

Future AGFMA Update — Urgent on-boarding requirements, and information on rates

Hi All,

Thank you to those who attended roadshow sessions throughout August and September 2021 with Ventia and DIT. Over 1350 contractors registered to attend these sessions at 13 locations throughout Adelaide and regional South Australia. These sessions were to introduce you to Ventia, their approach to Facilities Management services, their systems and the on-boarding process and timeline. It also provided the opportunity for questions to be raised.

As we transition to the commencement of the Future AGFMA on 1 December 2021, your most recent interactions regarding the Future AGFMA will likely have been with Ventia as our future Facilities Management Service Provider (FMSP), as they assist you through the Ventia pre-qualification processes.

Today's email provides an update on the chargeable rates framework that the Department for Infrastructure and Transport (DIT) has set for Ventia, as well as the on-boarding process you are currently completing to work with Ventia.

Ventia on-boarding process

Over the last month you have had the opportunity to complete pre-qualification activities with Ventia and we thank each of you who have done so. The next stage in that process is the on-boarding stage which includes uploading your workforce and company information specific to compliance with Safety, Health, Environment and Quality (SHEQ) into Rapid Global, setup of your company on Ventia's work management system and settling Rates Cards (Pricing Schedule) with Ventia.

IMPORTANT NOTE: Whilst you are strongly encouraged to complete all aspects of your on-boarding process with Ventia **by the end of Sunday the 24th of October 2021** the most critical element is that you have all of your workforce information uploaded into Rapid Global by that date. This then allows Ventia to initiate training with you and your workforce.

Ventia representatives are best placed to assist with completing the forms including any Rapid Global queries, please contact Ventia via FUTUREAGFMA.Procurement@ventia.com. Note this email will be manned from 9am – 5pm this weekend.

Contractor Rates

We are committed to working with contractors and following communications of the Future AGFMA Outcomes Report on 2 August 2021 ([Link to report](#)), DIT have taken into account the collective contractor feedback in aiming to set clear, consistent and transparent rates for all parties of the AGFMA. Some fundamental components of that feedback included:

- All contractors will be paid within 14 days of the upload of completed job information;
- You will have the opportunity to work for the same rates you do today (including uplifts in rates where appropriate);
- A clear, consistent mechanism for mark-ups has been implemented for all contractors.

Many chargeable elements of the Future AGFMA are unchanged from the existing AGFMA, such as:

- No change to overtime rates (time and a half, double time and double time and half) where appropriate;
- After hours callout fees and remote area fees continue to apply;
- Accommodation, travel and meal allowances continue to apply.

A number of additional components have been introduced, such as:

- Clear mechanism for mark-up of materials including mark-up percentage of up to 15% for total materials cost less than \$1,000, up to 10% for materials more than \$1,000 with the total amount not to exceed \$250 per Work Order. Note: this cap does not apply for quoted services – when you are quoting work you should quote an all-inclusive amount including mark-up;
- A clear and consistent requirement for when invoice/proof of purchase of stock is required;
- A clear and consistent requirement for charging consumables.

The Future AGFMA rates mechanism uses ceiling rates, the same as what applies in the existing AGFMA. This is a process whereby DIT have specified to Ventia a maximum hourly chargeable rate for trade disciplines, and you as contractors need to submit your Rates to Ventia under this ceiling. If your nominated rates for whatever reason are over the ceiling rate Ventia MUST work with you to ensure you are provided the opportunity to re-submit. Ventia cannot end their engagement with you solely for that reason.

Importantly, these ceiling rates as they have been set give you the opportunity to put forward your current AGFMA rates; that is all current rates you charge for the existing AGFMA would be acceptable under the Future AGFMA.

To submit your rates to Ventia, you need to complete the Rates Card process as requested by Ventia. We note the Ventia Rates Card looks and feel different to what you are used, but please contact Ventia if you require assistance.

Rates review process

As stated above, the fundamentals of a ceiling rates framework are as per the existing AGFMA, but we have also sought to clarify a number of matters, such as when you can charge mark-up on materials. We acknowledge that with any change however there may be ‘teething’ issues, and so we are committing to performing a review of rates and chargeable components in early 2022. Following, you will each individually have the opportunity (if needed) to adjust your rates with Ventia at that time. As you all appreciate we must balance providing a value for money service while ensuring you are appropriately compensated for works performed.

Lastly, thank you all again for your ongoing engagement. We genuinely wish to continue positive engagement throughout the implementation of the Future AGFMA and thank you in advance for your assistance, if you have any other queries please don’t hesitate to reach out to the Future AGFMA Team on the following email address, DIT.FutureAGFMA@sa.gov.au

Thank you for your continued involvement in the AGFMA.

Simon Morony

Across Government Services Reform
Department for Infrastructure and Transport
E DIT.FutureAGFMA@sa.gov.au • www.dit.sa.gov.au



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