



STANDING COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

JEREMY HANSON MLA (CHAIR), MICHAEL PETTERSSON MLA (DEPUTY CHAIR), MARK PARTON MLA,
SUZANNE ORR MLA

**Inquiry into referred 2016–17 Annual and Financial Reports
ANSWER TO QUESTION ON NOTICE**



Asked by MR COE MLA:

Chief Minister, Treasurer and Economic Development Directorate 2016/17 Annual Report, Procurement and Capital Works, Output 8.1

In relation to SMS Procurement Reform Program:

1. Please provide savings attributable to the SMS Procurement Reform Program in 2016/17 and 2017/18 to date
 - a. Are these savings in line with projected targets?
 - b. What initiatives have been implemented to lead to the savings?
 - c. Are there plans to implement more changes to lead to greater saving?
 - i. If so, what are these changes;
 - ii. If not, why not.
2. Please outline how Contractor Central can improve labour hire.
 - a. Is the ACT Government paying the NSW Government to access this scheme?
 - i. If so, what are the costs associated with this agreement.
 - b. Is data collected through the scheme shared between the ACT and NSW Governments?
 - i. If so, what data is shared;
 - ii. How often is the data shared?
 - iii. If not, are there any specific reasons for the data not being shared?
 - c. Can NSW Government employees access the data related to ACT Government Contractors?
3. What steps have been taken to modernise the current system of ACT Government digital capabilities?
4. Where will the data for the proposed bulk mail outs outline in Phase 2 of SMS be sourced from?
 - a. Are these mail outs purely opt in?
 - b. How often are digital mail outs currently occurring?
 - c. How frequently will digital mail outs be distributed when the modernisation of the current system occurs?
 - i. What is the timeframe for this system modernisation?
5. What information is contained in the physical and digital bulk mail outs, respectively?
6. How many mail digital mail outs occurred in 2016/17?
 - a. What was the circulation of these digital mail outs?



LEGISLATIVE ASSEMBLY

FOR THE AUSTRALIAN CAPITAL TERRITORY

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7. How many physical mail outs occurred in 2016/17?
 - a. What was the circulation of these physical mail outs?
 - b. Please provide a breakdown of the total cost of:
 - i. Design
 - ii. Printing
 - iii. Distribution

Mr BARR MLA: The answer to the Member's question is as follows:—

1. 2016-17 savings of \$14.574 million were achieved, and savings for 2017-18 to date are presently being calculated.
 - a. The savings for 2016-17 were below the target of \$23.084 million. The time taken to plan and procure for some initiatives meant that savings were not achieved for all of 2016-17.
 - b. Savings have been achieved through the following initiatives:
 - Passenger vehicle fleet
 - Utilities
 - Software
 - Health
 - ICT Labour
 - Stationery
 - Multi-Function Devices
 - Heavy Vehicle Fleet
 - Contract Labour
 - Advertising
 - c. These initiatives are progressively transitioning from procurement to contract management.
 - i. There is potential to achieve greater savings through the contract management phase by seeking to optimise how these arrangements are utilised.
 - ii. Not applicable.
2. Contractor Central provides a one stop shop for hiring managers and recruitment firms to engage contactors. Contractor Central provides a consolidated view of all contract labour hire done through the system in real time. The NSW Scheme Conditions that Contractor Central has leveraged also stipulate set supplier (recruitment company) fees which have provided savings.
 - a. There is no payment to the NSW Government to access the scheme.
 - i. Not applicable.
 - b. Yes.
 - i. Data is shared by NSW Procurement (NSWP) with ACT Government, including:
 - Spend data: ACT spend data is aggregated and consolidated and published by NSWP on a monthly basis. ACT spend is included in the amount reported for eligible customer spend.
 - Usage data: NSWP provides monthly reports on ACT 0007 Scheme usage to ACT Government. This usage data is not shared between agencies.
 - ii. Monthly Reporting.
 - iii. Not applicable.



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- c. Yes, but only NSW Procurement personnel have access to data. This is required for the management and operation of Contractor Central.
3. Specifically for SMS Program initiatives, consideration is given to any innovative solution that will provide better digital capability. ICT and the Chief Digital Office are engaged where needed to determine the appropriateness of these capabilities.
4. Where possible data will be sourced from current government systems where this information is available and legislation allows for its use. Data will also be sourced from campaigns where constituents choose to provide this information.
 - a. Yes, digital mail out would be purely opt in.
 - b. The new provider has been contracted to provide bulk mail out of traditional mail, and digital alternatives (mobile text message and email). The new provider is transitioning the traditional bulk mail services currently done by the previous provider. There are currently no digital mail outs being done using this contract, but this capability should be available in the 1st quarter of 2018. There are bulk digital mail outs being done through the Digital Mailbox which is another initiative.
 - c. Traditional mail is sent out most days of the year, and if replaced by digital alternatives this would be done on most days also. Exclusion of mobile text message and email delivery from certain hours of the day will be done to ensure that these are not delivered at disruptive times of the day or night.
 - i. The facility to provide digital mail should be available in the 1st quarter of 2018, and a progressive rollout thereafter.
5. Physical bulk mail outs include: revenue notices; road users renewals, infringements, medical letters; Housing ACT rental agreements; invoices, remittances; appointment reminders
Digital bulk mail includes: revenue notices; road users renewal; payslips.
6. The contract with the new bulk mail provider was signed on 22 June 2017. No digital mail outs occurred in 2016-17 using the new contract.
 - a. Not applicable.
7. The contract with the new bulk mail provider was signed on 22 June 2017. No physical mail outs occurred in 2016-17 using the new contract.
 - i. Not applicable.
 - ii. Not applicable.
 - iii. Not applicable.

Approved for circulation to the Standing Committee on Economic Development and Tourism

Signature:

Date: 27.11.2017

By the Treasurer, Mr Andrew Barr MLA

