Community Services

Service Agreement Variation Approval

*[Do not use this template for the approval of a* ***Preferred Service Provider (PSP) Variation****. Use the* ***Preferred Service Provider Variation Approval*** *template.*

*Use this template to record the approval of Service Agreement Variations including extensions past the final expiry date except where the extension is for a PSP Variation. For information about Variations and extending contracts (Service Agreements) past the final expiry date, refer to the Varying a Contract Guideline on* [*WA.gov.au*](https://www.wa.gov.au/government/multi-step-guides/procurement-guidelines/contract-management-guidelines/varying-contract-guideline)*.*

*In the* [*Western Australian Procurement Rules*](https://www.wa.gov.au/government/multi-step-guides/western-australian-procurement-rules) *(Rules), a Variation is defined as follows:*

*“A variation is an agreed change to the contract (for example, in scope or in price).*

*Variations do not include:*

1. *exercising an extension option provided within the original contract; or*
2. *spending more (or less) under a Standing Offer arrangement than originally estimated (where there is no contractual maximum expenditure cap).”*

*In the* [*Rules, under section E*](https://www.wa.gov.au/government/multi-step-guides/western-australian-procurement-rules/section-e-contract-management)*, it outlines the obligations of State agencies for contract (Service Agreement) Variations. These are summarised below.*

*Rule E2 – Apply Rigor to Contract Variations*

* *Rule E2.2 – Approval of Contract Variations – Variations to a contract* ***must*** *be approved by an Authorised Officer.*
* *Rule E2.3 – Record Details of Variations – Variations* ***must*** *be recorded and, if applicable, captured in the relevant contract management plan documentation. State agencies* ***must*** *ensure their contract register is updated in accordance with Rule F5.*

*Rule E3 – Update Contract Expenditure Information*

* *Rule E3.1 – Publish Updated Contract Management Information on Tenders WA – State agencies* ***must*** *publish Variation and expenditure details on Tenders WA. Refer to the table under Rule 3.1 (1) for the exact requirements.*
* *Rule E3.2 – Exemption from Publishing Expenditure Update – the requirements of Rule E3.1 do not need to be complied with if an exemption has been granted.*

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

*Please note: the text in red font represents drafting instructions and should be removed after reading. Blue text is optional and should be used or removed as required.]*

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| **Current Service Agreement Details** | | | |
| State Agency |  | | |
| Service Agreement Number |  | | |
| Service Agreement Title |  | | |
| Service Provider(s) |  | | |
| Service Agreement Commencement Date |  | | |
| Service Agreement Term | [Insert initial term and extension options eg. 5 + 1 + 1 years] | | |
| Variations Extending the Service Agreement Past the Final Expiry Date Previously Approved (if applicable)  *[For each extension, insert the term (including options), when the variation was approved and by whom. Insert extra rows if required.* *Include any Preferred Service Provider (PSP) Variations approved to extend past the final expiry date.]* | **Term (incl. options)** | **Date Approved** | **Approver** |
|  |  |  |
|  |  |  |
| Current Approved Final Expiry Date | [Insert the final expiry date based on all approved terms and extension options] | | |
| Service Agreement Value at Award including GST | $ | | |
| Value of Variations Previously Approved including GST (if applicable)  *[For each variation, insert the value, when the variation was approved and by whom. Insert extra rows if required. Include any PSP Variations approved.]* | **Value** | **Date Approved** | **Approver** |
| $ |  |  |
| $ |  |  |
| Current Approved Service Agreement Value including GST | $[The sum of the Service Agreement value at award and all approved variations] | | |
| Total Service Agreement Expenditure to Date including GST | $[Insert value] as of [Insert date] | | |

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| **Variation/s Agreed with the Service Provider, as applicable**  *[Ensure variations are clearly articulated and as agreed with the Service Provider. Attach a separate schedule if a more detailed explanation is required]* | |
| Price or Price Schedule variation | [Name of Service Provider] has confirmed this variation is sustainable. |
| Value of the Price or Price Schedule variation including GST | $ |
| New Agreed Service Agreement Value including GST | $[The sum of the Current Approved Service Agreement Value, as above and the Value of the Price or Price Schedule variation] |
| Volume of services variation | [Name of Service Provider] has confirmed this variation is sustainable. |
| Term variation (including extension options) |  |
| New Final Expiry Date | [Insert date] |
| Service model variation |  |
| Domain and community outcomes variation as per the [Outcomes Measurement Framework](https://www.wa.gov.au/government/publications/community-services-outcomes-measurement-framework) |  |
| Service level outcomes / indicators variation |  |
| Location of services variation |  |
| Quality standards variation |  |
| National Principles for Child Safe Organisations variation *[Add this clause if not already in the Service Agreement]* | In relation to Services that comprise or involve “child-related work” (as defined in section 6 of the *Working with Children (Criminal Record Checking) Act 2004 (WA)*), the Service Provider agrees to implement the National Principles for Child Safe Organisations (<https://childsafe.humanrights.gov.au/national-principles/download-national-principles>). |
| Service review dates variation |  |
| Effective date of variation/s | The variation/s are to be effective from [insert date]. All other terms and conditions remain unaltered. |

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| **Summarise the key reason/s or basis for the variation/s and the consultation undertaken with the Service Provider** |
| *Provide summary details for each of the following points:*   * *Key reason/s or basis for the variation/s* * *How, when and with whom the consultations/negotiations were undertaken with and who from the Service Provider agreed to the variation/s*   *i.e. exchange of correspondence, meetings held or a combination of both, the key dates and who was invovled for the State agency and the Service Provider including who from the Service Provider agreed to the variation/s and confirmed the sustainability of the services*   * *How the variation/s provide for the sustainability of services particularly with the sustainability of the price and/or volume of services* * *Whether the variation/s represent value for money* * *What will be the impact on the State agency's operations if the variation/s is/are not approved* |

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| **Recommendation and Undertaking** |
| It is recommended that the [Authorised Officer title] of [State agency name] approve the Variation/s as agreed with [Name of Service Provider] outlined above/attached and sign the accompanying Service Agreement Variation letter.  The Variation/s will be:   * kept on record * updated in the contract register in accordance with Procurement Rule F5 * captured in the service agreement management plan documentation*[delete if there is no service agreement management plan]* and * published on Tenders WA in accordance with Rule E3.1 (1).*[delete if exempt from publishing and use the the following statement]*   The Variation has been exempted from being published on Tenders WA. Refer to [insert record details of exemption] for the exemption granted. |

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| **Submitting Officer** | | |
| Name |  | |
| Title |  | |
| Contact Number |  | |
| Signature:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | | Date:  \_\_\_\_/\_\_\_\_/\_\_\_\_\_\_ |

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| **Approval by the Authorised Officer** | | |
| Name |  | |
| Title |  | |
| **Approved**  **Not Approved** | Comments: | |
| Signature:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | | Date:  \_\_\_\_/\_\_\_\_/\_\_\_\_\_\_ |