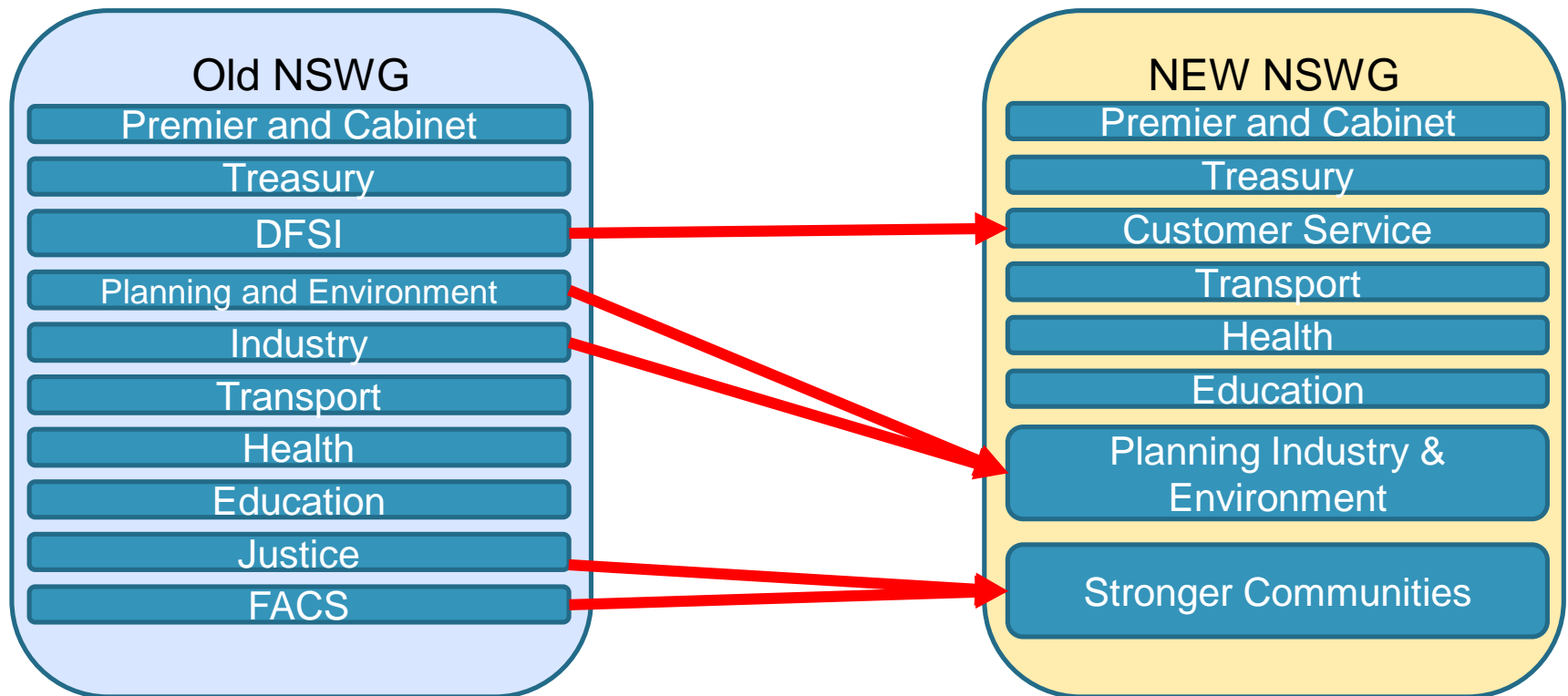
Although it is not mandated, being red is likely to reduce the number of job postings you receive

What is poor performance?

See Annexure 4 - Key Performance Indicators (KPI) of the scheme rules

# Machinery of Government

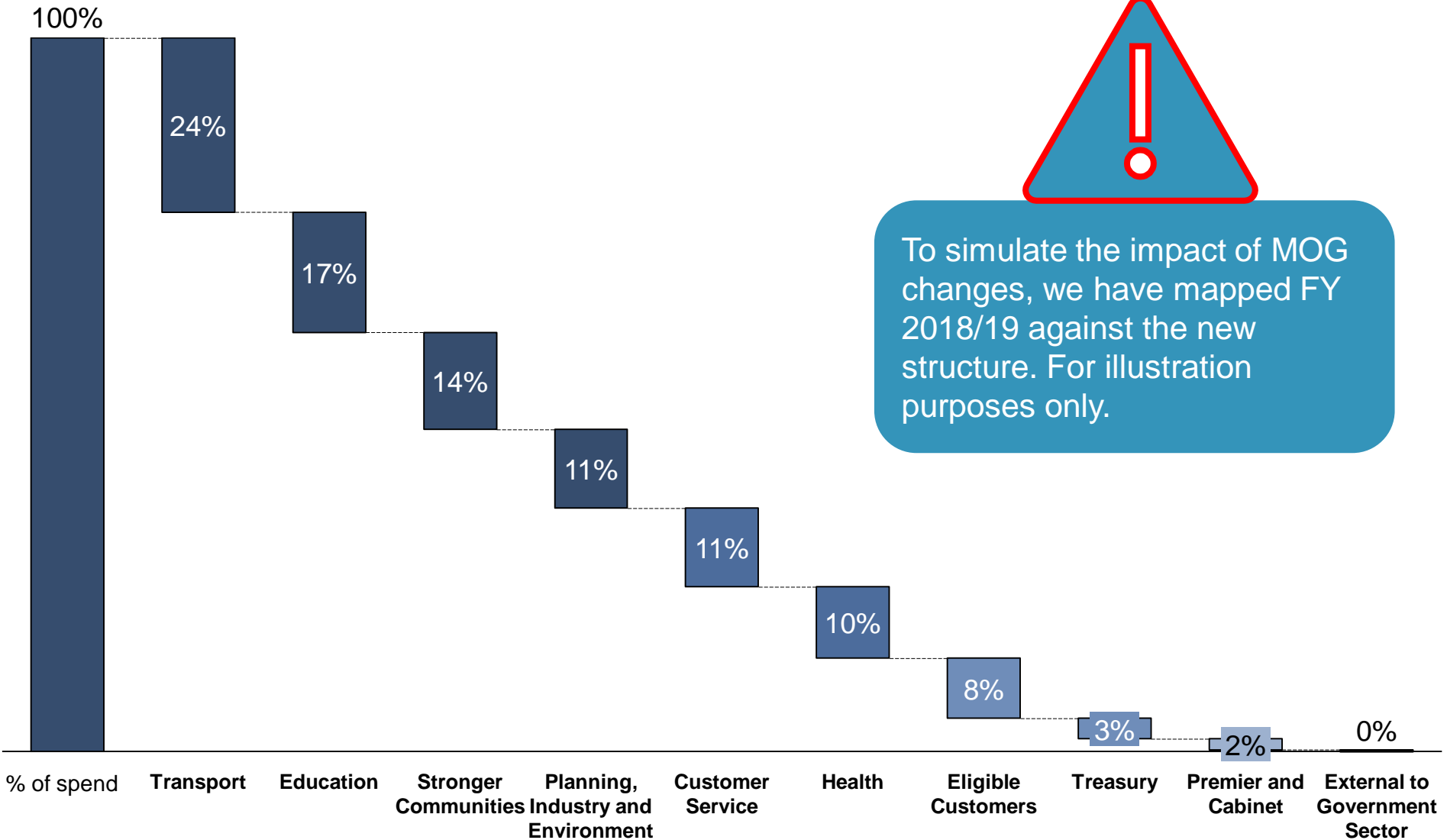
On 1 July 2019 the NSW Government underwent its biggest machinery of government change in 20 years



Changes to agencies under each cluster are not depicted above  
Full details can be found on [www.dpc.nsw.gov.au](http://www.dpc.nsw.gov.au)

# Spend by Cluster –New MOG Structure

FY 2018-19



# Machinery of Government

How does this impact SCM0007 and Contractor Central?

## **1. NSW Procurement now sits within Treasury.**

In accordance with the MOG administrative orders, NSW Procurement on behalf of Treasury (rather than DFSI) is now the principal for arrangements. Suppliers do not need to take any action.

## **2. Some of your workers may move between instances**

If you have workers in an agency impacted by MOG, Contractor Central will contact you and support you through the process of migration.

## **3. You may have to update your reporting / invoice data**

If your workers are in Contractor Central, this will be taken care of for you! Otherwise you should liaise with your hiring manager to ensure you are invoicing the correct agency name.

**ALWAYS DOWNLOAD A FRESH REPORTING TEMPLATE**

[www.procurepoint.nsw.gov.au](http://www.procurepoint.nsw.gov.au)

# SCM 0007 Scheme Rules Update

Scheme Rules amendment effective 1 August 2019

## 1. General Changes

- Machinery of Government Department name changes
- Clause 28.1 Reworded
- Annexure 7 Clause AC18.2 Clarified to “GST Exclusive”

## 2. Employment Checks

*(Eg: Police Checks)*

There is a new Employment Check contract in place. Suppliers are no longer required to conduct employment checks on contingent workers.

**Costs for supplier co-ordinated checks will not be reimbursed.**

<https://www.procurepoint.nsw.gov.au/contracts/c0011>



# Q&A

**Q. Now that DFSI is abolished, does that mean the Scheme is gone as well?**

A. All current arrangements will continue.

**Q. How will I know if I'm impacted by the change in Government Departments?**

A. Contractor Central will support suppliers if they are impacted by Machinery of Government (MoG) changes. If you have workers outside of Contractor Central, please liaise with the hiring manager.

## Q&A

**Q. As a result of MoG changes are you expecting an increase / decrease / no change in levels of contingent hires?**

A. NSW Procurement does not expect any large changes.

**Q. I've heard that individual departments are putting together their own casual pools to avoid using the program due to costs associated. Is this true?**

A. Clusters may choose to establish a sub-panel of suppliers to meet efficiency needs or to negotiate better rates under the suggested maximum rates in the Scheme rules.

## Q&A

**Q. Hiring managers usually request prospective candidates to undergo a police check. The recent changes to the Scheme rules say I can't charge for this. How do I get reimbursement?**

A. Suppliers are no longer able to charge for any employment checks. Hiring managers must use Contract 0011.

**Q. If a workers has had a check in a previous role, is a new check required?**

A. According to updated ACIC guidelines, a new check should be conducted for each new role.

# Q&A

**Q. Does eTenders still send out reminder emails to upload certificates of currency?**

A. Yes

**Q. How do you find out what colour you are on the supplier list?**

A. The supplier list is available from our website.

<https://www.procurepoint.nsw.gov.au/scm0007>

# Q&A

**Q. How can we ensure that hiring managers are not avoiding temp to perm fees?**

A. All NSW Government permanent roles subject to internal merit selection are advertised on [www.iworkfor.nsw.gov.au](http://www.iworkfor.nsw.gov.au). Suppliers should confirm the reference number for the job posting.



**Thank you**