

Process for a school governing council to engage an OSHC third party provider

Initial stages

If the school governing council is currently operating the OSHC service, the governing council must ensure funds are available to meet all staff entitlements prior to closure or transfer of the service.

Step 1 The school governing council decides to engage a third party provider

School governing council has determined the facilities to be used, a minimum of six months should be allowed for the outsourcing process to be undertaken as follows:

- School decision to proceed with outsourcing (approx. 1 month)
- Outsourcing preparation and selection process (min 3 months)
- Approvals process (at least 2 months and up to 3.5 months)

Step 2 Inform DECD OSHC unit of the decision to outsource an OSHC service by providing via email the following documentation:

- A copy of the school governing council meeting minutes endorsing the outsourcing process.
- A copy of an endorsement email from the education director to the principal or governing council chairperson.

Step 3 Form an evaluation team who will be responsible for evaluating tender responses.

- Evaluation team members must be available throughout the procurement process, including school holidays.

Step 4 Ensure that the school governing council has an ABN and Common Seal that accurately states the governing councils name in readiness for execution of the Licence and Services Agreement

Next stages

There are several options at the next stage.

Steps to engage a third party provider – the options

When an existing OSHC service is operated by the school governing council	When an existing OSHC service is operated by a third party provider	When there is NO existing OSHC service
<p>Step 5 School governing council to sensitively inform OSHC staff of the decision</p> <ul style="list-style-type: none"> provide regular and relevant information keeping staff up to date and supported through the process advise employees if they are members of the union they may wish to seek advice generally or about their specific entitlements 	<p>Step 5 Existing third party provider to sensitively inform OSHC staff of the decision</p> <ul style="list-style-type: none"> provide regular and relevant information keeping staff up to date and supported through the process advise employees if they are members of the union they may wish to seek advice generally or about their specific entitlements 	<p>Begin the procurement process</p>
<p>Step 6 School governing council to seek HR/IR and finance advice</p> <ul style="list-style-type: none"> from the DECD HR/IR Unit to ensure employee entitlements are prepared correctly and required termination notice periods are met. School governing council to advise and consult with the United Voice union If the school governing council decided to outsource their OSHC service to a third-party provider, Company 4 must stay open either till 30 June, after group certificates have been completed or to the 31 December if the transfer is after the end of the financial year. 	<p>Step 6 Existing third party provider to seek HR/IR advice</p> <ul style="list-style-type: none"> if applicable it is recommended that the third party provider seeks advice to determine staff entitlements and termination notice periods it is recommended that the third party provider advise and consult with the United Voice union 	
<p>Step 7 School governing council to update asset register</p> <ul style="list-style-type: none"> The asset register should be a maintained record of the services assets and equipment. When assets and equipment have been negotiated to transfer to the new provider this must be clearly identified in writing. 	<p>Step 7 Existing third party provider to update asset register</p> <ul style="list-style-type: none"> The asset register must be maintained and should be a record of the services assets or equipment. When assets and equipment have been negotiated to transfer to the new provider this must be clearly identified in writing. 	
<p>Further information is available on the Fair Work website</p>	<p>Further information is available on the Fair Work website</p>	

When an existing OSHC service is operated by the school governing council	When an existing OSHC service is operated by a third party provider	When there is NO existing OSHC service
Begin the procurement process	Begin the procurement process	

The procurement process

IMPORTANT PROBITY CONSIDERATIONS

The DECD Code of Ethics for Public Sector Buyers states that officers must act honestly and impartially and should:

- Undertake adequate and informed market research prior to sourcing the market to maximise the value for money obtained from the procurement process;
- Not improperly use official powers or position, or allow them to be improperly used;
- Ensure that any conflict that may arise between the official's personal interests and official duties is resolved in favour of public interest;
- Maintain confidentiality of commercially sensitive information;
- Not accept gifts, benefits or favours where these may be seen to influence your decision-making.

School principals and evaluation team members are reminded of their obligations with respect to confidentiality and ethical behaviour under Public Sector Management Act 1995 and to ensure probity requirements are met, the following requirements must be strictly adhered to:

- All persons involved in the evaluation process must complete and sign a Conflict of Interest declaration and Deed of Confidentiality.
- Schools must not promise work, directly or indirectly, to any OSHC provider.
- OSHC providers must not undertake any work (e.g. undertake needs survey, recruitment of staff) on behalf of the school until a procurement process has been undertaken and the recommended OSHC provider has been advised they are successful.
- Once the procurement process has commenced, schools must not correspond with any OSHC provider, unless authorised to do so by the DECD Procurement unit.
- The school principal must ensure the OSHC specifications do not provide one tenderer with an advantage, nor does it disadvantage other potential tenderers.

Step 8 Develop the OSHC service specifications

- The principal along with the steering/advisory group is responsible for developing the service specifications. The principal must provide a signed probity statement, on school letterhead, as per the example provided in the '[Guide to developing OSHC service specifications](#)'.
- Service specifications must outline and reflect what is important about school age care in your community and for your families and will be inserted into the Request for Quote (RFQ) document.
- Specifications must not contain any requirements that might provide an advantage to a particular tenderer. For example if the existing OSHC staff have become third party providers and may be asked to provide a quote for the service they should not be involved in the development of the specifications.

Step 9 Acquisition Plan (confidential)

- Contact the [OSHC unit](#) for a draft Acquisition Plan (confidential internal document).
- The Acquisition Plan is completed by the school with the assistance of DECD Early Childhood Services and Procurement unit.
- The drafted Acquisition Plan should be forwarded by to DECD Early Childhood Services for review.
- Once complete the Acquisition Plan will be forwarded by DECD Early Childhood Services to the Procurement unit for approval along with the service specifications.
- The Procurement unit will liaise with the principal and request he/she sign the final Acquisition Plan and obtain the education director endorsement of the plan.
- The Procurement unit will submit the endorsed Acquisition Plan for approval to the DECD Procurement Governance Committee.

Step 10 Draft a Request for Quote (RFQ) and develop an Evaluation Plan (confidential) which is approved by the Assistant Director, Procurement and Contracting

- The Procurement unit, in consultation with DECD Early Childhood Services and principal, will draft a Request for Quote, incorporating the school's OSHC service specifications, to forward to selected providers on the panel identified by the school in the Acquisition Plan.
- At the same time the school will receive an Evaluation Plan, outlining the rules and methodology for evaluating RFQ responses. The evaluation team will be required to provide input to the Evaluation Plan.

Step 11 Release of Request for Quote to OSHC Providers

- OSHC providers selected by the school must be given a minimum of two weeks to respond to the Request for Quote.
- Principal to facilitate provider site visits as required.

Step 12 Evaluation of Responses

- A Procurement unit representative will organise with the principal to hand over the provider quotes for evaluation and explain the evaluation process.
- The evaluation team evaluates quotes in accordance with the approved evaluation methodology.

Negotiation if required

- If negotiation with short listed providers is required the principal must contact the Procurement unit who will assist with drafting a Negotiation Plan.

Step 13 Provider is selected

- The Procurement unit, with the principal will prepare a Purchase Recommendation seeking approval to enter into a Licence and Services Agreement with the selected provider.
- The completed Purchase Recommendation is returned to the principal to obtain the school governing chairperson and education director endorsement.

Purchase Recommendation is approved

- by the Assistant Director, Procurement and Contracting and/or the Procurement Governance Committee, prior to advising tenderers of the outcome.
- Procurement unit informs successful and unsuccessful respondents of the outcome and completes a Licence and Services Agreement that has been developed with the Crown Solicitors Office.

Step 14 The Agreement is executed

- by the successful provider, the school governing council and the Minister.

Step 15 Regulatory approval is obtained from the Education and Early Childhood Services Registration and Standards Board of SA (Board)

- Prior to the commencement of new service the successful provider must apply and obtain a Service Approval with the Board which takes up to 90 days once it is submitted to the Board. www.acecqa.gov.au/service-approvalsSA01 Application for service approval – Centre-based care
- If there is an **existing** OSHC service to be transferred to a **new** third party provider the transferring provider must complete the [SA04 Notification of transfer of service approval – Centre-based](#) for the successful provider. The provider must complete and submit to the Board. Transfer of Service Approval takes up to 42 days once it is submitted to the Board.

Step 16 Successful provider applies for and obtains Child Care Subsidy (CCS)

- with the Australian Government Department of Social Services completing an [online form](#)

Step 17 School governing council notifies the Australian Government Department of Education and Training of transfer of service approval

- by completing and submitting the [Notification of Closure, Sale or Transfer of Ownership or Management Form](#)

Note: written notice must be given 42 days or more before ceasing to operate

Step 18 Complete the Contract Management Plan

- using the [contract management plan template](#). The contract management plan captures the key tasks and responsibilities to effectively manage the Licence and Services Agreement.
- Submit the completed contract management plan to DECD Early Childhood Services for review. DECD Early Childhood Services will forward the completed endorsed plan to the Director Early Childhood Services for approval.
- DECD Early Childhood Services will return the approved contract management plan to the principal.

Step 19 Ensure the premises is clean and well maintained ready for the new provider to commence service operation

Step 20 Principal to meet with the successful provider to confirm all necessary arrangements are in place prior to service commencement

- Prior to commencement of the contract, the principal and the OSHC provider are required to meet and confirm all necessary arrangements are in place prior to service delivery, including Service Approval and Child Care Benefit Approval.
- The principal must obtain copies of the OSHC provider and their personnel [Relevant History Information screenings](#) and [RAN-EC training](#) prior to service commencement and enter into the Human Resource System (HRS) on the Eduportal.
- The principal and OSHC provider should meet weekly until the first Advisory Committee Meeting.