

s47E(c), s47F

From: s47E(c), s47F
Sent: Wednesday, 7 February 2024 4:40 PM
To: HERALD, Russell
Cc: s47E(c), s47F
Subject: RE: Whitehorse MOW transition [SEC=OFFICIAL]

Hey Rusty

Added in your comment about HCP and also the IP stuff.

From: s47E(c), s47F
Sent: Tuesday, February 6, 2024 3:40 PM
To: HERALD, Russell <Russell.Herald@health.gov.au>
Cc: s47E(c), s47F @health.gov.au
Subject: FW: Whitehorse MOW transition [SEC=OFFICIAL]

Hey Rusty – Data for your visibility and response to Thea below.

| Financial Year | Calendar Month | Funded Org Name (GPS ID) | Schedule ID | Service Type | ACPR |
|----------------|----------------|--------------------------|-------------|--------------|---------------------|
| Totals | | | | | |
| 2023-2024 | Jul | s47G(1)(a) | | Meals | Eastern Metro - VIC |
| | Aug | | | Meals | Eastern Metro - VIC |
| | Sep | | | Meals | Eastern Metro - VIC |
| | Oct | | | Meals | Eastern Metro - VIC |
| | Nov | | | Meals | Eastern Metro - VIC |
| | Dec | | | Meals | Eastern Metro - VIC |

Response to Thea – also see red marked up changes in her email below. Can you check my maths re the decline in client numbers is it s47C

s47C

I've included some suggested text below in red.

From: CONNOLLY, Thea <Thea.Connolly@health.gov.au>
Sent: Tuesday, February 6, 2024 9:01 AM
To: HERALD, Russell <Russell.Herald@health.gov.au>; LYE, Michael <Michael.LYE@health.gov.au>; s47E(c), s47F
 s47E(c), s47F @Health.gov.au
Cc: s47E(c), s47F @health.gov.au; s47E(c), s47F @health.gov.au
Subject: FW: Whitehorse MOW transition [SEC=OFFICIAL]


Thanks **Rusty**, a few tweaks to check please, particularly highlighted areas. Two questions from me: Is there a risk to service delivery here? Re the ICT system arrangement: will we be asked to subsidise this?

Michael, for visibility and any input. I'm aiming to get advice up to **s47F** today. Did you want us to seek a private briefing for the Committee before estimates next Thursday, per **s47F** suggestion on Friday?

Thea

Hi **s47E(c)**
s47F

We are currently in a transition period following expiration of the Future Fit contract on 31 December 2023. The department put in place a transitional contract with Miles Morgan Australia (MMA) at Whitehorse while consideration was given by government to the next steps in Future Fit. **s47C**
s47C



Thanks for your advice yesterday that concerns have been raised with Senator Rice/her office, by a member of the Newcastle MOW (NMOW) board regarding arrangements at Whitehorse during this transition.

We can advise:

s47C



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s47C

regards
Thea

From: s47E(c), s47F <[REDACTED]@health.gov.au>
Sent: Monday, February 5, 2024 4:30 PM
To: HERALD, Russell <Russell.Herald@health.gov.au>
Cc: s47E(c), s47F <[REDACTED]@health.gov.au>
Subject: Whitehorse MOW transition [SEC=OFFICIAL]

Hey Rusty

Spoke with MMA about the transition work. It sounds like there is a miscommunication between NMOW board and MMA. I've highlighted some of my commentary in green.

s47C

s47C

r,

Many thanks,

s47E(c), s47F

Director - CHSP and Continence Policy
Home Support Operations Branch

Home and Residential Division | Ageing and Aged Care Group
Australian Government, Department of Health and Aged Care
T: 6289 s47 | E: s47E(c), s47F @health.gov.au
Location: Level 7, Sirius Building
GPO Box 9848, Canberra ACT 2601, Australia

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s47E(c), s47F

From: s47E(c), s47F
Sent: Monday, 12 February 2024 9:39 AM
To: s47E(c), s47F
Subject: FW: MoW Whitehorse (NMOW and MMA) [SEC=OFFICIAL]

FYI – brief to Wells’ advisor

From: HERALD, Russell <Russell.Herald@health.gov.au>
Sent: Thursday, February 8, 2024 10:55 AM
To: s47E(c), s47F @health.gov.au>
Subject: FW: MoW Whitehorse (NMOW and MMA) [SEC=OFFICIAL]

From: CONNOLLY, Thea <Thea.Connolly@health.gov.au>
Sent: Wednesday, February 7, 2024 7:00 PM
To: s47F @Health.gov.au>
Cc: LYE, Michael <Michael.LYE@health.gov.au>; HERALD, Russell <Russell.Herald@health.gov.au>
Subject: MoW Whitehorse (NMOW and MMA) [SEC=OFFICIAL]

Hi s47F

We are currently in a transition period following expiration of the Future Fit contract with Miles Morgan Australia (MMA) on 31 December 2023. In January the department put in place a transitional contract with MMA to close out the project, and to fully transition any MMA administration at Whitehorse, while consideration was given by government to the next steps in the reform program.

These next steps in the meals reform space include a feasibility study to define a meal that meets nutritional standards, a clear understanding of the value of social capital contributed by the MoW model (and others), and a funding model for both to be applied consistently across the country. In December last year the board of MOW Australia unanimously supported that such a study be enabled by MMA, with some caveats. Other options include sector grants for meals providers to undertake aspects of this work. The approach chosen will be a matter for government.

Thanks for your advice on Monday that concerns have been raised with Senator Rice by a member of the Newcastle MOW (NMOW) board regarding arrangements at Whitehorse during this transition.

We can advise in response:

s47C

- We reached out to NMOW following your call, and in response the NMOW board has requested support from the department to help facilitate transition arrangements due to these challenging relationships. We will provide this support.
- We also reached to MMA who advise it is outlining necessary changes to operations to ensure full MMA withdrawal by 10 March (in line with the agreed transition timeline)
- NMOW provided the department with a list of 6 transition issues, summarised below along with agreed actions:

1. Website:

- MMA advise the page has no operational link. It is a vehicle for downloading a menu and registering interest in becoming a volunteer. No ordering process.
- The department has requested a pragmatic approach to removing the content.
- MMA have confirmed they will decommission the Future Fit webpages, on 10 March 2024, but is amenable to retaining the Whitehorse content for a short period of time to allow sufficient time for NMOW to work through replacements.
- **ACTION: MMA to confirm logistics/feasibility of keeping Whitehorse content available on www.mowfuturefit.com.au over march (completed)**

s47G(1)(a)

3. Operational reporting spreadsheets:

- MMA to transfer all operational reporting spreadsheets to NMOW in a format that can be integrated into NMOW's new system.
- MMA advise that this should not be a problem, as there are limited offline documents.
- **Action: MMA to action by 19 February 2024.**

4. Menu structures:

- MMA to stop the roll out of any new menu structures, pending further advice from NMOW, noting current plan was to review the menu shortly to streamline menu options (based on client feedback/choice).
- MMA to transfer information related to suppliers (including any supplier agreements) and changes to menu structures i.e., standard operating procedures that outline how NMOW can continue with periodically reviewing the meals being offered, based on popularity as advised by data from suppliers.
- MMA to handover relevant training to NMOW – including any online training/handover, as required.

5. Paying specified wages up to 6th Dec 2023:

- NMOW and MMA will need to come to an agreement on how to move forward with this undocumented issue.

6. Transition meetings

- NMOW Transition team and onsite NMOW staff to be invited.
- **Action: the department has requested a commitment from MMA to work collaboratively with NMOW staff, including any new staff coming on board in the near future (provided)**
- New NMOW staff being onboarded this Thursday and on Feb 19th.

While it's very disappointing that the transition has not been as orderly as we would have expected, we remain confident that the back of house changes supported by Future Fit (IT, operations, menu mgmt) will stand NWOW in good stead and mitigate potential for client disruption.

Thanks for the opportunity to provide this advice, happy to elaborate as needed.

Regards

Thea

Thea Connolly
First Assistant Secretary

Home and Residential Division | Ageing and Aged Care Group
Australian Government, Department of Health and Aged Care

T: s47E(c), s47F | E: thea.connolly@health.gov.au / s47E(c), s47F [.health.gov.au](mailto:s47E(c), s47F@health.gov.au)

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Executive Officer | s47E(c), s47F

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() 47F

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Making flexibility work - if you receive an email from me outside of normal business hours, I'm sending it at a time that suits me. Unless I reach out to you via phone or text, I'm not expecting you to read or reply until normal business hours.

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By The Department Of Health, Disability And Ageing

s47E(c), s47F

From: s47E(c), s47F @health.gov.au>
Sent: Thursday, 29 February 2024 5:18 PM
To: Procurement Advice
Cc: s47E(c), s47F
Subject: Urgent Miles Morgan Australia - Deed of Variation (1) - TRANSITIONING THE WHITEHORSE MEALS ON WHEELS OPERATIONS TO NEWCASTLE MEALS ON WHEELS [SEC=OFFICIAL]
Attachments: Commitment Variation Minute - MMA - February 2024.docx; Att A - Deed of Variation 1 - MMA - February 2024.docx
Importance: High

Hi s47E(c), s47F

Please see the attached variation minute and deed of variation. The current contract ends 10 March 2024.

Thank you for your advice!

Many thanks,

s47E(c), s47F

Director - CHSP and Continence Policy
Home Support Operations Branch

Home and Residential Division | Ageing and Aged Care Group
 Australian Government, Department of Health and Aged Care
 T: 6289 s47 | E s47E(c), s47F @health.gov.au
 Location: Level 7, Sirius Building
 GPO Box 9848, Canberra ACT 2601, Australia

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Commitment Variation Minute

To: Russel Herald, Assistant Secretary, Home and Residential Division

COMMITMENT APPROVAL TO VARY AN ARRANGEMENT WITH MILES MORGAN AUSTRALIA PTY LTD FOR TRANSITIONING THE WHITEHORSE MEALS ON WHEELS OPERATIONS TO NEWCASTLE MEALS ON WHEELS

Procurement ID: Health/ E24-85612

| RECOMMENDATIONS: | |
|--|----------------------------|
| APPROVE the variation of the existing contract with Miles Morgan Australia (MMA) for the provision of Transitioning the Whitehorse Meals on Wheels (WMOW) operations to Newcastle Meals on Wheels (NMOW), as detailed at Attachment A . | APPROVED / NOT APPROVED |
| Note the Value for Money assessment (item 3) | NOTED / PLEASE DISCUSS |
| CONFIRM the information provided in this commitment approval has fully addressed the Delegate's Checklist before exercising a delegation to approve the commitment of funds - PGPA Act Section 23 (3) - or enter into an arrangement - PGPA Act Section 23 (1). Delegates need to assure themselves that the procurement is compliant and documented (Attachment B). | CONFIRMED / PLEASE DISCUSS |
| NOTE the commitment variation will work-flow to you via SAP ESS for online approval. | NOTED / PLEASE DISCUSS |
| NOTE the Variation will be sent to MMA for negotiations and signature upon your approval of this minute. | NOTED/PLEASE DISCUSS |

| | |
|---|--|
| <p>Prepared by:</p> <p>.....</p> <p>s47E(c), s47F i</p> <p>Director Home Support Operations 28 February 2024</p> | <p>Approved by:</p> <p>.....</p> <p>Russell Herald Assistant Secretary Home Support Operations Branch, Home and Residential Division March 2024</p> |
|---|--|

Key Points:

- i. This proposal is consistent with the original contract and the requirements of the [Commonwealth Procurement Rules](#).
- ii. The proposed changes have been discussed and agreed in principle with the Supplier.
- iii. Any required AusTender reporting of the variation will take place within 42 days

1. BACKGROUND/CONTEXT

- The Department entered into an agreement with MMA for the provision of transitioning the WMOW operations to NMOW on 19 January 2024 (PO 4500154545) together with relevant expenditure to a maximum of **\$1,534,428.68 (GST Exclusive) / \$1,687,871.55 (GST Inclusive)**.
- This procurement was conducted through a Limited Tender. As the procurement is over the relevant threshold (\$80k GST Inc), condition 10.3.d.iii of the CPRs for "*when the goods and services can be supplied only by a particular business and there is no reasonable alternative or substitute*" was used. This LT condition was used due to an absence of competition for technical reasons. Noting that MMA have been heavily involved in the business transformation and technology modernisation project from 2021.
- The contract variation is required to update specific deliverables due to unforeseen changes in the scope of the project.
- On 31 January, MMA notified the department they no longer had capacity to be involved in the broader Future Fit work which included the implementation/deployment of new technology (the Enterprise Resource Planning software). As such, the Whitehorse pilot site will no longer be using the ERP and the software will need to undergo a decommissioning process to remove any client information and transition the software to the department.
- To date the supplier has satisfactorily completed Milestone 1 and Milestone 2. However, this excludes software licensing and sustainment as part of Milestone 1, which needs to be amended as part of the variation.
- s47E(d)
-
-
- This variation does not compromise the original procurement, nor transfer or create additional risk for either the department or the supplier.

2. OPTION TO EXTEND (DELETE IF NOT APPLICABLE)

A further valid extension option of 2 months remains available within the contract.

3. OUTCOME OF EVALUATION / VALUE FOR MONEY

The value for the contract is unchanged and still presents value for money. The consultant has satisfactorily met their obligations and has provided deliverables in timely manner. s47E(d)

s47E(d)

As part of the close out processes (milestone 3), the consultant has agreed to:

- Deliver the ERP to the department, including a presentation of the new system and outline any enhancements since October 2023.
- Finalise and provide the department with an outline of the security architecture for third-party access (roles and permissions, separate containers for individual services, streamline/automate reporting functionality, outlet configuration).

- Provide the department with updates training material and resources for user onboarding.
- Business model summary and lessons learnt with developing the new ERP.

It is recommended, the Department enter into negotiations with MMA to negotiate the following points within the contract schedule:

- Item A
- Item D
- Item E
- Item I

4. TIMEFRAME

The variation will commence on execution and be completed by 10 March 2024.

5. CONTRACTUAL ARRANGEMENT

The appropriate form of contract variation has been prepared (**Attachment A**) based on Department of Health and Aged Care Contract for Service.

Contract Manager

The nominated Contract Manager for this arrangement is **s47E(c), s47F**, CHSP and Continence Policy Section, Home Support Operations Branch. The nominated Contract Manager will monitor compliance with all aspects of the contract, in line with the updated [Contract Management Plan](#).

6. EXPENDITURE APPROVAL AND FUNDS AVAILABILITY

The cost to the Department for the services will not increase. The total contract value remains \$1,534,428.68 (GST Exclusive) / \$1,687,871.55 (GST Inclusive). This is within your delegation limit under the Accountable Authority [Financial Delegations](#) Schedule 1 (No. 6 of 2023), 15 August 2023, Table 1, Item 3, to approve proposals to commit relevant money up to \$70 million (Administered).

The Finance Business Partner has previously confirmed that funds are available in 2023-24 from Priority 065 – Commonwealth Home Support Programme and cost centre **s47E(c)**.

7. STAKEHOLDER CONSULTATION

The CHSP and Continence Policy section is working with the Commercial law team to ensure deliverables related to ICT are appropriately captured in the contract variation. In addition, MMA have been consulted with to ensure the deliverables are appropriately updated.

Endorsement by Procurement Advisory Services

The procurement process has been undertaken in accordance with the Department's Procurement Variation Process and the [Commonwealth Procurement Rules](#) (CPR). Procurement Advice Service (PAS) has provided endorsement to this document package (**Attachment X**).

8. GENERAL

Risk Management

The risk profile developed as part of the Procurement Plan has been reviewed. The risk profile remains Low. Any significant risks and mitigations identified will be advised to the delegate.

There are no conflict of interest issues that have been raised throughout the process.

The supplier will provide updated COIs as part of this variation process.

Internal Reporting Requirements

Under the Department's Procurement Processing and Management policy, contract variations must be registered within 5 business days of execution.

External Reporting Requirements

The contract will be reported on the Department's website in accordance with the Senate Order requirements of July 2001 (Murray Motion). As the contract is valued over \$10,000 it will be reported on AusTender within 42 days of entering into the contract, in line with the Commonwealth Procurement Rules (Division 1, Item 7, Reporting arrangements).

Documentation

The documentation is held on TRIM File E24-85612. All relevant documentation leading up to the contract has been filed in accordance with [Corporate Business Rule 2: Information Management and Record Keeping](#).

9. COMPLIANCE WITH FINANCIAL AND PROCUREMENT POLICIES

This procurement was conducted in accordance with the Department's financial and procurement policy framework ([Delegate's Checklist](#)).

Attachments:

- A. Deed of Variation 1 - MMA - February 2024
- B. Key Considerations for Delegates

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s47E(c), s47F

From: Procurement Advice
Sent: Friday, 1 March 2024 3:09 PM
To: s47E(c), s47F
Cc: s47E(c), s47F
Subject: RE: Urgent Miles Morgan Australia - Deed of Variation (1) - TRANSITIONING THE WHITEHORSE MEALS ON WHEELS OPERATIONS TO NEWCASTLE MEALS ON WHEELS [SEC=OFFICIAL] CCEMS:07360002475
Attachments: Att A - Deed of Variation 1 - MMA - February 2024 - PAS01032024AR.docx; Commitment Variation Minute - MMA - February 2024 - PAS01032024AR.docx
Importance: High

Hi s47E(c), s47F

PAS has reviewed the draft variation documentation provided. Please see minor suggested changes for your consideration and action.

Please ensure you complete the Delegate's Checklist and include with the pack for approval, for the delegate to confirm the process.

Once changes are actioned appropriately, cleared to proceed.

Kind regards,

s47E(c), s47F

Snr Adviser

Procurement Advisory Services

Financial Management Division | Corporate Operations Group
 Australian Government Department of Health and Aged Care
 T: 02 6289 s47E(c) | E: s47E(d) @health.gov.au
 GPO Box 9848, Canberra ACT 2601, Australia

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To ensure prompt responses, please address any replies to this inbox and not to personal inboxes.

----- Original Message -----

From: s47E(c), s47F @health.gov.au>;
Received: Thu Feb 29 2024 19:34:54 GMT+1100 (Australian Eastern Daylight Time)
To: Procurement Advice s47E(d) @health.gov.au>; Procurement.Advice-Queue s47E(d) @health.gov.au>;
Cc: s47E(c), s47F @health.gov.au>; s47E(c), s47F @health.gov.au>; s47E(c), s47F @health.gov.au>; s47E(c), s47F @health.gov.au>; s47E(c), s47F @health.gov.au>;

Subject: Urgent Miles Morgan Australia - Deed of Variation (1) - TRANSITIONING THE WHITEHORSE MEALS ON WHEELS OPERATIONS TO NEWCASTLE MEALS ON WHEELS [SEC=OFFICIAL]

Hi s47E(c),
s47F

Please see the attached variation minute and deed of variation. The current contract ends 10 March 2024.

Thank you for your advice!

Many thanks,

s47E(c), s47F

Director - CHSP and Contingence Policy
Home Support Operations Branch

Home and Residential Division | Ageing and Aged Care Group
Australian Government, Department of Health and Aged Care
T: 6289 s47 | s47E(c), s47F @health.gov.au
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Documents 12.1 to 12.2 were exempt in full under s 47C and deleted from the document pack