



AGFMA • FACT SHEET

Application of Fees

Audience



Participating Agencies



AGFMA FMSP



Contractors

Purpose

This Fact Sheet provides information regarding the Fee application arrangements under the Across Government Facilities Management Arrangements (AGFMA).

Management Fees for Works up to \$150,000

The Facilities Management Service Provider (FMSP) (Ventia) will charge each Participating Agency a Management Fee which consists of a fixed annual fee plus a percentage of the value of work for the payment period. The fixed component of the Management Fee will be allocated to Participating Agencies in accordance with amount of works processed by that Agency. The percentage of the value of the work component will be allocated to Participating Agencies based on actual works completed.

These fees have been communicated directly with your Agency's Chief Executive (or nominated Delegate).

Management Fee for works \$150,000 or more

A fixed percentage fee will apply to all works with a total value of \$150,000 or more.

This fee has been communicated directly with your Agency's Chief Executive (or nominated Delegate).

Trade based costs

Costs incurred by Contractors and FMSP trades staff will be reimbursed to Ventia as a pass through, that is Ventia does not charge a mark-up or up-lift on these costs.

Trade ceiling rates and any call out fees applicable to each work type are determined by the Department for Infrastructure and Transport (DIT) with Ventia responsible for working within that chargeable framework when working with contractors.

Professional Services and Additional Dedicated Resources

Participating Agencies may request Professional Services and nominate additional resources for work that is not included in the Services covered by the Management Fee. Reimbursable costs for Professional Services will be paid in accordance with agreed rates.

Professional Services may include having Ventia develop your Agencies' Strategic Asset Management Plan on your behalf for example.

Services provided as part of the Management Fee

As part of the Management Fee, Ventia must provide a number of services to Participating Agencies, including the carrying out of a systematic inspection of sites once every three years to ensure ongoing compliance, functionality, operability and safety in operation, as well as ensuring all in scope Asset information is complete and accurate. Participating Agencies may request changes to the Site Inspection Program frequency (for



AGFMA • FACT SHEET

example; electing to have a particular site inspected annually, or 5-yearly) which will be subject to a site inspection fee adjustment. This is an adjustment that can occur via direct conversations between Participating Agencies and Ventia.

Other examples of services included in the Management Fee are:

- (a) strategic advice on asset management;
- (b) support for the development of Strategic Asset Management Plans (but not the cost of developing these plans);
- (c) provision of the FMSP Software;
- (d) preparation of business cases to provide options and recommendations on asset replacement programs;
- (e) managing and maintaining relationships with Contractors;
- (f) stakeholder relationship management;
- (g) advice and recommendations on innovations to improve services, productivity, safety and/or value;
- (h) provision of reporting and records management, including any audits;
- (i) attendance at regular governance meetings and ad-hoc meetings as required; and
- (j) providing Agencies and DIT with regular information on the latest industry initiatives, tools and techniques.

AGFMA Management Fee

An AGFMA Fee, calculated based on a percentage of the cost of works processed for your Agency, will also be included on the FMSP invoice for reimbursement to AGFMA to cover the cost of managing the AGFMA.

This fee has been communicated directly with your Agency's Chief Executive (or nominated Delegate).

Invoicing and Payment

Two Invoices per month will be issued by Ventia to Participating Agencies and must be paid within 14 days of receipt of the invoice. Invoices will contain the fixed management fee component in addition to detailing all fees and charges relating to works undertaken. An automated approval process will be introduced to support Participating Agencies to approve the completion of works online. Claims issued to Ventia by Contractors will be paid within 14 days of submission of claim.

Incentive regime for Works up to \$150,000

The AGFMA contract with Ventia includes an Incentive Regime which aims to drive down the costs to Government of managing its facilities by utilising data and contemporary asset management practices to maintain assets appropriately for their optimal useful asset lives.

Incentives included in the pricing regime do not apply for the remainder of this financial year (2021/2022). Detail of how the incentive applies will be communicated in 2022.

For More Information

Contact the AGFMA Directorate - DIT.AGFMA@sa.gov.au