

# **Memorandum of Understanding**

**For the provision  
of  
Corporate and Information  
Technology Services  
2004-05**

**Office of the  
Employment Advocate**

**MEMORANDUM OF UNDERSTANDING**

**between**

**DEPARTMENT OF EMPLOYMENT AND WORKPLACE RELATIONS**

**and**

**the OFFICE OF THE EMPLOYMENT ADVOCATE**

**FOR THE PROVISION OF  
CORPORATE AND INFORMATION TECHNOLOGY SERVICES**

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**Craig Symon**

General Manager

Corporate  
*(on behalf of the Secretary of the  
Department of Employment  
and Workplace Relations)*

/ /2004

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**Peter McIlwain**

Employment Advocate

/ /2004

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# **MEMORANDUM OF UNDERSTANDING**

## **Management Framework**

The **Department of Employment and Workplace Relations** (“the department”) and the **Office of the Employment Advocate** (“the OEA”) agree to work in a co-operative manner for the purposes of this Memorandum of Understanding (MOU).

Both parties agree that this MOU is not intended to create legal relations between them but does not otherwise exempt any person from any legal obligations or liability otherwise arising. The MOU sets out the basis for the delivery of Corporate and Information Technology services to the OEA.

The department undertakes to ensure services covered by this agreement are delivered competently and to the specified standards. The department further undertakes to use all appropriate risk management tools.

### **1. Approval of MOU**

- 1.1 The MOU and any amendments are to be approved in writing by the Employment Advocate or a delegate in the OEA designated by the Employment Advocate and the Secretary of the department or a delegate designated by the Secretary.

### **2. Scope of MOU**

- 2.1 The MOU covers:
  - a). organisational performance management and reporting services
  - b). fraud investigation services
  - c). parliamentary and international services
  - d). business services
  - e). human resources services
  - f). financial management policy advice and processing
  - g). information technology services, and
  - h). such other services as agreed in writing from time to time.
- 2.2 Services provided by the department to the OEA as part of the department’s portfolio coordination responsibilities are identified in Schedule 1 and are not subject to any charging arrangements. Additional services of this type may be identified in writing from time to time.

### **3. Period of operation of the MOU**

- 3.1 The period of operation of the MOU is from 1 July 2004 and will continue to 30 June 2005 unless either party provides the other party with written notice of termination and the notice takes effect.
- 3.2 Either party must give at least six months written notice of termination to terminate some or all of the services covered by this MOU, unless otherwise agreed in writing by both parties.
- 3.3 Both parties will review this MOU before the end of each financial year to settle the scope of services and the fees payable for the following financial year.
- 3.4 This clause is subject to Clause 9, Machinery of Government Changes.

#### **4. New or changed services**

- 4.1 The department is required by this MOU to provide the services identified in the Schedules to this MOU only. Any new service requirements that may arise, including access to current or new business support systems, will be the subject of individual negotiation between the OEA and the department.
- 4.2 Where any changes to services occur as a result of changes made by the department, the OEA will be given reasonable notice and information before the changes occur.

#### **5. Liaison**

- 5.1 This MOU will be managed by MOU Managers whose details appear at Schedule 4.
- 5.2 Liaison between the department and the OEA on day to day service delivery issues will be the responsibility of the Contact Officers. The MOU Managers will maintain an up to date list of the Contact Officers.

#### **6. Payment and Charging Arrangements**

##### Annual Fee

- 6.1 The Annual Fee is based on an estimated level of activity and transactions that has been agreed between the OEA and the department.
- 6.2 The combined annual fee for 2004-05 is \$2.6 million. The annual fee covers all services marked 'annual fee' in Schedule 1 of this MOU.
- 6.3 An MOU Manager may request a joint review of the Annual Fee and if both parties agree, a joint review will be carried out.
- 6.4 The joint review will be undertaken when a MOU Manager identifies:
  - (a) that the level of activity is either higher or lower than the estimated level of activity and transactions identified to determine the Annual Fee;
  - (b) that the requested service standards exceed the service standards identified in the schedules;
  - (c) that the services standards identified in the schedules are not met.
- 6.5 Should the MOU Managers not be able to agree on an outcome of the review process, the matter shall be referred to the Senior Corporate and National Communications Manager, OEA and the General Manager, Corporate Manager for resolution.
- 6.6 Where a review results in a proposed variation to the fee, details must be provided in writing and agreed between the department and the OEA.

##### Timing

- 6.7 Payment by the OEA for services provided in accordance with the Schedule 1, will be made via a monthly standing journal in the Business Information System (BIS) authorised by both parties to this MOU.

The amount to be paid equals one twelfth of the annual fee per month.

Failure to pay within 14 days of the end of the month will result in those services listed in Schedule 2 not being provided until the payment is made.

- 6.8 Services provided under the department's corporate contracts will be billed by the providers in line with the payment arrangements in those contracts.
- 6.9 Ad-hoc services provided by the department or its contracted service providers at the request of the OEA will be separately billed on a full cost recovery basis to the MOU Manager for the OEA within 30 days of delivery of the service. Failure to pay within 30 days of the issuance of the separate bill will result in those services listed in Schedule 2 not being provided until the payment is made.

Priced upon request

- 6.10 When the OEA request the provision of services not covered by the Schedules, the department will provide a quote for the services within 10 working days.

**7. Performance Reporting**

- 7.1 Both parties will use their best endeavours to ensure that specified service standards are complied with.
- 7.2 Within 21 days of the end of each quarter the department will provide an exception report to the OEA on performance against the service standards outlined in Schedule 1. This requirement includes the performance of any contracted service provider covered by the MOU.
- 7.3 The OEA agrees that despite the content of the report, it will comply with its payment obligations in Clause 6.
- 7.4 Should a dispute arise from the content of the report which may affect the payment made by the OEA then the dispute resolution process detailed in Clause 8 should be invoked.
- 7.5 A monthly report is provided to the OEA on the delivery of Information Technology services.

**8. Dispute Resolution**

- 8.1 If either party has an issue concerning a matter within the scope of the MOU requiring resolution, then the agreed process is as follows:
- (a) The party who has identified the matter must notify the other party's contact officer within 5 working days of the identification of the matter.
  - (b) Should discussions between the contact officers not resolve the matter, then the matter must promptly be presented in writing to the MOU Managers.
  - (c) The MOU Managers will not consider the matter unless (a) and (b) above have been complied with.
  - (d) The MOU Managers will do whatever is necessary to resolve the matter.
  - (e) Should the MOU Managers fail to resolve the matter, the matter shall be referred to Senior Corporate and National Communications Manager, OEA and the General Manager, Corporate, DEWR.

**9. Machinery of Government Changes**

- 9.1 In the event of a Machinery of Government (MoG) change affecting either party then the terms of the MOU will be reviewed by both parties to the MOU as soon as possible to determine the need for changes to, or termination of, the MOU. Both parties undertake to make all best efforts to ensure continuity of services.

- 9.2 In the event of a MoG change, the provisions of clause 3.2 will not apply and the parties will be free to terminate or extend services by agreement and with reasonable notice. The parties must make all reasonable efforts to avoid or minimise dislocation of the operations of both parties.
- 9.3 In the event of a MoG change impacting on the MOU pricing arrangements and fee structure, the new price or fee structure will be agreed upon following negotiation between both parties

