



Transport for NSW

Responses to post-hearing questions

Public Accountability and Works Committee

Inquiry into NSW Government use and
management of consulting services

Hearing Date – Tuesday, 5 September 2023

QUESTIONS ON NOTICE

QUESTION: page 3

1. The CHAIR: From a basic perspective, if we're looking at last year's financials, there's a line item under "other operating expenses", which says, "Consultants and other contractors," and it's \$1.35 billion. Can you give us any more colour around what that includes? How much of that would be, for example, external staff being contracted in?

PETER PERDIKOS: We don't have that detail on hand. We're happy to take that on notice. However, what I will say is that size—if we think about the Transport program, I think our budget was roughly \$39.8 billion last year. If you look at the capex side of that, it's over 70 per cent. Now, there's going to be assistance required, and I think that was part of what we mentioned right up-front. Whether that sits across project management, financial services and the like, there'll be aspects that Transport brings on that expertise to assist with delivery of that program. Now, as we've mentioned and what we've said, that's distinct from consultant usage, which is that advisory nature of it. We can get some details around that, Chair, and come back to you.

ANSWER:

Transport uses a range of external support to deliver a large and complex program.

The 'consultants and other contractors' section refers to expenditure for the 2021-22 Department of Transport consolidated financial statements, rather than just Transport for NSW. This also includes expenditure in Sydney Trains, NSW Trains, Sydney Ferries, State Transit Authority and Sydney Metro.

Included within the expenditure is labour hire, professional services, Opal contractor, Information Technology contractors, Covid-19 testing services, Covid-19 contractor claims, external contractors for roads and bridges maintenance, traffic management and maintenance contractors and other contractors covering things such as cleaning services, security services, revenue protection services, and mobilisation and procurement costs relating to new road contracts.

Combined expenditure for consultants is \$27.55 million for the Department of Transport consolidated level in 2021-22.

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2. The CHAIR: It would be very useful. I understand that a significant number of total staff within the transport sector, or within the transport department and agency, are external staff. Can you give me a general percentage of how many of Transport for NSW's staff are not employed by Transport for NSW but are contractors?

PETER PERDIKOS: I don't have the exact details right now. I know in the vicinity. We've spoken around professional services and what that looks like and, as we've mentioned, supply secondees and the like. We also have labour hire staff to assist as well. I don't have the numbers in front of me today, but we'll come back to you on the actual details of that. As mentioned to you, we have done a lot of work around consultants, but, as Mr Halsall mentioned, we also have been focusing on the broader cohort of our workforce—what we

term the external workforce. That does include labour hires and professional services contractors. We have quite an extensive program focused in on that. That feeds into our internal capability and capacity programs but also with respect to, in a changed fiscal environment, how we meet those priorities as well.

The CHAIR: So, for example, I understand from Sydney Metro's annual report that around one in four of their employees is not an employee of Sydney Metro but is an external contractor or consultant, however you want to define it. Is it similar in the broader transport department?

PETER PERDIKOS: Thanks for the question. I'm not aware that it's at those levels. Sydney Metro has a specific program very much focused on infrastructure delivery. I know you're speaking to Sydney Metro later today. With respect to Transport, I think we always say "in the vicinity of 30,000 employees".

The CHAIR: Out of?

PETER PERDIKOS: It's 30,000 in the Transport cluster. Of those 30,000 employees and staff, there's a portion of those that are either labour hires or professional service contractors. I don't have the exact numbers here in front of me today. I know we've been on a program that—we're starting to see some changes in that cohort. But I'm fairly confident it's not in the vicinity of 25 per cent across Transport.

Not all contractors can be compared with employees since they may only work on Transport for NSW projects for a specific task that is not full-time, and they may not be paid on daily rates. Only contractors who require Transport for NSW email addresses and require system access are captured in our database. Of those contractors captured, there are several types, including:

- **External Supplier Seconded** - external workers employed by a company and loaned to Transport for NSW to perform niche / specialist role
- **External Professional Service (Statement of Work) Assignment** – engaged to provide specialist services to deliver a specified outcome as per a statement of work
- **External Consultant** – engaged to provide advisory services to Transport for NSW under short-term contracts with specific deliverables
- **External Managed Service Providers** - engaged to perform recurring services on behalf of Transport for NSW, as defined in a contract which may include support and maintenance services
- **Labour Hires** – external workers providing back-fill support and considered part of Transport for NSW's headcount to fill staffing gaps and to fill business needs

Only the External Seconded and Labour Hires are the types of contractors who typically provide full time support on daily rates to Transport for NSW. The Managed Service Providers for example, may have access to systems, but only need to log in and provide support sporadically and are therefore not comparable to employees.

As at 17 September 2023, Transport for NSW has a workforce comprising of:

- 15,639 employees,
- 1452 labour hires and
- 326 supplier secondees

The percentage of labour hires and supplier secondees as a comparison to total workforce is 10%.

We also have the following number of individuals who from time-to-time gain access to Transport systems to support them in delivering the work they are producing for Transport for NSW:

- 1159 professional service (statement of work) assignments
- 1840 managed service providers
- 198 consultants

QUESTION: page 4

3. PETER PERDIKOS: It's 30,000 in the Transport cluster. Of those 30,000 employees and staff, there's a portion of those that are either labour hires or professional service contractors. I don't have the exact numbers here in front of me today. I know we've been on a program that—we're starting to see some changes in that cohort. But I'm fairly confident it's not in the vicinity of 25 per cent across Transport.

The CHAIR: How many of those are secondees as opposed to labour hire? Can you come back and tell me that as well?

PETER PERDIKOS: We'll come back to you on that. We'll take that question on notice.

The Hon. MARK BUTTIGIEG: Is it possible for you to perhaps get those figures while the Committee's in hearing? Is that possible?

PETER PERDIKOS: We'll see what we can do. We'll follow that up.

The Hon. MARK BUTTIGIEG: That would be the sort of thing the department would keep, wouldn't it?

PETER PERDIKOS: I don't want to make a commitment that we can come back to you—but if we can't get it within this hearing, we'll come back to you with that.

The Hon. PETER PRIMROSE: Can I also maybe ask, to assist you, I note that your report to Treasury and the actual codes that are used for consultant expenses are AE208020001 and, for contractors, AE208040001—presumably, if you've reported those, there must be a list somewhere.

PETER PERDIKOS: We'll take that away. I don't know. That reporting could be financial rather than headcount and FTE. We'll take that away and see what we can provide.

As at 14 September 2023, there are 325 supplier secondees at Transport for NSW and 1461 labour hire contractors.

QUESTION: page 4

4. The Hon. Dr SARAH KAINE: While we're just asking for information, Mr Halsall, I think you mentioned some fact sheets and those kinds of things. Could we on notice have copies of those?

ROB HALSALL: Absolutely. We can provide those for you.

The Hon. Dr SARAH KAINE: Perhaps the different iterations as well would be useful.

ROB HALSALL: Absolutely. Yes.

Factsheets have been provided, including iterations.

Please refer to the following documents (attached to the email sent 4/10):

"Consulting Factsheet"

"External Workforce Definitions Factsheet"

"Labour Hire Guidelines"

QUESTION: page 5

5. The CHAIR: I'm just curious because you don't have to look for very long on LinkedIn or any social media to find people who have worked within Transport as secondees for eight years-plus. That is just one of a lot of examples. It strikes me as extraordinary that we have such a lot of money going to people who are secondees for long periods of time. What does Transport for NSW do to monitor that and reign that in?

PETER PERDIKOS: I'll kick this off. Rob, you might like to add some more to this. We've got something at the moment called external workforce optimisation program. I know it's a mouthful, but what we are really focused in on is exactly the point you've just made there, among others, which is really focused in on tenure, the pay rates in addition to that, but also setting really clear guidelines for our hiring managers internally as to when to bring someone on board, having a very clear scope of works when it's a professional services contractor. One of the things we look at is we shouldn't be having people in there for extended periods of time—it's 12 to 24 months, very defined scope of works. That program, which is currently in flight and we are operating through, is very much focused on that. One of the things that we're working through is ensuring we provide our hiring managers and our key decision-makers visibility and transparency around those things, including tenure, spend and the like. That's what we are currently rolling out.

ANSWER:

Transport for NSW monitors and controls the extended use of contractors via the following initiatives:

External Workforce Optimisation Program

This program is being delivered to enable Transport for NSW to monitor its use of professional services contractors with:

- guidelines on managing external workforce,
- a taxonomy to distinguish people working as labour hires or secondees as opposed to consultants, statement of work or managed services,
- consistently classifying all external workers included in Transport's systems using the above taxonomy

- developing ongoing reporting to management on external workforce to manage tenure and expenditure.

Workforce Planning

Transport for NSW undertakes workforce planning to ensure that it has the capacity and capability to meet current and future workforce requirements. Workforce planning achieves this by:

- aligning people strategies to business goals, environmental changes and workforce challenges and opportunities
- delivering a holistic process that considers and plans for the capacity, capability, sustainability and performance of the workforce.

Transport for NSW tracks the implementation of workforce plans and the use of contingent labour to monitor that it is being used appropriately.

Labour Hire and External Workforce Guides

Transport for NSW provides guidelines to help reduce the volume and reliance on external contractors, instead balancing our internal talent.

QUESTION: page 5

6. The Hon. MARK BUTTIGIEG: Do any of your industrial instruments contain provisions for time limits on fixed-term employment and things like that— secondees? Do you know?

PETER PERDIKOS: I don't have that background. Happy to take that on notice and come don't have.

There are a range of industrial agreements and awards within Transport for NSW which provide for the use of fixed term employment to address peaks and troughs in workload, to provide for cadets, apprentices and other defined employees to work on defined projects or backfilling of employees on long term leave or secondments.

Where those provisions deal with issues such as peaks and troughs in workload, they are limited to either periods of 12 or 24 months, depending on the industrial instrument. Where the employee is engaged for a period longer than those requirements in a fixed term role, there are provisions that provide an option for the conversion of the employee to a permanent employee.

Separately, secondees may be employed by the supplier that Transport for NSW engages. Transport for NSW undertakes workforce planning to review where contractors are working with Transport for NSW beyond two years to determine if a role can be established and a recruitment can take place.

QUESTION: page 6

7. The CHAIR: Are you able to provide us, on notice, with a list of how many people have been on contract or secondment—however you want to call it—filling a so-called temporary role for more than 12 months, more than 24 months, more than 36, more than 48 et cetera? It would be very useful to see just how long. But also I know in a lot of these examples, these people are—I've got one in front of me that has been a secondee for eight years but in sort of five or six different roles within Transport, so they're going from one to the other. Would that be classified in your records as being a continuous person for those purposes?

Transport is currently undertaking a data migration program consolidate the systems that manage our External Worker identities. The requested information will be possible post-migration however at this point in time is not available.

QUESTION: page 9

8. The CHAIR: Thank you. Are you able to provide on notice a breakdown of total spend to each of the big four—KPMG, EY, PwC and Deloitte—regardless of classification from Transport for NSW?

The Hon. WES FANG: Probably call them the "big three" now and then the other one.

The CHAIR: The big three and the other one.

ROB HALSALL: Yes, we'll be able to provide you with that information.

The CHAIR: Thank you.

PETER PERDIKOS: Sorry, Chair, just to confirm: What's the time frame? Are you looking for the last financial year?

The CHAIR: Yes, sorry—in the last financial year. That would be very useful. The 2022 financial year, and what we have to date on 2023 would be very useful.

ANSWER:

Fiscal Year	KPMG	Deloitte	PwC	EY
22/23	\$11,567,303	\$18,545,454	\$11,382,834	\$21,468,621
23/24 (YTD July 2023)	\$598,018	\$1,760,162	\$1,294,386*	\$93,029

*There are no new identified engagements with PwC post July 2023 however, existing engagements are ongoing. Any new engagements will be managed in accordance with the Procurement Board direction in effect from 14 July 2023.

QUESTION: page 13; page 14

9. The CHAIR: Going to go back to contractors, I've got an example that I want to get a copy of so I can show it to you. I'm just giving you the eTendering records for a contract that Transport for NSW – Corporate has engaged in with Bryan Joan Pty Ltd. This is "Project management services for WestConnex M4-M5 link tunnel project" for almost \$165,000. I understand this is an example of a so-called secondment. Are you familiar with this one at all?

PETER PERDIKOS: No, I'm not. I'm not familiar with it.

The CHAIR: I will then also hand up to you another contract with Bryan Joan Pty Ltd. This one is actually with Infrastructure NSW, and this one is for—I think it's like \$1.3 million. Sorry, \$2,333,912. This one goes for about 3½ years. The one that you've executed from Transport goes for about seven months and so they are overlapping contracts. Have you got any knowledge of any of this? You may need to take it on notice.

PETER PERDIKOS: No, I don't have any knowledge of it, especially for the Infrastructure NSW part. But even for the Transport aspect, no, I don't have any background knowledge of it.

The CHAIR: I will also give you a copy of a LinkedIn record for a Mr Bryan Tan, who is the managing director at Bryan Joan Pty Ltd. What you will see here is eight years of so-called secondments. He starts as a secondee with Sydney Metro North west. It goes on until we get to the last four years where Mr Tan has been a secondee to various parts of Transport and Infrastructure. Notably, what you will see here is that the contract—that \$2.3 million for 3½ years—is "Director, Commercial_On secondment to Infrastructure NSW" that you see there on the front page. That's the 3½-year contract. So he's getting \$2.3 million for that. But then in this new one that you have signed with him, he is also on secondment to Rozelle Interchange as "Strategic Negotiation Advisor" for an additional \$165,000. It does appear that this is one person who has two jobs and has been on secondment within the government for at least eight years. Is this common?

ROB HALSALL: I haven't seen this particular example before, so I can't comment directly on this. What I would say is that, if we refer back to what Mr Perdikos said right at the outset today around the differences in the operating model, obviously the accountability that we have within the commercial procurement and transformation component is focused on goods and services. So we don't have direct accountability for the infrastructure delivery services. That would reside with either Sydney Metro, potentially, in this case or with our Infrastructure and Place colleagues.

The CHAIR: Okay, but ultimately with the Transport secretary. That \$2.3 million for 3½ years at a director level, is that comparable with what you would get in a public sector role?

PETER PERDIKOS: I don't believe it is. But I can't comment on the details without knowing what sits behind this. I know we've caught out an individual here. Whether there's a team that's supporting this individual and this scope of works—I don't have any details around this scope of works or what's been presented. It's probably best we take that question on notice.

ANSWER:

Rates paid to Professional Service Contractors are not graded to equivalent roles in Transport for NSW, therefore it is not possible to provide a comparison of Mr Bryan Tan's rate to that of a Transport employee. Further, the rate a contractor receives as their salary does not necessarily correlate to what Transport pays the company for their services. Transport for NSW is unable to comment on the engagement with Infrastructure NSW.

Transport for NSW is currently performing a review of long tenure Professional Service Contractors and are working with the Hiring Manager and People & Culture teams to determine if there is opportunity to exit or convert roles using internal talent.

QUESTION: page 17; page 18

10. The CHAIR: Can I ask about another example? I'm looking at a contract that was entered into with EY Sweeney, or EY, in relation to the Household Travel Survey, which I understand is something that has been done over a number of years. The contract was for 4½ years at a cost of \$8.4 million. There seems to be a lot of money spent on surveys and similar things within different parts of government. Do you think it's money well spent, and is it something that really we could be bringing in-house?

PETER PERDIKOS: Without knowing the specific details of that—I'm familiar with the Household Travel Survey and the importance of that and the informing of our planning activities, service delivery activities and the like. With respect to the question directly, as I said, it is an important survey. Whether that's a capability that should be in-house or otherwise and an assessment of that is difficult for me to comment on. I'm just not aware of what part of the business we're potentially referring to here. But that's something, as I said, that we always make assessments on around what's the right internal capability and what's our workforce strategy around those things.

The CHAIR: I've got an example of one of the surveys. It's like a travel day memory jogger. These things get posted in people's mailboxes, and then it's asking you on it to write down where you've been for a particular period of time. So you select your travel day and then you put down where you went and where you arrived. It seems very rudimentary. It is \$2 million a year for this sort of thing to go out. What else is happening to justify that amount of spend?

PETER PERDIKOS: I'm not across the details of that particular engagement, including, I think, what you are referring to there, Chair: all the activity that sits behind that around the compilation of any data that may come out of it or how it's used. I am happy to take that on notice and come back to you.

The CHAIR: I understand that a new contract has been signed with somebody else for a survey to continue into the future. Do you have any knowledge about that?

PETER PERDIKOS: I don't. Mr Halsall?

ROB HALSALL: No, I don't have any knowledge. We can take that on notice.

ANSWER:

The Household Travel Survey a critical data asset for Transport for NSW, and is widely used across NSW Government, local councils, and community groups to inform plans and programs. Within Transport, its primary purpose is as a key input into the Sydney Strategic Travel Model which uses the comprehensive data to produce long term forecasts of travel demand to inform

the cost benefit ratio of major transport infrastructure business cases as part of investment decisions. Across NSW and the Australian Government, agencies such as the Department of Planning and Environment, NSW Health, Bureau of Infrastructure and Transport Research Economics, and CSIRO, regularly utilise Household Travel Survey data to inform their programs.

Typically, approximately 2,000-3,000 households comprising around 5000-7000 individuals participate in the survey annually, with thousands more contacted to seek participation. Given the expanse of the Household Travel Survey study area, it requires a large team of interviewers, supervisors and field managers to implement the survey via face-to-face or telephone interviews. Recruitment and interview of participating households via telephone also requires a computer assisted telephone interview call centre set-up. These resources do not exist in-house and are therefore outsourced to dedicated market research agencies that have the required resourcing, infrastructure and expertise to undertake surveys of this magnitude. The engagement is undertaken via a tender process,

The memory jogger and pre-notification letter are one part of the end-to-end process for the collection of data through the Household Travel Survey. They are posted in people's mailboxes a week before the assigned survey day as a reminder and a tool to help them remember their trips on that day. Before this occurs, households are recruited through a telephone interview where they are qualified and provided instructions to capture travel patterns on a specific randomly allocated day. Following the allocated travel day, a detailed survey interview is undertaken, either face-to-face or over the phone, to capture the information about the travel day as well as other key and relevant information. This is critical information unique to the Household Travel Survey that helps link travel behaviour to demographics. These activities are time consuming and require considerable resourcing to undertake. In addition to undertaking the survey interviews, the scope of services for which the vendor is responsible for also includes:

- Design and maintenance of the survey instrument
- Response rate monitoring and fieldwork management
- Field staff recruitment, management and training
- Printing and dissemination of all survey material
- Street address and dwelling selection
- Data monitoring and cleaning
- Regular reporting on survey progress
- Overall project performance management

Further, due to a change in travel patterns post-Covid, additional households were required to be recruited, expanding the field work required, and more recently part of the contract cost is to trial more cost-effective ways of capturing travel information through digital tools for a more sustainable approach.

The contract for 2023/24 Household Travel Survey has recently been awarded to Ipsos Public Affairs (Ipsos).

SUPPLEMENTARY QUESTIONS

QUESTION:

1. Please list every professional services engagement undertaken since 2017. In your answers, please detail:

- the agency or individual engaged,
- the details of the work requested for each engagement,
- the details of the work undertaken for each engagement,
- the tendering process for the engagement,
- which other agencies were approached for a quote or tender for each engagement,
- the initial value of the engagement,
- the contract period relating to the engagement, and whether the engagement period was extended. If the engagement was extended, the additional length of that engagement as a result of the extension and the additional value of each subsequent extension,
- the total value of the engagement, and
- whether a post-engagement evaluation of the work was completed.

ANSWER: Please refer to correspondence sent to the Committee on 4 October 2023.

QUESTION:

2. How much has the department paid to PWC, and associated entities, for services during the following financial years:

a. 2017/18

- i. Consultancy
- ii. Contractor

b. 2018/19

- i. Consultancy
- ii. Contractor

c. 2019/20

- i. Consultancy
- ii. Contractor

d. 2020/21

- i. Consultancy

<p>ii. Contractor</p> <p>e. 2021/22</p> <p>i. Consultancy</p> <p>ii. Contractor</p> <p>f. 2022/23</p> <p>i. Consultancy</p> <p>ii. Contractor</p>
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ANSWER:

While there is no standard definition for contractor expenditure across Whole of Government as there is for consultancy, Transport for NSW have included all contractor expenditure in addition to identified consultancy expenditure. For clarity, this includes Core Professional Services, Legal Services, Information Technology, Infrastructure, Construction & Engineering Design & Assessment Services, as well as Secondees and Contingent Labour.

	Fiscal Year	Contractor	Consultancy
PwC	17/18	\$11,968,865	Nil
	18/19	\$5,192,035	\$701,255
	19/20	\$3,297,122	\$1,412,129
	20/21	\$8,762,215	\$511,631
	21/22	\$5,181,343	\$4,758,862
	22/23	\$9,320,070	\$2,062,764

QUESTION:

3. How much has the department paid to KPMG, and associated entities, for services during the following financial years:

a. **2017/18**

- i. **Consultancy**
- ii. **Contractor**

b. **2018/19**

- i. **Consultancy**
- ii. **Contractor**

c. **2019/20**

- i. **Consultancy**
- ii. **Contractor**

d. 2020/21

- i. Consultancy**
- ii. Contractor**

e. 2021/22

- i. Consultancy**
- ii. Contractor**

f. 2022/23

- i. Consultancy**
- ii. Contractor**

ANSWER:

While there is no standard definition for contractor expenditure across Whole of Government as there is for consultancy, Transport for NSW have included all contractor expenditure in addition to identified consultancy expenditure. For clarity, this includes Core Professional Services, Legal Services, Information Technology, Infrastructure, Construction & Engineering Design & Assessment Services, as well as Secondees and Contingent Labour.

	Fiscal Year	Contractor	Consultancy
KPMG	17/18	\$1,751,183	\$1,025,086
	18/19	\$1,007,322	\$223,400
	19/20	\$1,387,535	\$4,849,137
	20/21	\$5,515,045	\$6,391,605
	21/22	\$7,484,088	\$2,056,785
	22/23	\$9,735 109	\$1,832,193

QUESTION:

4. How much has the department paid to Deloitte, and associated entities, for services during the following financial years:

a. 2017/18

- i. Consultancy**
- ii. Contractor**

b. 2018/19

- i. Consultancy
- ii. Contractor

c. 2019/20

- i. Consultancy
- ii. Contractor

d. 2020/21

- i. Consultancy
- ii. Contractor

e. 2021/22

- i. Consultancy
- ii. Contractor

f. 2022/23

- i. Consultancy
- ii. Contractor

ANSWER:

While there is no standard definition for contractor expenditure across Whole of Government as there is for consultancy, Transport for NSW have included all contractor expenditure in addition to identified consultancy expenditure. For clarity, this includes Core Professional Services, Legal Services, Information Technology, Infrastructure, Construction & Engineering Design & Assessment Services, as well as Secondees and Contingent Labour.

	Fiscal Year	Contractor	Consultancy
Deloitte	17/18	\$35,161,735	Nil
	18/19	\$4,003,749	\$1,424,181
	19/20	\$1,967,178	\$1,367,598
	20/21	\$4,683,811	\$2,398,981
	21/22	\$9,408,970	\$1,142,415
	22/23	\$15,994,128	\$2,551,326

QUESTION:

5. How much has the department paid to EY, and associated entities, for services during the following financial years:

a. 2017/18

- i. Consultancy

<p>ii. Contractor</p> <p>b. 2018/19</p> <p>i. Consultancy</p> <p>ii. Contractor</p> <p>c. 2019/20</p> <p>i. Consultancy</p> <p>ii. Contractor</p> <p>d. 2020/21</p> <p>i. Consultancy</p> <p>ii. Contractor</p> <p>e. 2021/22</p> <p>i. Consultancy</p> <p>ii. Contractor</p> <p>f. 2022/23</p> <p>i. Consultancy</p> <p>ii. Contractor</p>

ANSWER:

While there is no standard definition for contractor expenditure across Whole of Government as there is for consultancy, Transport for NSW have included all contractor expenditure in addition to identified consultancy expenditure. For clarity, this includes Core Professional Services, Legal Services, Information Technology, Infrastructure, Construction & Engineering Design & Assessment Services, as well as Secondees and Contingent Labour.

	Fiscal Year	Contractor	Consultancy
EY	17/18	\$18,069,711	\$2,614,710
	18/19	\$4,307,852	\$936,012
	19/20	\$4,328,077	\$1,045,040
	20/21	\$4,573,588	\$443,156
	21/22	\$5,408,971	\$5,662,943
	22/23	\$18,551,145	\$2,921,681

QUESTION:

6. How much has the department paid to Boston Consulting Group, and associated entities, for services during the following financial years:

a. 2017/18

- i. Consultancy**
- ii. Contractor**

b. 2018/19

- i. Consultancy**
- ii. Contractor**

c. 2019/20

- i. Consultancy**
- ii. Contractor**

d. 2020/21

- i. Consultancy**
- ii. Contractor**

e. 2021/22

- i. Consultancy**
- ii. Contractor**

f. 2022/23

- i. Consultancy**
- ii. Contractor**

ANSWER:

While there is no standard definition for contractor expenditure across Whole of Government as there is for consultancy, Transport for NSW have included all contractor expenditure in addition to identified consultancy expenditure. For clarity, this includes Core Professional Services, Legal Services, Information Technology, Infrastructure, Construction & Engineering Design & Assessment Services, as well as Secondees and Contingent Labour.

	Fiscal Year	Contractor	Consultancy
Boston Consulting Group	17/18	\$770,000	\$956,935
	18/19	Nil	Nil
	19/20	\$1,107,159	\$724,849
	20/21	\$108,528	\$1,675,194
	21/22	\$700,000	\$1,943,222
	22/23	Nil	\$908,000

QUESTION:

7. How much has the department paid to McKinsey and Co, and associated entities, for services during the following financial years:

a. 2017/18

- i. Consultancy**
- ii. Contractor**

b. 2018/19

- i. Consultancy**
- ii. Contractor**

c. 2019/20

- i. Consultancy**
- ii. Contractor**

d. 2020/21

- i. Consultancy**
- ii. Contractor**

e. 2021/22

- i. Consultancy**
- ii. Contractor**

f. 2022/23

- i. Consultancy**
- ii. Contractor**

ANSWER:

While there is no standard definition for contractor expenditure across Whole of Government as there is for consultancy, Transport for NSW have included all contractor expenditure in addition to identified consultancy expenditure. For clarity, this includes Core Professional Services, Legal Services, Information Technology, Infrastructure, Construction & Engineering Design & Assessment Services, as well as Secondees and Contingent Labour.

McKinsey & Co	Fiscal Year	Contractor	Consultancy
	17/18	Nil	\$398,000

	18/19	\$270,000	\$720,000
	19/20	\$3,290,453	\$200,000
	20/21	\$3,264,000	\$520,000
	21/22	Nil	\$3,784,000
	22/23	Nil	Nil

QUESTION:

8. How much has the department paid to Accenture, and associated entities, for services during the following financial years:

a. 2017/18

- i. Consultancy**
- ii. Contractor**

b. 2018/19

- i. Consultancy**
- ii. Contractor**

c. 2019/20

- i. Consultancy**
- ii. Contractor**

d. 2020/21

- i. Consultancy**
- ii. Contractor**

e. 2021/22

- i. Consultancy**
- ii. Contractor**

f. 2022/23

- i. Consultancy**
- ii. Contractor**

ANSWER:

While there is no standard definition for contractor expenditure across Whole of Government as there is for consultancy, Transport for NSW have included all contractor expenditure in addition to identified consultancy expenditure. For clarity, this includes Core Professional

Services, Legal Services, Information Technology, Infrastructure, Construction & Engineering Design & Assessment Services, as well as Secondees and Contingent Labour.

	Fiscal Year	Contractor	Consultancy
Accenture	17/18	Nil	Nil
	18/19	\$25,000	\$201,099
	19/20	\$397,500	Nil
	20/21	\$214,100	Nil
	21/22	\$9,791,247	\$157,200
	22/23	\$11,235,958	Nil

QUESTION:

9. Please provide the following information for consulting engagements below the value of \$50,000, in financial years:

a. 2017/18

- i. Number of engagements made with PWC and total value of those engagements,
- ii. Number of engagements made with KPMG and total value of those engagements,
- iii. Number of engagements made with Deloitte and total value of those engagements,
- iv. Number of engagements made with EY and total value of those engagements,
- v. Number of engagements made with Nous Group and total value of those engagements,
- vi. Number of engagements made with Boston Consulting Group and total value of those engagements,
- vii. Number of engagements made with McKinsey and total value of those engagements,
- viii. Number of engagements made with Accenture and total value of those engagements.

b. 2018/2019

- i. Number of engagements made with PWC and total value of those engagements,
- ii. Number of engagements made with KPMG and total value of those engagements,
- iii. Number of engagements made with Deloitte and total value of those engagements,

- iv. Number of engagements made with EY and total value of those engagements,
- v. Number of engagements made with Nous Group and total value of those engagements,
- vi. Number of engagements made with Boston Consulting Group and total value of those engagements,
- vii. Number of engagements made with McKinsey and total value of those engagements,
- viii. Number of engagements made with Accenture and total value of those engagements.

c. 2019/2020

- i. Number of engagements made with PWC and total value of those engagements,
- ii. Number of engagements made with KPMG and total value of those engagements,
- iii. Number of engagements made with Deloitte and total value of those engagements,
- iv. Number of engagements made with EY and total value of those engagements,
- v. Number of engagements made with Nous Group and total value of those engagements,
- vi. Number of engagements made with Boston Consulting Group and total value of those engagements,
- vii. Number of engagements made with McKinsey and total value of those engagements,
- viii. Number of engagements made with Accenture and total value of those engagements.

d. 2020/2021

- i. Number of engagements made with PWC and total value of those engagements,
- ii. Number of engagements made with KPMG and total value of those engagements,
- iii. Number of engagements made with Deloitte and total value of those engagements,
- iv. Number of engagements made with EY and total value of those engagements,
- v. Number of engagements made with Nous Group and total value of those engagements,
- vi. Number of engagements made with Boston Consulting Group and total value of those engagements,
- vii. Number of engagements made with McKinsey and total value of those engagements,
- viii. Number of engagements made with Accenture and total value of those engagements.

e. 2021/2022

- i. Number of engagements made with PWC and total value of those engagements,
- ii. Number of engagements made with KPMG and total value of those engagements,
- iii. Number of engagements made with Deloitte and total value of those engagements,
- iv. Number of engagements made with EY and total value of those engagements,
- v. Number of engagements made with Nous Group and total value of those engagements,
- vi. Number of engagements made with Boston Consulting Group and total value of those engagements,
- vii. Number of engagements made with McKinsey and total value of those engagements,
- viii. Number of engagements made with Accenture and total value of those engagements.

f. 2022/2023

- i. Number of engagements made with PWC and total value of those engagements,
- ii. Number of engagements made with KPMG and total value of those engagements,
- iii. Number of engagements made with Deloitte and total value of those engagements,
- iv. Number of engagements made with EY and total value of those engagements,
- v. Number of engagements made with Nous Group and total value of those engagements,
- vi. Number of engagements made with Boston Consulting Group and total value of those engagements,
- vii. Number of engagements made with McKinsey and total value of those engagements,
- viii. Number of engagements made with Accenture and total value of those engagements.

ANSWER:**a. 2017/2018**

- i. PwC – 1 engagement, total value \$29,000
- ii. KPMG – Nil
- iii. Deloitte - 2 engagements, total value \$82,800
- iv. EY - Nil
- v. Nous Group – 1 engagement, total value \$45,445
- vi. Boston Consulting Group - Nil
- vii. McKinsey - Nil
- viii. Accenture - Nil

b. 2018/19

- ix. PwC - 3 engagements, total value \$88,120
- x. KPMG - 2 engagements, total value \$73,400
- xi. Deloitte - 2 engagements, total value \$37,743
- xii. EY - 1 engagement, total value \$34,587
- xiii. Nous Group - Nil
- xiv. Boston Consulting Group - Nil
- xv. McKinsey – Nil
- xvi. Accenture – 2 engagements, total value \$66,000

c. 2019/20

- i. PwC - Nil
- ii. KPMG - 4 engagements, total value \$143,997
- iii. Deloitte - 3 engagements, total value \$96,925
- iv. EY - 1 engagement, total value \$32,390
- v. Nous Group - Nil
- vi. Boston Consulting Group - Nil
- vii. McKinsey - Nil
- viii. Accenture - Nil

d. 2020/21

- i. PwC - Nil
- ii. KPMG - 4 engagements, total value \$142,979
- iii. Deloitte - 4 engagements, total value \$124,868
- iv. EY - 1 engagement, total value \$23,400
- v. Nous Group - Nil
- vi. Boston Consulting Group - Nil
- vii. McKinsey - Nil
- viii. Accenture - Nil

e. 2021/22

- i. PwC - Nil
- ii. KPMG - Nil
- iii. Deloitte - Nil
- iv. EY - 3 engagements, total value \$71,838
- v. Nous Group - Nil
- vi. Boston Consulting Group - Nil
- vii. McKinsey - Nil
- viii. Accenture - Nil

f. 2022/23

- i. PwC - 1 engagement, total value \$48,500
- ii. KPMG - 2 engagements, total value \$29,950
- iii. Deloitte - Nil
- iv. EY - Nil
- v. Nous Group - Nil
- vi. Boston Consulting Group - Nil
- vii. McKinsey - Nil
- viii. Accenture - Nil

QUESTION:

10. Since 2017, how many times has the services of an independent probity advisor been engaged to provide written advice determining the propriety and/or recommend any mitigation/treatment action for engagements where there could be potential or perceived conflicts of interest or subsequent probity issues?

ANSWER: Since 2017, Transport for NSW has had 221 probity advisor engagements.

Transport for NSW does not record data on whether specific engagements provided written advice determining the propriety and/or recommending any mitigation/treatment action for engagements where there could be potential or perceived conflicts of interest or subsequent probity users.

QUESTION:

11. For consulting or contracting engagements requiring a business case, how many since 2017 have been granted to a consultant or contractor that had previously been engaged to develop the business case for that program?

Please refer to correspondence sent to the Committee on 4 October 2023.

QUESTION:

12. How many people employed by a consulting agency have been onboarded and are currently operating within the department? Who are they, and what are their titles?

- a. Employed by PwC
- b. Employed by KPMG
- c. Employed by EY
- d. Employed by Deloitte
- e. Employed by other

For external workers who require access to Transport systems, their name, supplier name, the skillset provided and the classification of type of worker is reported.

As at 17 September-2023, Transport for NSW have engaged:

- 20 individuals from PwC with access to Transport systems, of which none are considered Supplier Secondees. They are all engaged to provide service deliverables against defined statement of works. The titles include:
 - o Data & Analytics (16)
 - o Commercial & Procurement (1)
 - o Engineering & Technical (1)
 - o Project Management (1)
 - o Strategy & Innovation (1).
- 11 individuals from KPMG with access to Transport systems, of which none are considered Supplier Secondees. They are all engaged to provide service

deliverables against defined statement of works, or engaged as managed service providers, or providing consulting advice. The titles include:

- Compliance & Regulation (8)
- Technology Development (1)
- Project Management (2).
- 20 individuals from EY with access to Transport systems, of which none are considered Supplier Secondees. They are all engaged to provide service deliverables against defined statement of works, or engaged as managed service providers, or providing consulting advice. The titles include:
 - Information & Cyber Security (10)
 - Commercial & Procurement (4)
 - Business Operations (3)
 - Project Management (2)
 - Technology Operations (1).
- 171 individuals from Deloitte with access to Transport systems, of which none are Supplier Secondees. They are all engaged to provide services against defined statement of works or engaged as managed service providers. The titles include:
 - Technology Operations (108)
 - Technology Development (30)
 - Information & Cyber Security (21)
 - Data & Analytics (8)
 - Communications & Marketing (2)
 - Other (2)
- There are 3,348 individuals engaged through other companies that have access to Transport systems, of which 326 are Supplier Secondees.

The 326 Supplier Secondees supporting Transport for NSW are categorised by skillset provided as follows:

Project Management	81
Technology Development	35
Data & Analytics	30
Customer Services & Operations	26
Engineer & Technical	26
Governance, Risk & Assurance	25
Information & Cyber Security	16
Commercial & Procurement	15
Technology Operations	13
Communications & Marketing	11
Legal & Parliament	8

Digital Design	7
Trades & Labour	7
Business Operations	5
Health & Safety & Emergency	5
Administration	4
Property Development	3
Strategy & Innovation	3
Sustain & Environment	3
Driver & Crewing	1
Senior Executive	1
Transport Network & Service Planning	1

QUESTION:

13. Was there a meeting in 2019 between senior treasury and transport officials to consider a report done by PwC into TAHE?

- a. What was discussed in that meeting?
- b. What was the outcome of that meeting?
- c. Were safety concerns regarding the construction of the TAHE model discussed in that meeting?
- d. Who was at that meeting?

ANSWER:

A range of meetings and workshops were held to inform the development of and to discuss the draft PwC report. The report considered impacts and risks across various TAHE operating models, including an assessment of new accounting standards. Safety remained an ongoing area of focus and priority throughout the development of the TAHE operating model, including in discussion with PwC.

QUESTION:

14. What was the rationale behind KPMG being brought in to do further work on the TAHE model after an unfavourable report commissioned by PwC had already been produced?

ANSWER:

The PwC report focused on a range of TAHE operating models and made an assessment of risk including accounting standards.

Subsequently, there were two KPMG engagements:

1. NSW Treasury led engagement to consider accounting standards. Questions concerning this engagement should be referred to NSW Treasury.
2. Transport for NSW led engagement to consider operational risks, including asset management, safety and roles and accountabilities of entities including Transport for NSW, TAHE and public Rail Operators. The Transport for NSW engagement was substantially different in scope than the earlier PwC report.

QUESTION:

15. Is it TfNSW's opinion that Mr Lyon's work on TAHE contained 'persistent errors' as alleged by the former Treasury Secretary?

ANSWER:

No.

The engagement between Transport for NSW and KPMG – led by Mr Lyon – was endorsed by Government and forms the basis of the implemented TAHE operating model. The work informed and ensured that operational matters and risks including asset management and safety were prioritised and managed, together with driving the implemented investment governance framework. The financial modelling undertaken as part of engagement assisted to identify a range of fiscal considerations and risks.

QUESTION:

16. What probity advice was obtained once it became apparent KPMG had accepted further work on TAHE with Treasury, in addition to the work being undertaken with TfNSW?

ANSWER:

Transport for NSW worked with both NSW Treasury and KPMG to review the respective TAHE engagement scopes. In addition, KPMG established a Conflicts, Oversight and Governance Committee in June 2020 to manage the risk of a real or perceived conflict. In July 2020, Transport for NSW was informed by KPMG that there was no issue with the two engagements, and that KPMG would manage any future issues through the Conflicts, Oversight and Governance Committee.

QUESTION:

17. What is the number and value of contracts TfNSW has granted to KPMG since the publication of the Public Accountability Committee's investigation of TAHE?

ANSWER:

Since publication of the Public Accountability Committee Report on TAHE on 8 April 2022, KPMG has had 84 engagements become effective from Transport for NSW, with a total value of \$12.32 million. This includes both consultant and non-consultant engagements.

QUESTION:

18. Does TfNSW use software developed or maintained by:

PwC

KPMG

Deloitte

EY

ANSWER:

PwC – Yes

KPMG – Yes

Deloitte – Yes

EY - Yes

QUESTION:

19. What is the total headcount of external contractors working in TfNSW corporate?

- a. How many of those are in senior management positions?
- b. How many of those external contractors have been engaged for a period longer than 12 months?
- c. What is the average annual payment made in respect of each individual contractor? What is the mean annual payment? Please provide any other cost details recorded by TfNSW.

Transport for NSW has 3,570 external workers as at 17 September 2023. This is comprised of:

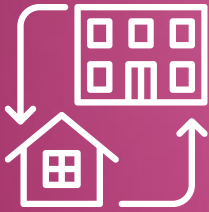
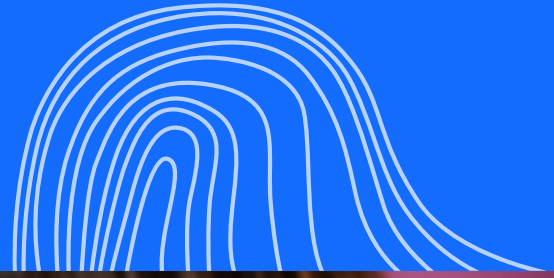
- 326 Supplier Secondees
- 1159 Professional Service Assignments – individuals with access to Transport systems working on service deliverables for Transport through a defined statement of work
- 1840 Managed Service Providers – individuals with access to Transport systems to deliver a service on behalf of Transport
- 198 Consultants – individuals with access to Transport systems to deliver advice as per a defined statement of work
- 48 other workers

- (a) Senior management positions in Transport are considered those classified as Transport Service Senior Manager or Transport Service Senior Executive grades. Due to the nature of the work undertaken by Transport external workers they are not classified according to Transport's grades.
- (b) Transport is undertaking a migration activity to consolidate the systems that manage our External Worker identities. While this information will be available post-migration, at the time of preparing this response it is not possible to determine tenure per External Worker.
- (c) Transport captures overall contract spend per engagement, however, does not capture the rates within each engagement. Under the Performance and Management Services Scheme (SCM0005). The top 19 suppliers report on their rates to NSW Treasury however, Transport for NSW does not capture this information at the engagement level and therefore cannot answer this question.

Fact sheet

May 2023

transport.nsw.gov.au



CONSULTING FACTSHEET

Who is this document for?

This factsheet applies to the following Transport Agencies:

- Transport for NSW
- Department of Transport
- Sydney Trains
- NSW Trains
- Sydney Metro
- The Point-to-Point Transport Commissioner

Introduction

This factsheet provides guidance for the definition of consultants, examples of what is and what is not a consultant, and the procedure for how to purchase consultants in the compliant way.

1. Definition of a consultant

A consultant is defined as a person or organisation engaged under contract on a temporary basis to provide recommendations or professional advice to assist decision-making by management.

Generally, it is the advisory nature of the work that differentiates a consultant from other contractors.

Consultancies provide agencies with recommendations or professional advice that often have one or more of the following characteristics:

- is developed without direct supervision from the agency
- represents an independent view
- is the sole or majority element of the contract in terms of relative value or importance.

2. Why does it matter?

Consultant spend must be disclosed in annual reports. You must share any suspected consulting arrangements with the Category Management Procurement team (listed below) to assist Transport in managing this reporting. Annual reports provide transparency for topics of public interest, including:

- which government initiatives were supported by external advice to assist government decision making (for example, legislation, asset sales and others)
- which suppliers provided that advice
- what was the cost of the advice for each project and cumulatively for all projects
- how often does the government seek external advice to assist decision making each year

This requirement comes from the Annual Reports (Departments) Regulation 2015 and Annual Reports (Statutory Bodies) Regulation 2014.

3. What is and is not a consultant?

Area	Consultant	Not a Consultant
Finance and accounting	Engaged to review or advise on the asset management, accounting systems or financial viability of a government business enterprise	Engaged to perform routine auditing or routine accounting services, even though that includes professional advice
Geotechnical or cadastral surveying	Engaged to advise on the viability of a government decision based on geotechnical or cadastral survey information	Engaged to provide routine geotechnical or cadastral surveying services, even though that includes professional advice
Information technology	Engaged to assist with the development of an information technology strategic plan, to assist with the development of system specifications or to provide advice on implementation	Engaged to undertake implementation in accordance with the specifications, for example, supplying or writing the software and constructing the systems
Legal	Engaged to advise on legal issues relating to a proposed innovation or amendments to legislation (excluding engagements under the Legal Services Panel)	Engaged to provide routine legal services such as conveyancing, advocacy or drafting documents, even though that includes professional advice

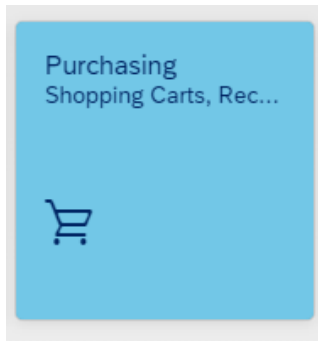
Area	Consultant	Not a Consultant
Program evaluations	Engaged to provide independent high-level policy advice on outcomes of a government program and make recommendations	Engaged to collect and analyze data regarding a program under the direction of an agency
Training	Engaged to advise on training needs and to develop training programs	Engaged to provide the actual training
Probity Advisors	Engaged to review or provide probity advice and to validate that the procurement process was performed in line with probity principles	Engaged to develop a probity framework
Human Management services	Engaged to provide advice on Human Capital Management, Culture, Work health & safety, organizational development, improvements to systems/procedures and succession planning	Engaged to undertake recruitment and manage the organizational development, new systems/procedures
Infrastructure Advisory	Engaged to provide advice in relation to any stage in the infrastructure asset lifecycle from concept through to commissioning of all economic and social infrastructure assets for the NSW Government	Engaged to develop/deliver an infrastructure system
Environmental review	Engaged to review environmental assessments/audits, evaluate environmental studies	Engaged to perform environmental assessments/audits
Government and Business Strategy	Engaged for strategy development and strategic business plans etc., review Organizational structure, Policies & Procedures, Business Processes, Governance structure etc. to provide independent and transparent advice.	Engaged for implementation of Strategic Advice and perform transformation activities
Policy Development	Engaged to provide independent and transparent advice or recommendation on the relevance/effectiveness of the policy	Engaged to develop a new Policy or modify/update existing policy
Business Case	Engaged to provide strategic advice on the accuracy of the Business case developed by the Business	Engaged to develop the Business case for a project

4. How to purchase consulting (under \$250k engagements)

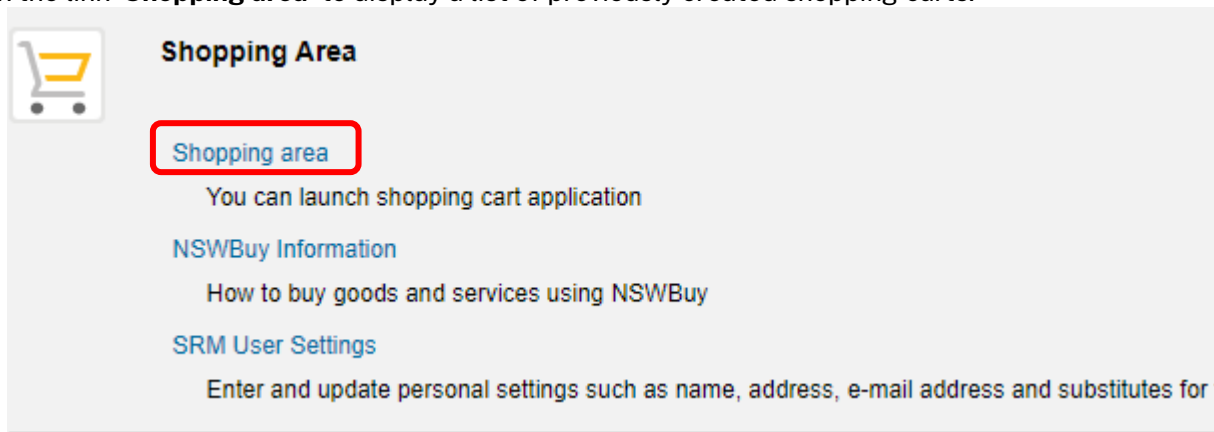
4.1 How to Create a Shopping Cart for consulting services

The following section describes how to purchase consulting for P&MS Scheme (SCM0005) and non-scheme engagements. The three steps below are common for both.

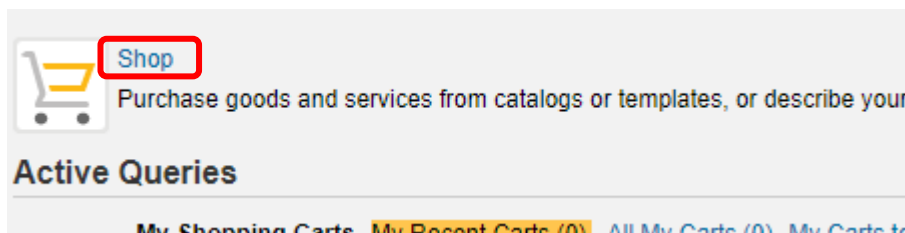
1. In EQUIP, click the **Purchasing** tile.



2. Click the link '**Shopping area**' to display a list of previously created shopping carts.



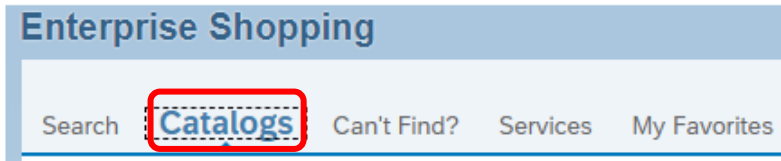
3. Click the '**Shop**' link to display.



4.2 How to create a Consulting Catalogue Shopping Cart (under \$250k)

Following from the steps described within section 4.1, this section describes how to create a P&MS scheme (SCM0005) shopping cart for under \$250k. Catalogue shopping carts for Consulting should only be raised if the engagement aligns with the Consulting definition and all intended Vendors **are** on the P&MS scheme.

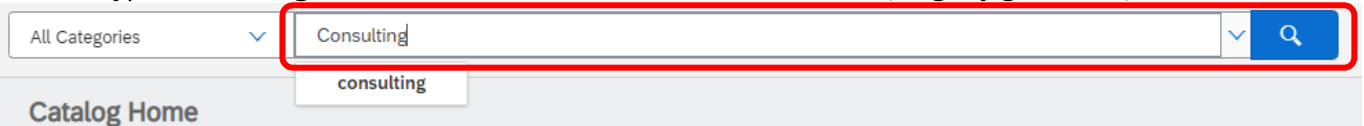
1. Select 'Catalogs'



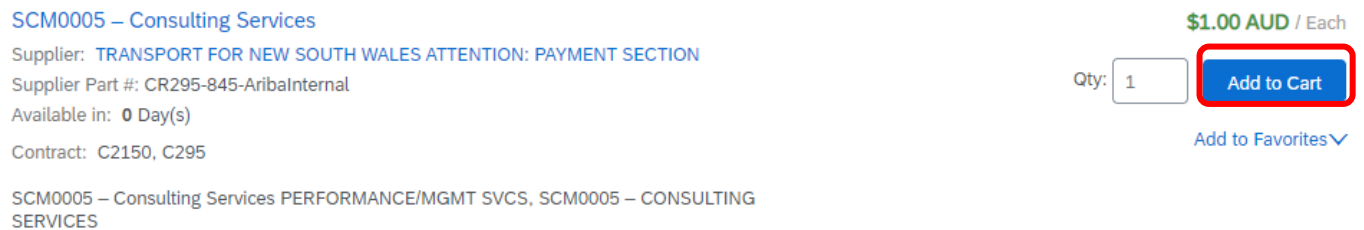
2. Select the Agency you are procuring for e.g. 'TFNSW CATALOG'
INTERNAL MDM CATALOGS



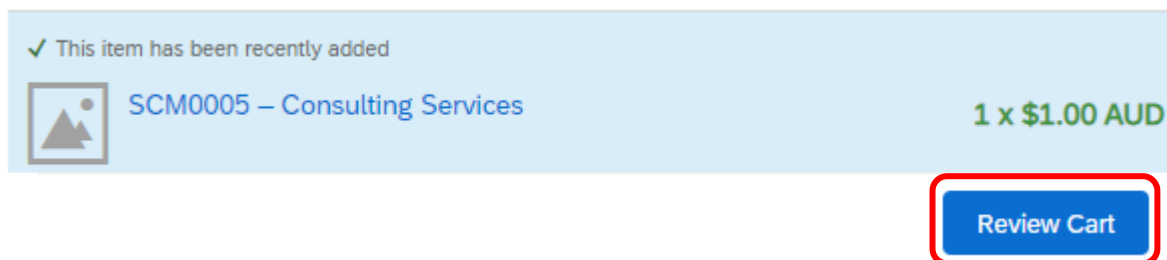
3. Type 'Consulting' in the search bar and Click the search button (magnify glass icon)



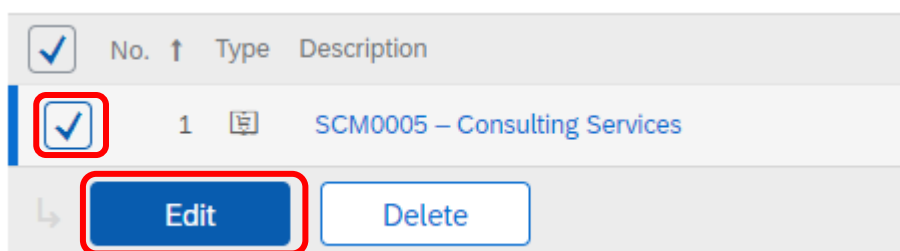
4. Consulting Services Cart will display as per below. Click 'Add to Cart'.



5. Select 'Review Cart'.



6. Check the box next to your item & Click 'Edit'.



7. In the Line-item text, type in the P&MS scheme Engagement Type you are procuring against (e.g., **‘Consulting for P&MS scheme Engagement Type 1a’**) and Click Enter

Commodity Code: Consultation Service

Vendor: 90001000 (TRANSPORT FOR NEW SOU... ▼

Purch Org: (no value) ▼

Line Item Text: Consulting for P&MS scheme Engagement Type 1a

8. Click **‘Checkout’** to complete and submit your Shopping Cart

[Continue Shopping](#) [Checkout](#)

Cart Summary

TRANSPORT FOR N... (1)	\$1.00 AUD
Subtotal (1 item)	\$1.00 AUD

4.3 How to create a Consulting Non-Catalog Shopping Cart (under \$250k)

Following from the steps described within section 4.1, this section describes how to create a non-scheme (SCM0005) shopping cart for under \$250k. Non-scheme (free text) shopping carts for Consulting should only be raised if the engagement aligns with the Consulting definition and 1 or more of the intended Vendors **are not** on the P&MS scheme.

1. Click the **‘Can’t Find’** link to create a Free Text Shopping Cart display

Enterprise Shopping

[Search](#) [Catalogs](#) [Can't Find?](#) [Services](#) [My Favor](#)

Welcome to the SAP Enterprise Shopping,

2. Complete the Service form

Type: Product/Material
1 Service

2 * Description: Consultant project for TfNSW Roads

Internal Note:

3 * Category: Business And Corporate Management Consultatio.80101500

4 * Quantity/Unit: 1 Activity Unit AU

5 * Price/Currency: 150,000.00 Australian Dollar AUD

Delivery Timeframe: On 20.04.2023 **6**

Preferred Supplier:

Attachments 0
Add Note to Supplier

1. Select the Type as **'Service'**

2. Enter a **Description** in the field. In this example the description is 'Consultant project for TfNSW Roads'.

3. Category must be 80101500 for Consulting. This can be selected from the menu as stated in (**Image 1.0 below**)

4. Enter quantity & Unit of measure **'Activity Unit'**

5. Enter the price of the purchase (excluding GST) in the **Price** field.

6. Enter the **Delivery Timeframe**.

Image 1.0

Product Category Search

80101500

You can search through a Category ID, Category Description and Logical System

Results

Use Selected

Logical System	Product Category	Category Description
TPECLNT800	80101500	Business And Corporate Management C...

3. Click the **'Review Cart'** button to display the Shopping Cart.

SHOPPING CART

Review Cart Order Cart

Total (Net Value):
AUD 150,000.00
1 Item

Consultant project for TfN...
AUD 150,000.00 per 1 AU
Quantity: 1 AU

4. Click the **'More details'** button to complete your Shopping Cart details

AUD 150,000.00

1 AU

(0) (0) (0) (0) **More Details**

[Redacted]

[Redacted]

[Redacted]

5. Complete all required fields for your specific requirements, including the **Cost Center** or **WBS number**

ACCOUNT ASSIGNMENT

2 Error Message(s)

Error in account assignment for item 1

Account 511000 requires an assignment to a CO object

Add Line Cost Distribution: By Percentage Save Account Assignment Saved Account Assignments: Select Saved Account Assig...

Accounting Line No.	By Percentage	Account Assignment Category	Number	Account Assig...	G/L Account Number	G/L Account D...
0001	100.00	Cost Center	<input type="text"/>		511000	Consultants

6. Click the **'Order Cart'** button to submit the Shopping Cart for approval.

Continue Shopping **Order Cart**

Back To Overview

5. How to purchase consulting (over \$250k engagements)

1. Fill in the **Strategic Sourcing Event Request** form located at: [Strategic Sourcing Event Request - MyTransport \(service-now.com\)](#).
2. In your requirements, ensure you specify that your procurement is in relation to a need for a Consulting engagement.

[Home](#) > [All Catalogs](#) > [Procurement Services](#) > [Purchasing](#) > Strategic Sourcing Event Request

OFFICIAL

Strategic Sourcing Event Request

Use this form to request assistance if you need to buy something

If you need to buy something, this form will help direct you to the appropriate team for assistance.

Requestor Information

* Requested For

Employee Number

Email Address

Agency

Mobile Number

Division

Request Details

* What is the total estimated value of your sourcing requirement, including any applicable optional periods and proposed variations?

6. How to purchase consulting for Discreet and CM21 Contracts

1. Fill in the **Contract Creation and Variation Request** form located at: [Contract Creation and Variation Request - MyTransport \(service-now.com\)](https://service-now.com/Contract-Creation-and-Variation-Request-MyTransport).
2. Click on the **“Create New”** as highlighted below and few extra fields will be added in the Form.

Home > All Catalogs > Procurement Services > Purchasing > Contract Creation and Variation Request

Search MyTransport

OFFICIAL

Contract Creation and Variation Request

Contract Creation and Variation Request

This form is to be used for:

- CM21 Contracts
- Local Government (Council) Contracts
- Discrete Contracts

Note - The purchase order will be created or varied once the contract is published.

At least one of the following documents to be attached:

1. Signed Contract
2. Briefing Note/Memo
3. Tender Assessment Report
4. Contract Variation Letter or equivalent (signed by both parties)
5. Approved Process Audit from iCentral

Requestor Information

*Requested For: x v

Employee Number:

Email Address:

Agency: v

Mobile Number:

Division:

*What would you like to do?

Create New

Amend Existing

Save as Draft

Submit

Required information

Form Survey

3. Material Group to be entered must be **“80101500”** for **Consulting** which is to be added in the **“Material Group”** field as highlighted below on the next page.

Contract Details

* Supplier Name

* Supplier ABN

* Does this contract require an ERS/RCTI set up? Yes No

What is the agreement date? This is the date the contract was signed

* Supplier Payment Terms

* What is the expiration date? This is the date the contract will end.

Financial Details

* Awarded Amount excluding GST

Contract Contingency amount excluding GST

Contract Amount excluding GST

* Purchasing Organisation

* G/L Code

Purchase Order Amount excluding GST

* Material Group

* Who is the requestor/requestioner for this purchase order?

* Supplier number

* Contract Title

* What is the effective date of the contract? This is the date the contract will start.

* What is the contract type?

* Expenditure type

* GST included

Purchasing Group (leave blank if unknown)

* Contract Expiration Email Notification (in days)

* WBS Code / Cost Centre

Note: where multiple costing is required please attach a listing of WBS or cost centres and include the wording "Please see attached" in the text box below.

WBS Code Cost Centre

Position title (Requesting officer)

Email

Save as Draft

Submit

Required Information

Supplier Name Supplier ABN

Does this contract require an ERS/RCTI set up?

Supplier Payment Terms

What is the expiration date? This is the date the contract will end.

Supplier number Contract Title

What is the effective date of the contract? This is the date the contract will start.

What is the contract type?

Awarded Amount excluding GST

Purchasing Organisation G/L Code

Material Group Expenditure type

GST included

WBS Code / Cost Centre

Who is the requestor/requestioner for this purchase order?

Business Sponsor Contract Manager

New Line Item Details

I certify that the information provided is complete, true and accurate.

Form Survey

4. Complete all the other fields and click on "Submit"

7. How to purchase consulting for PMWeb contracts

Contact the following in relation to the procurement for PMWeb Consulting engagements:

1. Rajeev Nair (Senior Manager Procurement, Precincts, Urban Renewal) at rajeev.nair@transport.nsw.gov.au; and
2. Zannoubia Nazha (Senior Manager Procurement, Rail) at Zannoubia.nazha@transport.nsw.gov.au

8. Who can I contact to get further guidance from?

The Category Management team can assist with your specific needs to help guide you on whether it is consulting.



Sarah Han-de-Beaux

Director Technology &
Professional Services Portfolio



Deepti Madan

Senior Category Manager –
Professional Services

Factsheet

External Workforce Definitions

March 2023



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1. Who is this document for?

This factsheet applies to the following Transport Agencies:

- Transport for NSW
- Department of Transport
- Sydney Trains
- NSW Trains
- Sydney Metro
- The Point-to-Point Transport Commissioner

2. Requirements

- NSW Government prequalification schemes and panels are to be used. Where this is not possible, please seek advice.
- [Procurement Board Direction 2021-03 Engagement of Professional Services Suppliers](#). All consultant engagements over \$50,000 (excl. GST) must be reported in Transport's annual report.
- All contracts awarded over \$150,000 (incl. GST) must be disclosed pursuant to the [Government Information \(Public Access\) Act 2009](#).
- Agency specific procurement rules and delegations must be applied. Clarification of rules and definitions can be provided by TSS Sourcing.
- Consolidation of the end-to-end engagement process will enable the consistent and accurate application of the definitions and subsequent reporting.

3. Types of External Labour

Transport often engages external labour as a source of talent to augment its workforce. The types of external labour options available are:

- Labour Hire or Contingent Labour
- Day Labour
- Supplier secondees
- Professional services or SOW assignments
- Consultants
- Recurring or Managed Outsourced Services or Business Partners

This fact sheet aims to provide clarity on the different types of labour options available and sets out when each type should be used and where to go for further support. Labour hire or contingent labour is the most common form of external labour option, and it is mandatory across Transport to utilize the Contractor Central process.

Labour Hire (Contingent Labour)

An individual engaged to replace or augment the workforce for project delivery or in the core service delivery of the business unit. The Labour Hire will be a temporary placement, or to replace the need for engaging in-house personnel or to cover vacancies. The engagement covers events such as increases in workloads to meet normal business outputs or augment an increase in capacity to meet peak demands.

Specification

Output

Risk of output lies with

Direction given by

Example

Job Description

As directed by hiring manager

Transport

Hiring Manager

PAYG / ABN contractor from a recruitment agency like Hays under SCM0007 for staff augmentation

Day Labour /
Blue Collar

Blue collar contract labour or day labour includes individuals supplied to Transport by an external vendor for specific manual labour activities associated with delivery of direct works e.g., protection officers, labourers, traffic control, plant operators, carpenters etc. typically to fill unexpected change in plans, minimum crew requirements or periodic shut down or possession windows.

Specification	Job Description
Output	As directed by hiring manager
Risk of output lies with	Transport
Direction given by	Hiring Manager
Example	Painter on the Harbour Bridge

The term PSC or Professional Services Contractor has been widely used to refer to various types of external labour resources, as follows:

Supplier
Secondees

From time to time there could be a need to loan (second-in) a resource from a Professional Services supplier. A Professional Services Secondee is an individual working under Transport’s direction to strengthen teams to perform niche and specialist job descriptions for a defined short period of time. The supplier of the Professional Services Secondee is responsible to supply the suitably skilled resource(s) to meet Transport’s needs, and for the seamless replacement thereof, as required for the duration of the engagement. The supplier of the Professional Services Secondee manages all payroll and associated employment obligations for the seconded individuals employed by their organisation.

The need to second-in these skillsets could arise because:

- internal and other external recruitment channels have been exhausted and are unable to fill the requirement
- current and future internal demand for the technical or specialist skill(s) does not warrant recruiting the capability into the organisation on a full-time basis
- sudden short-term peak in work has given rise to an urgent need.

Specification	Job Description
Output	As directed by hiring manager
Risk of output lies with	Transport
Direction given by	Hiring Manager
Example	Supplier’s employee on loan to Transport for staff augmentation

Professional
Service SOW
Assignment

A professional service SOW assignment refers to a named individual or a group of individuals engaged for generally less than a year to provide specialist / niche skills or capability to deliver a specific outcome defined in a scope of work, where ‘in-house’ skill or capability does not exist or is unavailable. The supplier accepts the risk to produce the quality of work to achieve the desired outcome.

Specification	Scope of Work
Output	Deliverables as per Scope of Work
Risk of output lies with	Supplier
Direction given by	Supplier
Example	Project delivery, e.g., an implementation of a new system

Consultants

A consultant is defined as a person or organisation engaged under contract on a temporary basis to provide recommendations or professional advice to assist decision-making by management. Generally, it is the advisory nature of the work that differentiates a consultant from other contractors.

Consultancies provide Transport with recommendations or professional advice that often have one or more of the following characteristics:

- is developed without direct supervision from the business unit
- represents an independent view
- is the sole or majority element of the contract in terms of relative value or importance.

Specification	Scope of Work
Output	Recommendations or advisory
Risk of output lies with	Supplier is responsible for advice and Transport is responsible for decisions
Direction given by	Supplier
Example	Business strategy advisory, organisation re-design recommendations

For further clarity and examples of consultants please refer to the [Consultants Factsheet](#).

Recurring / Managed Services

An organisation engaged by Transport to perform outsourced recurring services as part of a long-term strategic partnership. Recurring services are predefined in a contract and delivered on an ongoing basis for more than one year.

Specification	Scope of Work
Output	Services on behalf of Transport against pre-defined scope, in accordance with KPIs/SLAs.
Risk of output lies with	Business Partner
Direction given by	Business Partner
Example	Managed services and other outsourcing arrangements, e.g., maintenance and support of IT systems

4. Procurement contacts

Contact	Email
TSS Sourcing	Go to MyTransport or telephone 133 148
Contractor Central	Go to ContractorCentral@transport.nsw.gov.au
Professional Services	professionalservices@transport.nsw.gov.au
Procurement Policy and Governance	Procurement.Governance@transport.nsw.gov.au

5. Document control

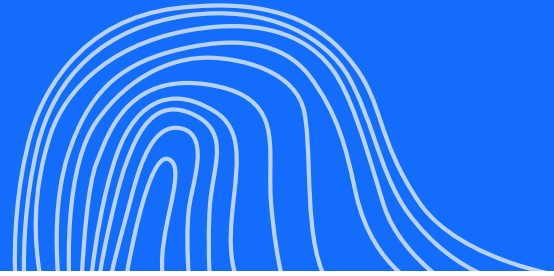
Document owner	Director Procurement Excellence
Document number	V3 March 2023
Branch	Commercial, Procurement and Transformation
Division	Corporate Services

Factsheet

Labour Hire Guidelines

July 2023

transport.nsw.gov.au



1. Who is this document for?

This factsheet applies to the following Transport Agencies:

- Transport for NSW
- Department of Transport
- Sydney Trains
- NSW TrainLink
- Sydney Metro
- The Point-to-Point Transport Commissioner

2. Introduction

Labour hires form part of Transport for NSW's workforce and contribute to service delivery and outcomes for the community. Effective management of labour hires promotes workforce engagement, contributes to delivering value for money and is important for managing risk.

This factsheet provides managers with end-to-end guidance on the essential elements of managing labour hires at Transport. This document should be read in conjunction with the Procurement Standard, External Workforce Definitions Factsheet, and relevant guides on the intranet and MyTransport.

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3. Definitions

Term	Definition
Contractor Central	Contractor Central is a contractor management solution that has been implemented across the NSW Government sector for the procure to pay processes associated with contingent labour (under Scheme 0007). Contractor Central comprises a Vendor Management System (VMS) utilised by a Managed Service Provider (MSP) to enhance the delivery and benefits of contingent labour procurement services.
CPO	Chief People Officer
Established Position	A permanent or temporary position on Transport’s Establishment record which is approved by the Secretary or delegate.
Hiring Manager	A Hiring Manager is defined as the Transport employee who is responsible for overseeing the labour hire’s work and is responsible for the engagement. The Hiring Manager must not be a Labour Hire, Supplier Seconded or Professional Service Contractor.
Labour Hire	The Public Service Commission defines a labour hire as an individual engaged to replace or augment the workforce for project delivery or in the core service delivery of the business unit. The labour hire will be a temporary placement, or to replace the need for engaging in-house personnel or to cover vacancies. The engagement covers events such as increases in workloads to meet normal business outputs or augment an increase in capacity to meet peak demands.
PPE	Personal protective equipment
Role Category	To assist with classification and reporting of placements, SCM0007 uses job categories to group role types such as administration, finance, technical, professional etc. Please refer to Annexure 6 of the Scheme Rules for an up-to-date listing of categories.
Scheme	Scheme means the NSW Whole of Government SCM0007 Contingent Workforce Prequalification Scheme administered by NSW Procurement. This scheme is mandated under Procurement Board Direction for the sourcing and payroll of the contingent workforce. Please refer to buy.nsw.gov.au for the current Scheme Rules .
SME	Small and Medium Enterprises. Suppliers on the scheme are segmented based on the count of full-time equivalent staff. SMEs include those suppliers with up to 199 full-time equivalent staff.
TSS Sourcing	A centralised procurement sourcing team within Transport Shared Services.

4. Need a Labour Hire?

- 4.1 It is mandatory across Transport to utilise the **Contractor Central** process supported by TSS Sourcing.
- 4.2 **Resource Plan:** The Hiring Manager is responsible to ensure that labour hire engagements are captured within the approved resource plan prior to any engagement through Contractor Central. Hiring Managers may seek advice from their Finance Business Partner and P&C Business Partner regarding funding availability and workforce planning as required.
- 4.3 **Scheme 0007:** Only supplier participants of the Contingent Workforce Scheme (SCM0007) may be invited to submit resumes. Any requests to engage disability and indigenous suppliers can be sent to Contractor Central for support with supplier prequalification and onboarding.
- 4.4 **Position ID:** A request to engage a labour hire must be submitted by the Hiring Manager (or Resourcing Manager) via Contractor Central for each new role/extension. An established position is required before sourcing commences and must be valid for the duration of the assignment.
- 4.5 **Additional Approvals:** It is the Hiring Manager's responsibility to ensure that any branch/division/agency specific approval processes have been granted prior to engaging Contractor Central.

5. Sourcing Labour Hire

5.1 Procurement Requirements:

- a. For engagements greater than 3 months but less than 6 months, or under \$150k (ex GST), a single supplier can be invited to submit a minimum of three resumes for any new position (where practicable).
- b. For engagements greater than 6 months and under \$150k (ex GST) a minimum of three suppliers must be invited to submit a minimum of three resumes for any new position (where practicable, i.e., 1 per supplier).
- c. For engagements over \$150k (ex GST) a minimum of three suppliers must be invited to submit a minimum of three resumes each for any new position (where practicable, i.e., 3 per supplier).
- d. It is recommended that one Indigenous supplier is invited per role. The Hiring Manager may also select one of the three suppliers that are to be invited. Supplier selection is based on their availability in the Scheme 0007 prequalified list for that role category, at the discretion of the Contractor Central team.

- 5.2 **Competitive Sourcing:** All new labour hire engagements must be competitively sourced. Any pre-identified or single source requests require a Procurement Exemption except in the following circumstances:

- a. Indigenous suppliers can be engaged directly up to \$250k (ex GST), as long as value for money is demonstrated.
- b. Small and Medium Enterprises (SME) can be engaged directly up to \$150k (ex GST), as long as value for money is demonstrated.

The standard turnaround time for suppliers to submit candidates is 72 hours. Contractor Central will ensure that all invited suppliers are given the same briefing/information and time to respond. For niche roles it is noted that additional time may need to be considered.

- 5.3 **Initial Contract Duration:** The initial length of engagement cannot exceed 6 months for ongoing positions. Extended leave of absence backfill (e.g. parental or medical leave) will be considered and other exceptions may be considered on the basis of critical talent segments (i.e., high demand, lack of market rate competitiveness and niche positions).
- 5.4 **Total Contract Duration:** The total length of engagement of any labour hire position including extensions cannot exceed 24 months. All instances of non-compliance will be reported to Deputy Secretaries (or equivalent).
- 5.5 **Rate Cards:** Rate cards within Contractor Central of minimum and maximum rates must be adhered to. All instances of non-compliance will be reported to Deputy Secretaries (or equivalent).
- 5.6 **Interviews:** The selection panel should include a minimum of two Transport employees that have completed appropriate [probity/merit selection training](#). It is recommended that Labour Hires, Supplier Secondees and Professional Service Contractors are not voting members on the selection panel, where practicable.
- 5.7 **Reference Checks:** A minimum of two reference checks are required for each selected candidate including from the Transport manager if they worked at Transport during the last 3 years, even if the manager has left Transport. This also applies to pre-identified candidates.
- 5.8 **Pre-employment Checks:**
 - a. Criminal history checks may be required for labour hire engagements, as determined by the position requirements. The Hiring Manager is required to select these requirements when submitting a request in the Contractor Central portal.
 - b. The selected candidate must have their Australian work rights verified by their supplier and proof of ID sent to the Contractor Central team (for onboarding via TSS People Services).
 - c. Labour hires are required to follow Health & Safety regulations that apply to all workplace visitors and if any proof of vaccination is required it will be sighted by the supplier prior to engagement.
 - d. When submitting candidates, the supplier confirms whether the candidate has worked at Transport within the last 3 years, and if they have received any voluntary redundancy package from Government within the last 12 months. Any redundancy amount must be repaid if the labour hire engagement is to commence before the end of the period covered by the redundancy.

- e. If the individual has confirmed that they had previous employment within Transport, Contractor Central log a ticket with TSS People Services to confirm rehire eligibility.
- f. If the labour hire role is subject to a Fitness to Work check, the Hiring Manager must request this through Transport's preferred supplier.
- g. With the exception of part-time roles, Transport does not accept any candidates on restricted work rights visas.

6. Onboarding Process

- 6.1 **IT Access:** Once an offer is made to the supplier for a labour hire, Contractor Central will enable IT access for that candidate. This IT access will not become active until the labour hire commences at Transport.
- 6.2 **Laptop & Office Access:** Once the Hiring Manager receives the log in details from Contractor Central, they can request any required items such a laptop and access card prior to onboarding by submitting the relevant forms in MyTransport.
- 6.3 For safety and security reasons, every labour hire must provide an **emergency point of contact** and advise their Hiring Manager of any changes throughout the term of their engagement.

7. Rates & Timesheets

- 7.1 No labour hire rate increases for the duration of the assignment, irrespective of the length of duration. All instances of non-compliance will be reported to Deputy Secretaries (or equivalent).
- 7.2 Labour hire pay rates must not exceed the maximum benchmark rate as set by NSW Procurement. As of June 2023, the maximum labour hire daily pay rate of \$1746 will trigger Deputy Secretary (or equivalent) approval. All other instances of non-compliance to the maximum benchmark rate will be reported to Deputy Secretaries (or equivalent).
- 7.3 The negotiation of labour hire pay rates is managed by Contractor Central. Hiring Managers are strictly prohibited from making offers verbally or otherwise with labour hire workers including pre-identified labour hires.
- 7.4 If a labour hire moves into a new assignment with demonstrable evidence that the role and responsibilities are substantially different, then their rate must not exceed the maximum benchmark rate of the new role.
- 7.5 For rate increases, any applicable Award or Enterprise Agreement must be observed, and additional branch/division/agency approval processes apply e.g., FSSC (Financial Sustainability Steering Committee) process for Sydney Trains or RCAP (Resource Change Authorisations Paper) process for Sydney Metro.
- 7.6 Any rate revisions will be effective from the next timesheet period following financial delegate approval.

- 7.7 A daily rate is based on an 8-hour working day (not including meal breaks). For labour hires on a daily rate, anything less than 6 hours is considered to be a half day. Labour hires on an hourly rate may work up to 40 hours per week.
- 7.8 Any expectations around hours of attendance, including start and finish times should be communicated by the Hiring Manager to Contractor Central during the sourcing stage if they are non-standard requirements. This will ensure they are captured and agreed contractually prior to the commencement of the engagement.
- 7.9 All labour hires must complete a timesheet in the Contractor Central portal on a weekly basis (**by noon on Monday**) entering the time actually worked.
- 7.10 Timesheets for labour hire workers must be approved weekly by the responsible nominated Hiring Manager or Timesheet Approver via the Contractor Central portal (**by end of day Monday**). Failure to approve timesheets will result in delays in payment to the supplier and ultimately the labour hire worker. Where Hiring Managers are unavailable to approve timesheets before cut-off, they must make alternative arrangements via Contractor Central.
- 7.11 Labour hires may also be required to submit timesheets through systems deemed appropriate by the Hiring Manager, e.g., CATS (Cross Application Timesheets) in Transport Equip.
- 7.12 Labour hires must enter a zero-hour timesheet to cover days not worked. Labour hires are not entitled to paid sick days, annual leave or paid NSW public holidays, unless the role requires work on these days.
- 7.13 With the exception of industrial workers under Role Category D, overtime and penalty rates must not be applied to daily rates of labour hires. If there is a business need for a labour hire to work outside standard business hours (e.g., evenings or on the weekend) the Hiring Manager is responsible for making suitable arrangements in advance.
- 7.14 Labour hires are expected to take no less than 10 days unpaid time off throughout a financial year (pro-rata) in addition to public holidays. Time off is expected to be at least during the Transport shutdown period and is encouraged on and around public holidays unless otherwise explicitly agreed with the Hiring Manager in writing.

8. Flexible Working

- 8.1 For labour hire engagements, the worker must reside and perform their role within NSW, Australia.
- 8.2 Applications for flexible work will be considered on a case-by-case basis and are subject to the Hiring Manager's discretion. Managers are accountable for the conduct and outcomes delivered by labour hires.
- 8.3 For labour hires requiring flexible work arrangements (i.e., hours of work, days of work), they must refer their request through their supplier to Contractor Central for consideration by the Hiring Manager.
- 8.4 The Hiring Manager will assign clear deliverables and key tasks to be achieved while working remotely.

8.5 If there is a need for a labour hire to work from a Transport location that is not their nominated work location, they must have prior approval from their Hiring Manager. It is the responsibility of the labour hire and their Hiring Manager to ensure they have building access, a site induction, a workspace, and IT access for the alternative work location prior to arrival.

9. Extensions

- 9.1 Note, the total length of engagement of any labour hire including extensions cannot exceed 24 months. All instances of non-compliance will be reported to Deputy Secretaries (or equivalent).
- 9.2 All labour hires are engaged against established positions in the HR Establishment system.
- 9.3 All extensions require the following:
- a. Established position with an end date equal to or greater than the end date of the intended engagement.
 - b. Where established positions require extension, the Hiring Manager may seek advice from their Finance Business Partner and P&C Business Partner regarding funding availability and workforce planning as required.
 - c. Additional branch/division/agency-specific approvals such as FSSC approval in Sydney Trains must also be sought.
 - d. Once the position has been extended, the Hiring Manager can notify Contractor Central of the intended extension so they can extend the contract with the labour hire supplier.
 - e. The Hiring Manager must finally extend the labour hire within HR Manager Self-Services (MSS) in Transport Equip to extend IT access.
- 9.4 When a labour hire is terminated for cause, a replacement may be sourced by the same supplier if the remaining contract value is under \$150k (ex GST). Should the replacement found by the supplier be deemed unsuitable, a competitive sourcing process is required. Similarly, if the remaining contract value is over \$150k (ex GST), a competitive sourcing process is required. Exceptions will be managed in line with the Procurement Standard.

10. Tenure

- 10.1 Two years' continuous service is the maximum tenure for any labour hire. Exceptions may be considered on the basis of project extensions and critical talent segments (i.e., high demand, lack of market rate competitiveness and niche positions). Additional branch/division/agency approvals also apply e.g., FIP (Finance Investment & Portfolio) process for Sydney Trains.
- 10.2 A change in engagement type (e.g., Labour Hire to Supplier Secondee), a change in supplier, change in role or change in agency/division does not break tenure.

- 10.3 A break in service/tenure is defined as a break from any further contracts as a labour hire or Supplier Seconded within Transport for a continuous period of six weeks. The Last Day of Duty form is required (see [Offboarding](#)) to ensure system access is removed during this time.
- 10.4 Any labour hire, engaged after a break of six weeks or more from their previous contract with Transport, will be in line with the pay rate from their most recent engagement (if in a similar role within the last 12 months) unless market rates indicate otherwise.
- 10.5 All instances of non-compliance will be reported to Deputy Secretaries (or equivalent).

11. Expenses

- 11.1 Any proposed travel costs must be agreed with the Hiring Manager and added to the total budget of the assignment by Contractor Central to ensure sufficient funds are approved/available.
- 11.2 Expenses for travel for labour hires are excluded from the daily rates and should be priced separately.
- 11.3 If the labour hire is required to travel to a location where public transport is not available, the Hiring Manager may make arrangements for the use of a Transport fleet vehicle using Smart pool. These vehicles may not be used for personal use, including journeys to and from home.
- 11.4 With the exception of industrial workers under Role Category D, where there is a business requirement that PPE is to be used by a labour hire to perform their duties, the Hiring Manager will procure the equipment as per the existing process and issue it to the labour hire.
- 11.5 Labour hires must return any Transport-issued PPE upon request of the Hiring Manager or at the end of their engagement, whichever is sooner.
- 11.6 Labour hires will be provided with all reasonable equipment (including software) required to perform their role. The Hiring Manager will procure the equipment as per the existing processes and issue to the labour hire. Details of the equipment provided to the labour hire is to be provided to the Resourcing Team and or Admin Support team to be recorded on the central asset register.
- 11.7 It is expected that labour hires have their own mobile phones. Mobile handsets will not be provided for labour hires, unless there is justification, and the Hiring Manager has the required approval.
- 11.8 Mobile data for laptop connectivity may be provided on a case-by-case basis, as agreed with the Hiring Manager.
- 11.9 All labour hires are prohibited from using Transport P-cards and cannot be issued Transport P-cards.

12. Training & Policies

12.1 Policies assist labour hires to understand their responsibilities and Transport's expectations of them during their engagement. Managers can support this by ensuring labour hires complete their mandatory training through Transport Equip (e.g. Transport Essentials training), and that they are aware of, and understand, the following policies and procedures:

- a. Transport Code of Conduct
- b. Safety Policy & Safety Management System
- c. Prevention & Management of Bullying and Harassment Policy and Procedure
- d. Transport Discrimination Free Workplace Policy
- e. Transport Conflicts of Interest Policy – Personal Interests, Secondary Employment Gifts & Benefits Policy and individual procedures
- f. Fraud & Corruption Control Policy
- g. Information Security Awareness and Privacy Policies
- h. Transport Records Management Policy
- i. Drug & Alcohol Policy

This list may not be exhaustive and other additional training may be assigned to the labour hire in Transport Equip at the Hiring Manager's discretion, where the training is deemed to be essential to the delivery of the role. Labour hires are not eligible to be compensated for general skills uplift and professional development training, subscriptions, and professional memberships.

12.2 Labour hires cannot exercise delegation but can supervise/manage staff and may, as part of the work performed:

- a. plan and allocate work;
- b. endorse leave (but not approve in Transport Equip); and
- c. provide feedback and input into performance, attendance or conduct matters.

12.3 All labour hires are subject to Transport's drug and alcohol policy and may be randomly tested on site. Positive test results require immediate removal from site without payment and/or termination of contract. If it is determined, in consultation with the P&C Business Partner to retain the labour hire, no payment is made for associated time not worked.

12.4 Any labour hire engagements for TSSE level or Director roles require CPO approval.

12.5 If the labour hire has any secondary employment, they must notify their Hiring Manager by completing the Secondary Employment Form where any Conflicts of Interest are assessed. This process must be repeated every 12 months during the term of the engagement.

12.6 Other than spent convictions, where a labour hire is charged or convicted of a crime that may impact on their capacity to carry out the services during their engagement, the supplier is required to flag with Contractor Central and the Hiring Manager for consideration. Hiring Managers may see advice from their P&C Business Partner. Failure to disclose this information may result in termination of the labour hire engagement.

12.7 Social events include end-of-year and other celebrations during the year that are of a predominantly social nature. Labour hires should pay for their own ticket to a social event, as well as pay for their own drinks and meals. Travel to and from, and attendance is optional and does not count as hours worked.

13. Performance & Conduct

- 13.1 Labour hires do not have individual performance agreements. To get the best from labour hires, Hiring Managers can set performance expectations with labour hires on or prior to the commencement of their engagement by discussing:
- a. TfNSW, division and branch objectives to assist labour hires to understand the context and purpose of their role; and
 - b. the expectations of the role and what is expected of the labour hire.
- 13.2 Clear performance expectations and regular feedback will assist to drive labour hire performance. It is not appropriate to performance manage labour hires. Where labour hires are supplied by a labour hire company, any performance or conduct issues must be discussed with the labour hire's employer (the supplier) who has a responsibility for the labour hire's performance. Hiring Managers can facilitate these matters via Contractor Central.
- 13.3 Transport is committed to building a positive workplace culture in which all workers and visitors can expect to be treated with dignity and respect. Managers can contribute to this by ensuring labour hires complete mandatory training to ensure they are aware of:
- a. The conduct and behaviour expectations of labour hires while at work
 - b. Avenues for resolving grievances and complaints about bullying, harassment, or discrimination.
- 13.4 Labour hires should raise any complaints with their employer (the Supplier) who will then escalate via Contractor Central.

14. Offboarding

- 14.1 Labour hires must return all Transport equipment and PPE, including security access and Rail Safety worker cards, to the Hiring Manager.
- 14.2 The Last Day of Duty form is to be completed by the Hiring Manager in MyTransport.
- 14.3 The standard notice period for labour hires is 7 calendar days.
- 14.4 Before the end of the engagement the Hiring Manager is responsible for organising a knowledge transfer with the labour hire.
- 14.5 When a labour hire that has been sourced by Contractor Central successfully secures an ongoing/permanent role within the same Transport branch, within the first 12 months of their assignment start date, a conversion fee is payable to the recruitment supplier if their initial assignment is terminated for convenience. The Hiring Manager can seek support from Contractor Central to determine the applicable fee.
- 14.6 When a labour hire engagement needs to end earlier than the planned contract end date, the Hiring Manager must notify Contractor Central who can advise on the required action for terminations in line with the Scheme.

15. Procurement Contacts

TSS Sourcing	Go to MyTransport or call 133 148
Contractor Central	ContractorCentral@transport.nsw.gov.au or call (02) 7229 0673
Procurement Policy & Governance	Procurement.Governance@transport.nsw.gov.au

16. Document Control

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Division	Corporate Services
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Superseded documents	labour-hire-procurement-procedure

