



NEW ZEALAND
GOVERNMENT PROCUREMENT

Significant Service Contracts

Reporting Guideline



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
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Significant Service Contracts Reporting

The Significant Service Contracts reporting tool has been developed to deliver on the accountability requirement under the Significant Service Contracts Framework. The report has been designed to align with other reporting to support business analytics and data insights for an agency and across the public sector.

Why is reporting important?

Reporting provides visibility of what the agency and the government's significant service contracts are. Visibility of these contracts meets the following purposes:

- The right people in an agency are aware of and engaged in managing opportunities, issues and risks because they have oversight of key information about the contract and its performance and ensure:
 - the intended purpose, outcome and benefits are being achieved;
 - opportunities can be taken advantage of; and
 - issues and risks can be managed or avoided.
- The government has a register of critical contracts across government, enabling it to:
 - be forewarned of risks and issues associated with these contracts;
 - identify key providers and suppliers (third party providers) to government and manage any associated, overarching, opportunities and risks;
 - offer support to agencies where they may require it; and
 - identify key areas where agencies need additional guidance, tools or training to increase capability, ensuring best practice supply management can consistently be implemented.

In addition, agencies will be able to use the information collected in the reports to help with other reporting requirements including strategic plans and Annual Procurement Plans.

This guide and the Significant Service Contract Reporting Tool

The Significant Service Contracts Reporting Tool (Tool) has been designed to meet the two purposes by:

- collecting relevant and specific information about the contracts to provide appropriate visibility of the contracts, the existence of relevant assurance and risk measures and how the contracts are performing;
- agencies being able to use the Tool for their internal reporting by collecting the information necessary for internal visibility and having dashboard functionality within the Tool; and
- agencies being able to submit the same reporting to New Zealand Government Procurement for the Significant Service Contracts Register.

This guidance provides additional information and supports an agency to complete the Significant Service Contract Reporting Tool.

When do you report?

Internal reporting

Agencies may report internally at any time, as frequently as necessary to provide the agency the oversight necessary for these contracts.

Reporting for the Significant Service Contracts Register

Agencies are required to submit their completed Significant Service Contract Reporting Tool to New Zealand Government Procurement (procurement@mbie.govt.nz) six-monthly:

- First report of financial year: by 1 October
- Second report of financial year: by 1 March.

What if your agency has a nil return?

Some agencies, after they complete their assessment of the contracts will not have classified a contract as a Significant Service Contract. The agency must submit this nil return to New Zealand Government Procurement (procurement@mbie.govt.nz) in accordance with the above reporting times.

The Significant Service Contracts Reporting Tool

The following provides guidance on how to complete the Tool. If you have additional questions please email procurement@mbie.govt.nz.

Format of reported information

Data quality and insights

Significant Services Contracts data forms a basis for analysis of significant risks and opportunities across the public sector. Data consistency (e.g. format, name of third parties / suppliers, description of the contract) is important for analysis and helps provide quality insight into the risks and opportunities for your agency and across the public sector. The tool has specific fields (name of third parties/suppliers, contract description) which all need to be completed using the appropriate codes.

Mandatory versus non-mandatory information

Most of the information requested in the Tool is mandatory as it has been determined as necessary to meet the purposes of the Significant Service Contracts Register. However, some fields have been included for the sole purpose of internal agency reporting. We recommend that agencies complete these fields for internal visibility but agencies are not required to submit this information to New Zealand Government Procurement as part of their reporting.

Free text versus controlled text

Wherever possible the reporting tool is locked to require specific types or formats for the reporting information. This is to promote a common response and understanding of the key contract and performance information to be reported. Free text fields have been included where data sets would be too restrictive or narrative information is either more relevant or necessary to explain the controlled information being reported. Agencies should ensure, where mandatory, that the narrative fields used to explain controlled information provide greater visibility of key contract information.

RAG Indicators

RAG indicators are visual indicators of the progress or status of particular data sets. RAG stands for Red, Amber and Green and indicate:

- RED** There is a requirement to intervene or change the current approach to manage or resolve immediate and significant issues or avoid significant risks which are likely to occur.
- AMBER** There is a real likelihood that significant risks may be realised unless changes are made to manage, mitigate or eliminate those risks.
- GREEN** There are no significant issues requiring intervention or change indicating that the contract is operating effectively.

Completing the Tool

This section is supported by the comments in the headlines of the Excel tool that provide quick reference for each of the columns.

Data set	Data	Definition	Guidance on completing	Format	Mandatory or Optional
General contract and management information	Contract Name	The official name as stated on the contract documentation.	The contract name must match the name used in the contract documentation	Free text	Mandatory
	Contract Description	Short description of the services being purchased.	Often the contract name does not provide a clear description of the services being purchased. Please provide a plain English standalone description, that clearly indicates the nature of the services contracted for,	Free text	Mandatory
	UNSPSC Category	UNSPSC code for products and services that are subject of the contract	UNSPSC – the United Nations Standard Products and Services Code– is an open, global, multi-sector standard for efficient, accurate classification of products and services. UNSPSC supports whole-of-agency and whole-of government visibility of spend analysis, cost-effective procurement optimization, use of digital procurement tools.	Controlled text Select from drop-down number of categories	Mandatory
	UNSPSC Category Description	Description of UNSPSC category	Using the correct UNSPSC code links the contract to information on GETS and supports all-of-government analytics and insights. Refer to the UNSPSC tab of the reporting tool to find the description of UNSPSC category for your contracts. Tip: use the search function by key word.	Free text	Mandatory
	Third Party Provider NZBN / Unique Identifier	The external business identifier for the Third Party Provider.	Wherever possible use the NZBN (New Zealand Business Number), ABN (Australian Business Number) or equivalent. The Provider’s New Zealand Business Number will allow consistent analysis across contracts and business activities. Please select the value from the NZBN list. Tip: If you don't have the NZBN you can easily search for it by clicking the link in the column name. In the absence of this identifier, provide another identifier such as the charities registration number or GST registration number.	Free text	Mandatory
	Third Party Provider Name	The legal name for the third party provider of the contract.	The legal name for the third party provider is the registered company name stated on the relevant companies register and on the contract. Do not use trading names or abbreviations unless necessary to match the registered company name. This data field will be used to identify risks and opportunities related to the same third party provider being contracted by a number of agencies.	Free text	Mandatory

Data set	Data	Definition	Guidance on completing	Format	Mandatory or Optional
	Contract Manager Allocated	A named current Contract Manager allocated to the contract.	An agency has an allocated Contract Manager and the person is named and recorded in accordance with the agency's contract management policies such as the delegation policy.	Controlled text Select from dropdown: <ul style="list-style-type: none"> • Yes • No • Not sure 	Mandatory
	Contract Manager Name	The name of the current Contract Manager allocated to the contract.	The name of the person the agency has allocated as the Contract Manager for the purposes of visibility in the agency. If the responsibility sits with a team, enter the name of the team and match it with the email contact for reporting back on SSCF.	Free text	Optional
	Senior Responsible Owner Allocated	A named current Senior Responsible Owner allocated to the contract.	An agency has an allocated Senior Responsible Owner and the person is named and recorded in accordance with the agency's contract management policies such as the delegation policy. Senior owner is a senior executive who has responsibility for the area the contract should deliver for.	Controlled text Select from dropdown: <ul style="list-style-type: none"> • Yes • No • Not sure 	Mandatory
	Senior Responsible Owner Name	The name of the current Senior Responsible Owner allocated to the contract.	The name of the person the agency has allocated as the Senior Responsible Owner for the purposes of visibility in the agency.	Free text	Optional
	Email Contact for Reporting Back	The primary email contact for enquiries and analytics	The email will be used for sending clarifications and analytics in relation to the contract.	Free text (validated for email format)	Optional
	Length of Contract Minimum (Years)	The minimum intended length of the contract between the parties.	The minimum length of the contract is the period the contract would have been in place when it concludes (e.g. for a three year contract with two renewals, three and two years, the minimum length of the contract will be 3 years).	Controlled text Select from dropdown: <ul style="list-style-type: none"> • 1-3 years • 3-5 years • 5-10 years • 10-15 years • 15 + years 	Mandatory

Data set	Data	Definition	Guidance on completing	Format	Mandatory or Optional
				•	
	The Length of Contract Maximum (Years)	The minimum intended length of the contract between the parties.	The maximum length of the contract is the period the contract would have been in place when it concludes, including all rights of renewal (e.g. for the three year contract with two renewals, three and two years, the minimum length of the contract will be 8 years). Agencies should select evergreen where there is no fixed term or end date in the contract. These contracts go on in perpetuity unless terminated by a specific event such as a contractual notice.	Controlled text Select from dropdown: <ul style="list-style-type: none"> • 1-3 years • 3-5 years • 5-10 years • 10-15 years • 15 + years • Evergreen 	Mandatory
	Start Date	The date when the contract started.	The start date is the date when the contract begins. This is not always the day when the contract was signed on.	Controlled text Date format: DD/MM/YYYY	Mandatory
	End Date	The date the contract will conclude or expire.	The reported end date should be the date the contract will conclude unless otherwise agreed and must match the date stated in the contract. If the contract has renewal or extension periods which have <u>not</u> been exercised, the date reported should not include those periods. If the contract has been renewed or extended the report should be updated to include the new end date. If you have previously selected evergreen for Maximum Length of Contract this field will default to 'not applicable'.	Controlled text Date format: DD/MM/YYYY	Mandatory
	Contract Value Minimum (NZD)	The financial commitment under the contract for its initial term.	The financial commitment should reflect the minimum amount payable under the contract. This is a predicted amount for the initial contract term.	Controlled text Currency format: \$X (NZD)	Mandatory
	Contract value Maximum (NZD)	The total financial commitment under the contract.	The total financial commitment should reflect the total amount payable under the contract for the total length of the contract. This is a predicted amount which may vary during the contract term.	Controlled text Currency format: \$X (NZD)	Mandatory

Data set	Data	Definition	Guidance on completing	Format	Mandatory or Optional
			If the contract does not include a statement of the total financial commitment the agency should report the amount spent plus the expected budget for the period it does know.		
	Agency's Estimated Annual Spend	The value of an estimated annual spend of your agency	The value of an estimated annual spend of your agency is a projection of total of outgoing payments to third parties as per your agency	Controlled text Currency format: \$X (NZD)	Mandatory
	Estimated % of the Annual Contract Value in Your Agency's Annual Spend	An estimate of the contract value in your agency's annual procurement spend	This dataset provides visibility of a dollar value of the contract in the total annual procurement spend of your agency. It is an estimation and can vary from year to year.	Controlled text Percentage format: % (value between 0 and 100%)	Mandatory
Expenditure management	Expenditure Status	Indicator of how actual expenditure is tracking.	Expenditure should be tracked against the total financial commitment, budget, and milestones in the contract, as relevant. Delayed expenditure may be an indicator of slower than intended delivery and faster than intended expenditure may be an indicator that that the agency may overspend on the contract. Please refer to the description of Red, Amber, and Green in the comments to the cell.	Controlled text Select from dropdown: <ul style="list-style-type: none"> • Red • Amber • Green 	Mandatory
	Commentary	Commentary on the status of expenditure management under the contract.	The agency may use this field to explain: <ul style="list-style-type: none"> • their responses to the 'Expenditure measures in place' and 'Expenditure status' fields; or • key achievements, opportunities, issues or risks since the last report was submitted. 	Free text	Optional
Performance measurement	Performance Measures in Place	Indicators or measures of the quality or standards required for the delivery of the services.	Performance measures in place means: <ul style="list-style-type: none"> • performance measures are recorded in the contract including, but not limited to, agreed KPIs and quality standards; <u>and</u> • the agency has a plan for the review and management of those performance measures (such as a Supply Management Plan). Yes = both measures and the plan are in place No = measures and/or the plan are not in place Under development = agency are currently developing, have not finalised or have not	Controlled text Select from dropdown: <ul style="list-style-type: none"> • Yes • No • Under development 	Mandatory

Data set	Data	Definition	Guidance on completing	Format	Mandatory or Optional
			obtained agreement for the measures and/or the plan		
	Performance Status	Indicator of how performance is tracking against performance measures.	<p>Performance should be tracked against the indicators and measures agreed in the contract in accordance with the plan.</p> <p>Delays in delivery or end user concerns with the services may be indicators that performance is at risk or requiring intervention and management depending on the significance of the delays or concerns. Please refer to the definition of RED, AMBER, and GREEN in the comment to the cell.</p> <p>If you have answered NO or Under Development for 'Performance Measures in Place', you should select RED for Performance Status.</p>	<p>Controlled text</p> <p>Select from dropdown:</p> <ul style="list-style-type: none"> • Red • Amber • Green 	Mandatory
	Commentary	Commentary on the status of performance measurement under the contract.	<p>The agency may use this field to explain:</p> <ul style="list-style-type: none"> • their responses to the 'Performance measures in place' and 'Performance status' fields; or • key achievements, opportunities, issues or risks since the last report was submitted. <p>If you have answered No or Under Development for 'Performance Measures in Place', you should indicate actions being taken and timeframes for those actions.</p>	Free text	Optional
	Regular Reviews Planned and Undertaken	Contract, performance and third party provider reviews undertaken	The agency has a plan which details the types of reviews, who will be involved and when they will be completed and undertakes those regular reviews documenting the results and completing actions arising from those reviews.	<p>Controlled text</p> <p>Select from dropdown:</p> <ul style="list-style-type: none"> • Yes • No 	Mandatory
	Due Diligence Undertaken	The third party provider's ability to deliver the services is regularly investigated	The agency has a plan which details the types of due diligence checks it will undertake (such as financial, legal, commercial and health and safety), who is responsible and when those checks will be completed and undertakes those checks regularly.	<p>Controlled text</p> <p>Select from dropdown:</p> <ul style="list-style-type: none"> • Yes • No 	Mandatory
Benefits realisation	Benefits Measures in Place	Indicator that the contract and/or management plan has identified benefits to be delivered under the	Benefits are gains achieved through the delivery of the services and the way they are delivered. The measures should include targets and methods for confirming the extent to which those targets have been achieved. Benefits should include savings and other financial benefits as well as non-financial benefits such as efficiency and effectiveness.	<p>Controlled text</p> <p>Select from dropdown:</p> <ul style="list-style-type: none"> • Yes 	Mandatory

Data set	Data	Definition	Guidance on completing	Format	Mandatory or Optional
		contract and measures which	Benefits may include agency, end user or social benefits. Please refer to The Treasury guide for benefits management: Managing Benefits from Projects and Programmes: Guide for Practitioners .	<ul style="list-style-type: none"> No Under development 	
	Benefits Status	Indicator of the degree which benefits are being achieved against the identified benefits measures.	<p>Benefits should be tracked against the targets and measures normally agreed in the management plan.</p> <p>Benefits that are tracking slower than expected or there is a failure to progress against the benefits measures may be indicators that the benefits status is at risk.</p> <p>Please refer to the comment to the cell for definition of RED, AMBER, or GREEN. You can select “green” only if benefits measures are in place.</p> <p>If you have answered No or Under Development for ‘Benefits Measures in Place’, you should select RED status.</p>	<p>Controlled text</p> <p>Select from dropdown:</p> <ul style="list-style-type: none"> Red Amber Green 	Mandatory
	Commentary	Commentary on the status of benefits realisation under the contract.	<p>The agency may use this field to explain:</p> <ul style="list-style-type: none"> their responses to the ‘Benefits Measures in Place’ and ‘Benefits Status’ Fields; or key achievements, opportunities, issues or risks since the last report was submitted. <p>If you have answered No or Under Development for ‘Benefits Measures in Place’, you should indicate actions being taken and timeframes for those actions.</p>	Free text	Optional
Risks and issues	Risks and Issues are Identified, Tracked and Managed	Indicator that the contract or management plan includes mechanisms to identify, record, track and manage risks and issues	Risks and issues should be identified, recorded, tracked and managed by working with the third party provider and other key stakeholders. The mechanisms should be recorded in the contract management plan.	<p>Controlled text</p> <p>Select from dropdown:</p> <ul style="list-style-type: none"> Yes No Under development 	Mandatory
	Risks and Issues Status	Indicator of the risk profile of the contract and delivery of the services.	<p>Risks and issues should encompass all risks and issues for the services, delivery and the third party provider including, but not limited to, financial, legal, project, stakeholder and health and safety.</p> <p>Agencies should consider the level of risk and the impact of risk, should it be realised. Issues are risks which have been realised, should be considered in the same way. Impact may be mitigated or under control if the agency has appropriate management in place. The greater the level of risks and issues and the impact of those risks and issues will</p>	<p>Controlled text</p> <p>Select from dropdown:</p> <ul style="list-style-type: none"> Red Amber Green 	Mandatory

Data set	Data	Definition	Guidance on completing	Format	Mandatory or Optional
			<p>indicate that the indicator chosen will be Amber or Red.</p> <p>Please refer to the comment in the cell for definition of RED, AMBER, or GREEN. You can't select "green" if risks and issues measures are not in place.</p> <p>If you have answered No or Under Development for the previous data field, you should select Red status.</p>		
	Commentary	Commentary on the status of risks and issues under the contract.	<p>The agency may use this field to explain:</p> <ul style="list-style-type: none"> • their responses to the 'Risks and issues are identified, tracked and managed' and 'Risks and issues status' fields; or • key achievements, opportunities, issues or risks since the last report was submitted. 	Free text	Optional
Continuity and contingency planning	Continuity and Contingency Plans in Place	Indicator that continuity and contingency plans are in place and up-to-date	<p>Continuity and contingency plans may include, depending on the risks and requirements of the agency and stakeholders, business continuity plans, disaster recovery plans and contingency plans. These plans may be developed and held by the Third Party Provider, the agency should confirm regularly that the plans exist and are up-to-date. Contingency plans are normally developed and maintained by the agency with key stakeholders (especially end-users).</p>	<p>Controlled text</p> <p>Select from dropdown:</p> <ul style="list-style-type: none"> • Yes • No • Under development 	Mandatory
	Commentary	Commentary on the status of continuity and contingency plans.	<p>The agency may use this field to explain their response to the 'Contingency and continuity plans in place' or key achievements, opportunities, issues or risks since the last report was submitted.</p> <p>If the agency has answered no or under development for 'Contingency and Continuity plans in place', you should indicate actions being taken and timeframes for those actions.</p>	Free text	Optional
Third Party Provider Relationship	Third Party Provider Engagement Plan in Place	Plan for working with the Third Party Provider to manage for the delivery of the services.	<p>The agency has identified, recorded and agreed a plan for the Third Party Provider which is based on a management strategy and includes, but is not limited to, a plan to engage regularly with the Third Party Provider in order to maximise the relationship and take advantage of or manage opportunities, issues and risks. A number of guides, templates, and good practice recommendations for managing relationships with third parties are available from www.procurement.govt.nz.</p>	<p>Controlled text</p> <p>Select from dropdown:</p> <ul style="list-style-type: none"> • Yes • No • Under development 	Mandatory

Data set	Data	Definition	Guidance on completing	Format	Mandatory or Optional
	Relationship Status	Indicator of supply and third party relationship management status. The agency has an engagement plan in place working effectively with the third party provider to deliver the services.	<p>The agency should consider whether the relationship is working effectively so that the parties are managing or taking advantage of opportunities, issues and risks. Please refer to the comment in the cell for definition of RED, AMBER, and GREEN status.</p> <p>You can't select "green" if the third party provider engagement plan is not in place.</p> <p>If you have answered No or Under Development for the 'Third Party Provider Engagement Plan in Place' field, you should select RED.</p>	<p>Controlled text</p> <p>Select from dropdown:</p> <ul style="list-style-type: none"> • Red • Amber • Green 	Mandatory
	Commentary	Commentary on the status of the relationship with the third party provider.	<p>The agency may use this field to explain:</p> <ul style="list-style-type: none"> • their responses to the 'Third Party Provider Engagement Plan in Place' and 'Relationship Status' fields; or • key achievements, opportunities, issues or risks since the last report was submitted. 	Free text	Optional
Overall	Overall Health	Indicator of the overall status or health of the contract.	<p>The agency should consider the responses to the other reporting fields, especially the other RAG indicators, to determine how the contract is performing as a whole.</p> <p>You can't select "green" if risks and issues measures are not in place.</p>	<p>Controlled text</p> <p>Select from dropdown:</p> <ul style="list-style-type: none"> • Red • Amber • Green 	Mandatory
	Commentary	Commentary on the overall status or health of the contract.	The agency may use this field to explain their responses to the 'Overall health' field or key achievements, opportunities, issues or risks since the last report was submitted.	Free text	Mandatory

The dashboard and analytics

Dashboard

The dashboard is intended to be used by agencies for their own internal reporting processes. The dashboard allows senior managers, at a glance, to have oversight of the agency's significant service contracts and key performance information. It will allow these managers to direct their attention and support staff to take advantage of opportunities and manage or eliminate risks and issues.

A dashboard for each contract is automatically generated when an agency completes the reporting tool and can be found in a separate worksheet.