

[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Tuesday, 10 March 2020 1:20 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** RE: Minister Ruston Meeting - Thurs April 2 @ 3pm

Many thanks [REDACTED]

[REDACTED] will see the Min next Tuesday in Perth at 4pm WST. For the meeting on April 2<sup>nd</sup>, it will be [REDACTED]

[REDACTED]

Advanced Personnel Management

**APM**

enabling better lives



APM acknowledges Aboriginal & Torres Strait Islander people as the original custodians of this country throughout Australia and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to their Elders, past, present and emerging.

APM is building an inclusive workplace to help realise the potential of our employees, embrace difference and apply our diverse thinking to innovation and service delivery.

APM is dedicated to the consideration, support and inclusion of people with disability, Aboriginal and Torres Strait Islander people, LGBTQIA people and people from culturally diverse backgrounds in all aspects of our organisation.

*Although Advanced Personnel Management (APM) uses virus protection programs, it cannot guarantee that this email and any of its attachments are free from computer viruses. Any person who opens an attachment does so at his or her own risk. This email is intended for the named addressee only. Its contents are confidential and may contain personal information. Please ensure that personal information is kept secure at all times and privacy is respected. If you have received this email in error, please contact APM immediately by telephoning (08) 9486 1244 or by reply email to the sender. Do not use, store, disclose or copy any personal information that you were not intended to receive. The copying or distribution of this email or any information it contains, by anyone other than the addressee, is prohibited. If you are not the named addressee, please immediately destroy the original email and any attachments.*

**From:** [REDACTED]  
**Sent:** Tuesday, 10 March 2020 1:26 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** Minister Ruston Meeting - Thurs April 2 @ 3pm

Dear [REDACTED]

Please be advised your upcoming meeting with the Minister will be held at DSS Perth State Office - Level 2, 45 St Georges Tce.

As it is a secure premises, I am required to forward all the attendees names. If anyone else is attending please forward their name and title for ease of access on your arrival.

Attendees: -

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

Kindest Regards

[REDACTED]  
**Office Manager / Executive Assistant**  
**OFFICE OF SENATOR THE HON ANNE RUSTON**  
**Senator for South Australia**  
**Minister for Families and Social Services**  
**Manager of Government Business in the Senate**

Suite MG.60, Parliament House CANBERRA ACT 2600  
PO Box 1671 Renmark SA 5341 AUSTRALIA

*Please Note: The information contained in this e-mail message and any attached files may be confidential information and may also be the subject of legal professional privilege. If you are not the intended recipient, any use, disclosure or copying of this e-mail is unauthorised. If you have received this e-mail by error please notify the sender immediately by reply e-mail and delete all copies of this transmission together with any attachments.*

[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Tuesday, 10 March 2020 9:13 AM  
**To:** [REDACTED]  
**Subject:** Catch up with Minister

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Hi [REDACTED]  
Thanks for the chat today.  
As discussed I will be in Perth next Tuesday 17<sup>th</sup> of March.  
If the Minister has 10 minutes it would be to catch up.  
Kind Regards

[REDACTED]



APM acknowledges Aboriginal & Torres Strait Islander people as the original custodians of this country throughout Australia and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to their Elders, past, present and emerging.

APM is building an inclusive workplace to help realise the potential of our employees, embrace difference and apply our diverse thinking to innovation and service delivery.

APM is dedicated to the consideration, support and inclusion of people with disability, Aboriginal and Torres Strait Islander people, LGBTQIA people and people from culturally diverse backgrounds in all aspects of our organisation.

*Although Advanced Personnel Management (APM) uses virus protection programs, it cannot guarantee that this email and any of its attachments are free from computer viruses. Any person who opens an attachment does so at his or her own risk. This email is intended for the named addressee only. Its contents are confidential and may contain personal information. Please ensure that personal information is kept secure at all times and privacy is respected. If you have received this email in error, please contact APM immediately by telephoning (08) 9486 1244 or by reply email to the sender. Do not use, store, disclose or copy any personal information that you were not intended to receive. The copying or distribution of this email or any information it contains, by anyone other than the addressee, is prohibited. If you are not the named addressee, please immediately destroy the original email and any attachments.*



[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Friday, 20 March 2020 8:59 AM  
**To:** Ruston, Anne (Senator)  
**Cc:** [REDACTED]  
**Subject:** Re: Letter to Min Ruston / APM actions in relation to COVID 19  
**Attachments:** Minister Ruston.pdf

Dear Minister,

Please find attached a letter from [REDACTED] on actions APM is taking in relation to COVID-19 so we can continue delivering outcomes to our clients.

Regards,

[REDACTED]

Advanced Personnel Management

**APM**

enabling better lives



APM acknowledges Aboriginal & Torres Strait Islander people as the original custodians of this country throughout Australia and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to their Elders, past, present and emerging.

APM is building an inclusive workplace to help realise the potential of our employees, embrace difference and apply our diverse thinking to innovation and service delivery.

APM is dedicated to the consideration, support and inclusion of people with disability, Aboriginal and Torres Strait Islander people, LGBTQIA people and people from culturally diverse backgrounds in all aspects of our organisation.

*Although Advanced Personnel Management (APM) uses virus protection programs, it cannot guarantee that this email and any of its attachments are free from computer viruses. Any person who opens an attachment does so at his or her own risk. This email is intended for the named addressee only. Its contents are confidential and may contain personal information. Please ensure that personal information is kept secure at all times and privacy is respected. If you have received this email in error, please contact APM immediately by telephoning (08) 9486 1244 or by reply email to the sender. Do not use, store, disclose or copy any personal information that you were not intended to receive. The copying or distribution of this email or any information it contains, by anyone other than the addressee, is prohibited. If you are not the named addressee, please immediately destroy the original email and any attachments.*

20 March 2020

**Senator the Hon Anne Ruston  
Minister for Families and Social Services**

Dear Minister Ruston,

The APM Group remains committed to delivering outstanding services and outcomes for our stakeholders, clients and customers.

It is critical that during these times that we are able to continue to provide support our clients who are in some cases the most vulnerable in our communities and support our stakeholders to deliver essential services to the program participants.

These are certainly unprecedented times, our priority is the health and safety of our clients, people and the sites where we deliver our services, across all our geographies.

Our Business Continuity Planning (BCP) is activated and we have established processes including Global and National Response Teams, who's primary objective is to continue to monitor the situation, develop our response in real time and ensure our business continues to deliver services.

With that in mind, I wanted to take this opportunity to make you aware of how the APM Group is responding to the rapidly evolving COVID-19 situation.

**Keeping our people and our sites safe**

Across the APM Group, we have several measures in place to ensure our people and sites are kept safe including the implementation of Universal Infection Control Guidelines. This guideline requires regular deep cleaning of our sites, availability of products such as hand wash, hand sanitizer and relevant personal protective equipment which are in active use across our locations.

Our people are informed on and practicing social distancing measures, and we have a restriction of non-essential work travel and face to face internal meetings in place. We are placing specific emphasis on vulnerable employees, prioritizing their needs and enabling them to continue working from home where possible.

Our critical corporate functions are mobilized to work remotely, to ensure our customers and clients continue to be serviced.

To keep job seekers and clients safe, we are proactively managing attendance where flu-like symptoms are present and actively enforcing self-isolation periods for our employees, in line with jurisdiction requirements.

**Supporting our clients and customers**

We know many in the communities where we work rely heavily on our services, and we continue to deliver across all the regions where we operate. We are being guided by our customers and ensuring that in all cases we meet your localised, contract specific, requirements and COVID-19 control measures.

We are able to deploy our services across the globe over telephone, video and web channels where required and are doing so in many places. We have planned for and are able to deploy these services from our employees home location should you need us to.



We are proud of our leading practices provided by MCI, our learning and development solution provider who is delivering virtual training on effective remote work practices for our people and some customers.

Our corporate mental health provider, Assure Programs, is hosting webinars and continues to deliver their Employee Assistance Program (EAP) via telephone, as well as sharing useful guides to help our customers and their employees navigate this uncertain time.

We will continue to work closely with all of our customers to ensure your needs are met.

**Preparing for future developments**

We are monitoring the situation closely, in all our markets and our response continues to iterate as the new developments become known. The continued provision of our services is a priority.

These are challenging times for everyone, but especially for those who rely on us for vital support services.

If you would like more information about the APM Group's preparedness and COVID-19 response, or would like access to any tools or guides available, please contact [REDACTED]

Thank you for your support, advice and continued partnership during this time and please be assured APM will continue to play its role to support you during these challenging times.

Regards

[REDACTED]

[Redacted]

---

**From:** [Redacted]  
**Sent:** Tuesday, 31 March 2020 5:00 PM  
**To:** [Redacted]  
**Cc:** [Redacted]  
**Subject:** APM Disability Employment Services

H [Redacted]

Thanks for your time speaking to [Redacted] on the phone earlier today.

Obviously this is challenging times and we appreciate the many moving parts that you are dealing with at the moment.

In terms of the Providers in the Disability Employment Services (DES) sector, this is challenging for all no matter their size or performance.

[Large redacted block]

Globally we have seen all our Government stakeholders step in early to support Providers given the key role we play as an essential service supporting the most vulnerable in our community and we are requesting DSS to do the same.

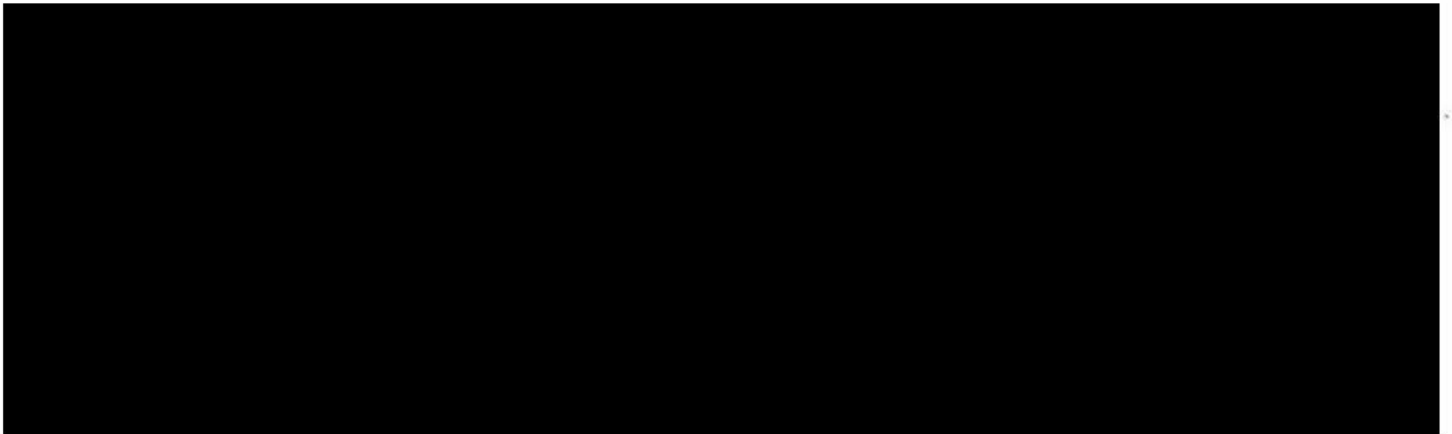
As mentioned, globally we are seeing support for Providers to maintain their workforce to continue to support their participants through this challenging time and to ensure there is a viable skilled sector ready to step in as the economy returns from "hibernation" post COVID-19. Across our business internationally, this support from Government is being provided in two key ways:

- **Guaranteed Wage subsidies for Providers in the sector with no qualifying criteria other than commitment to maintaining the workforce – based on a % of wages – this has varied from 60% to 75% of employee costs. Making the “equivalent” jobkeeper subsidy available (which is not available to many as noted above) to Providers would achieve this outcome;**
- **Paying a floor payment to Providers based on the month’s revenue pre COVID-19 (ie February 2020) – noting this number is already reduced due to the impacts of the Australian bushfires**

The proviso for any support has been that there are no redundancies made (other than for usual performance and conduct issues).

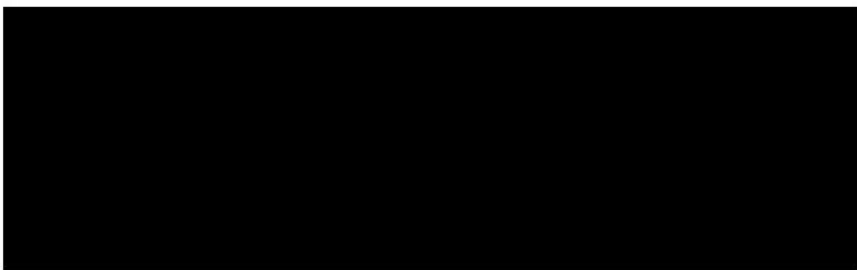
Maintaining Australia’s DES sector workforce is essential during this challenging time to both to support the most vulnerable during this crisis and to optimise employment for PwD when the economy returns post COVID-19.

In Australia, by way of example the Department of Health has agreed with their Providers that they will pay their Regional Assessment Services contract as if assessment volumes have not declined given the critical nature of this services going forward and needing to maintain the capability and capacity.



If you require any further details please don’t hesitate to give me a call and I am also happy to organise a discussion with 

Regards,



APM acknowledges Aboriginal & Torres Strait Islander people as the original custodians of this country throughout Australia and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to their Elders, past, present and emerging.

APM is building an inclusive workplace to help realise the potential of our employees, embrace difference and apply our diverse



thinking to innovation and service delivery.

APM is dedicated to the consideration, support and inclusion of people with disability, Aboriginal and Torres Strait Islander people, LGBTQIA people and people from culturally diverse backgrounds in all aspects of our organisation.

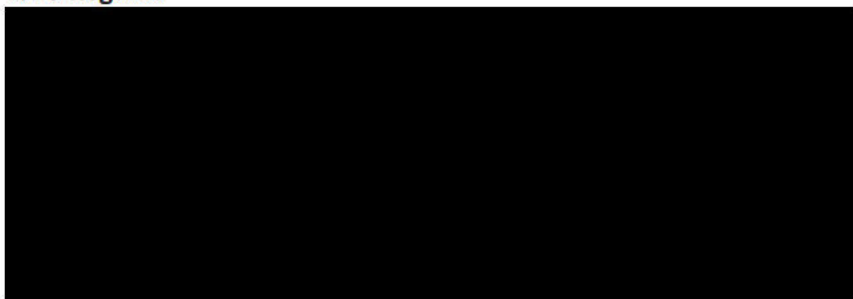
*Although Advanced Personnel Management (APM) uses virus protection programs, it cannot guarantee that this email and any of its attachments are free from computer viruses. Any person who opens an attachment does so at his or her own risk. This email is intended for the named addressee only. Its contents are confidential and may contain personal information. Please ensure that personal information is kept secure at all times and privacy is respected. If you have received this email in error, please contact APM immediately by telephoning (08) 9486 1244 or by reply email to the sender. Do not use, store, disclose or copy any personal information that you were not intended to receive. The copying or distribution of this email or any information it contains, by anyone other than the addressee, is prohibited. If you are not the named addressee, please immediately destroy the original email and any attachments.*

[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Wednesday, 1 April 2020 1:57 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** Re: Further information re APM Disability Employments Services [SEC=OFFICIAL:Sensitive]

Thanks [REDACTED]  
I look forward to talking further tomorrow.  
Kind Regards



APM acknowledges Aboriginal & Torres Strait Islander people as the original custodians of this country throughout Australia and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to their Elders, past, present and emerging.

APM is building an inclusive workplace to help realise the potential of our employees, embrace difference and apply our diverse thinking to innovation and service delivery.  
APM is dedicated to the consideration, support and inclusion of people with disability, Aboriginal and Torres Strait Islander people, LGBTQIA people and people from culturally diverse backgrounds in all aspects of our organisation.

*Although Advanced Personnel Management (APM) uses virus protection programs, it cannot guarantee that this email and any of its attachments are free from computer viruses. Any person who opens an attachment does so at his or her own risk. This email is intended for the named addressee only. Its contents are confidential and may contain personal information. Please ensure that personal information is kept secure at all times and privacy is respected. If you have received this email in error, please contact APM immediately by telephoning (08) 9486 1244 or by reply email to the sender. Do not use, store, disclose or copy any personal information that you were not intended to receive. The copying or distribution of this email or any information it contains, by anyone other than the addressee, is prohibited. If you are not the named addressee, please immediately destroy the original email and any attachments.*

On 1 Apr 2020, at 12:48 pm, [REDACTED] wrote:

Thank you for the information [REDACTED].  
We are currently assessing impacts (current and future) across DES overall and this is very helpful to inform this work.  
Please call if you wish to discuss any matter related to DES and let's keep the lines of communication open.

Kind regards

[Redacted]

[Redacted]

**From:** [Redacted]

**Sent:** Tuesday, 31 March 2020 5:33 PM

**To:** [Redacted]

**Cc:** [Redacted]

**Subject:** Further information re APM Disability Employment Services

Hi [Redacted]

In terms of our performance under the DES contract you asked how APM is performing.

Confidentially, [Redacted]

[Redacted]

[Redacted]

Thank you for your continued support.

Kind Regards

[Redacted]



APM acknowledges Aboriginal & Torres Strait Islander people as the original custodians of this country throughout Australia and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to their Elders, past, present and emerging.

APM is building an inclusive workplace to help realise the potential of our employees, embrace difference and apply our diverse thinking to innovation and service delivery.

APM is dedicated to the consideration, support and inclusion of people with disability, Aboriginal and Torres Strait Islander people, LGBTQIA people and people from culturally diverse backgrounds in all aspects of our organisation.

*Although Advanced Personnel Management (APM) uses virus protection programs, it cannot guarantee that this email and any of its attachments are free from computer viruses. Any person who opens an attachment does so at his or her own risk. This email is intended for the named addressee only. Its contents are confidential and may contain personal information. Please ensure that personal information is kept secure at all times and privacy is respected. If you have received this email in error, please contact APM immediately by telephoning (08) 9486 1244 or by reply email to the sender. Do not use, store, disclose or copy any personal information that you were not intended to receive. The copying or distribution of this email or any information it contains, by anyone other than the addressee, is prohibited. If you are not the named addressee, please immediately destroy the original email and any attachments.*

[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Thursday, 2 April 2020 11:08 AM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** RE: Further information re APM Disability Employments Services  
[SEC=OFFICIAL:Sensitive]

Thank you [REDACTED] and [REDACTED]

If there is any support we can provide please let us know.

[REDACTED]

All the best

[REDACTED]

Advanced Personnel Management

**APM**

enabling better lives

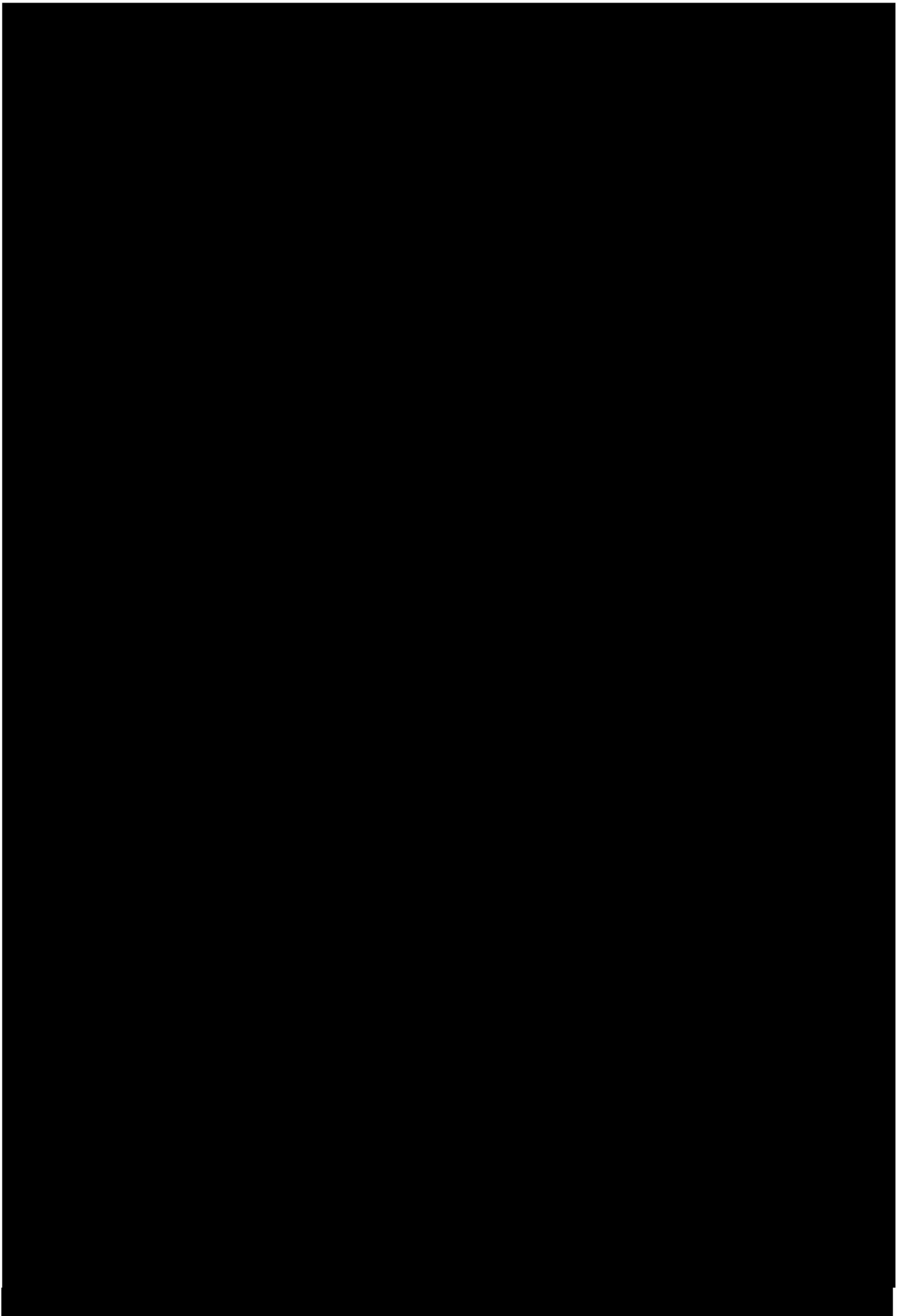


APM acknowledges Aboriginal & Torres Strait Islander people as the original custodians of this country throughout Australia and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to their Elders, past, present and emerging.

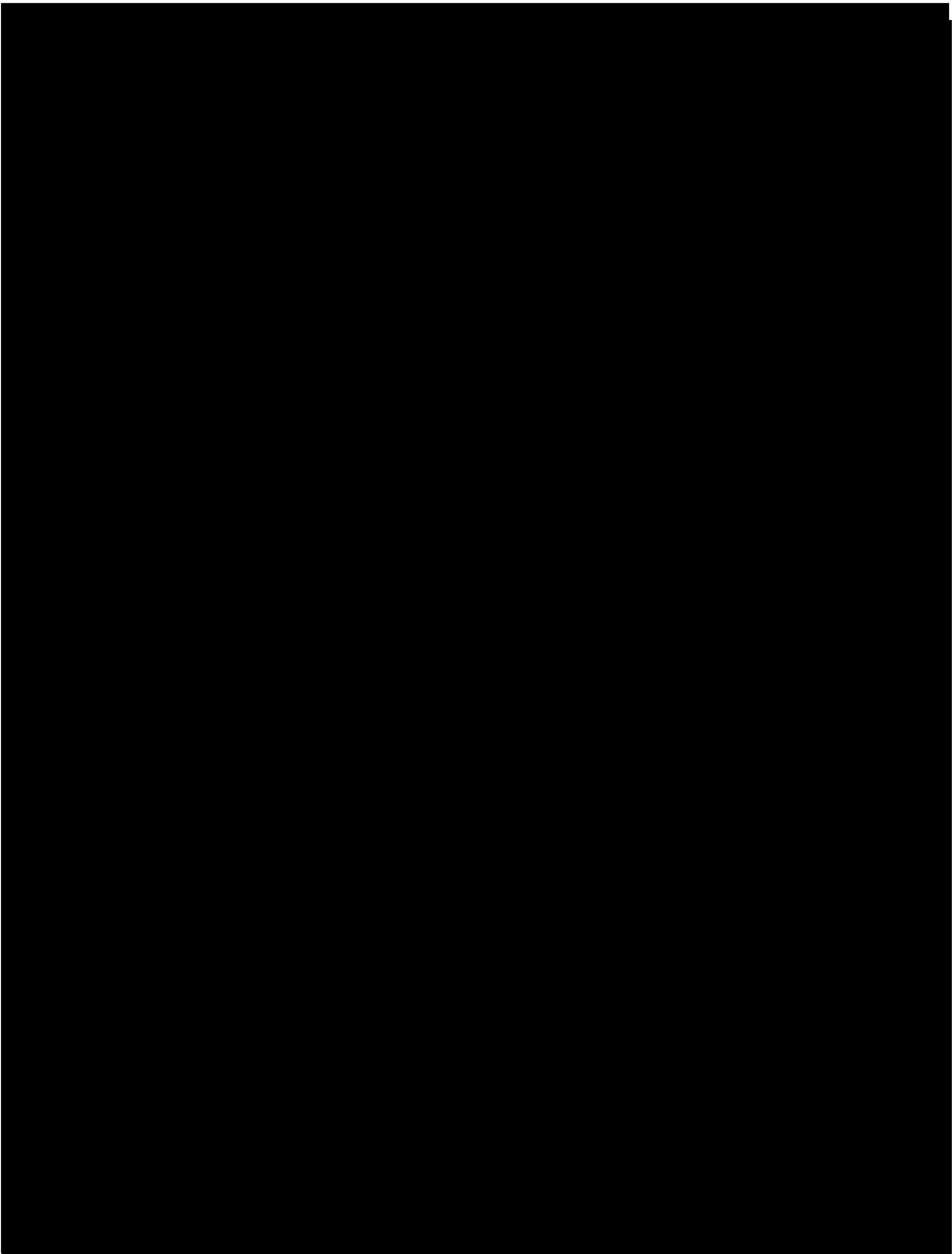
APM is building an inclusive workplace to help realise the potential of our employees, embrace difference and apply our diverse thinking to innovation and service delivery.

APM is dedicated to the consideration, support and inclusion of people with disability, Aboriginal and Torres Strait Islander people, LGBTQIA people and people from culturally diverse backgrounds in all aspects of our organisation.

*Although Advanced Personnel Management (APM) uses virus protection programs, it cannot guarantee that this email and any of its attachments are free from computer viruses. Any person who opens an attachment does so at his or her own risk. This email is intended for the named addressee only. Its contents are confidential and may contain personal information. Please ensure that personal information is kept secure at all times and privacy is respected. If you have received this email in error, please contact APM immediately by telephoning (08) 9486 1244 or by reply email to the sender. Do not use, store, disclose or copy any personal information that you were not intended to receive. The copying or distribution of this email or any information it contains, by anyone other than the addressee, is prohibited. If you are not the named addressee, please immediately destroy the original email and any attachments.*







[REDACTED]

---

**From:**

**Sent:**

[REDACTED]  
Thursday, 7 May 2020 6:29 PM

**To:**

**Subject:**

[REDACTED]  
Re. Quick phone catch up with [REDACTED] tomorrow if you have time

Hi mate, hope you're well. Just wondering if [REDACTED] could speak with you tomorrow to give you a quick update on some things we've been discussing with [REDACTED]

Sent from my iPhone

[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Friday, 8 May 2020 9:39 AM  
**To:** [REDACTED]  
**Subject:** RE: 5 HTP [REDACTED]

Thanks for that

[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Friday, 8 May 2020 8:57 AM  
**To:** [REDACTED]  
**Subject:** Re: 5 HTP [REDACTED]

[REDACTED]

I've passed over your preferred time for a chat to [REDACTED]. Also, we'd love to get a chat with the Min when she has time, after we had to can the Perth catch up due to COVID.

[REDACTED]

[REDACTED]

Advanced Personnel Management

**APM**

enabling better lives



APM acknowledges Aboriginal & Torres Strait Islander people as the original custodians of this country throughout Australia and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to their Elders, past, present and emerging.

APM is building an inclusive workplace to help realise the potential of our employees, embrace difference and apply our diverse thinking to innovation and service delivery.

APM is dedicated to the consideration, support and inclusion of people with disability, Aboriginal and Torres Strait Islander people, LGBTQIA people and people from culturally diverse backgrounds in all aspects of our organisation.

*Although Advanced Personnel Management (APM) uses virus protection programs, it cannot guarantee that this email and any of its attachments are free from computer viruses. Any person who opens an attachment does so at his or her own risk. This email is intended for the named addressee only. Its contents are confidential and may contain personal information. Please ensure that personal information is kept secure at all times and privacy is respected. If you have received this email in error, please contact APM immediately by telephoning (08) 9486 1244 or by reply email to the sender. Do not use, store, disclose or copy any personal information that you were not intended to receive. The copying or distribution of this email or any information it contains, by anyone*



*other than the addressee, is prohibited. If you are not the named addressee, please immediately destroy the original email and any attachments.*

[Redacted]

---

**From:** [Redacted]  
**Sent:** Friday, 8 May 2020 11:02 AM  
**To:** [Redacted]  
**Subject:** DES viability  
**Attachments:** PPN\_02\_20\_Supplier\_Relief\_due\_to\_Covid19.pdf; [Redacted]

Hi [Redacted]  
Thanks for the your time this morning  
Attached is a copy the UK supplier relief document.  
Also attached is a copy of dialogue between [Redacted]

To reiterate

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

[Redacted]

Hope to talk again soon  
Cheers

[Redacted]



APM acknowledges Aboriginal & Torres Strait Islander people as the original custodians of this country throughout Australia and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to their Elders, past, present and emerging.

APM is building an inclusive workplace to help realise the potential of our employees, embrace difference and apply our diverse thinking to innovation and service delivery.

APM is dedicated to the consideration, support and inclusion of people with disability, Aboriginal and Torres Strait Islander people, LGBTQIA people and people from culturally diverse backgrounds in all aspects of our organisation.

*Although Advanced Personnel Management (APM) uses virus protection programs, it cannot guarantee that this email and any of its attachments are free from computer viruses. Any person who opens an attachment does so at his or her own risk: This email is intended for the named addressee only. Its contents are confidential and may contain personal information. Please ensure that personal information is kept secure at all times and privacy is respected. If you have received this email in error, please contact APM immediately by telephoning (08) 9486 1244 or by reply email to the sender. Do not use, store, disclose or copy any personal information that you were not intended to receive. The copying or distribution of this email or any information it contains, by anyone other than the addressee, is prohibited. If you are not the named addressee, please immediately destroy the original email and any attachments.*



# Cabinet Office

## Procurement Policy Note - Supplier relief due to COVID-19

Action Note PPN 02/20

March 2020

### Issue

1. This Procurement Policy Note (PPN) sets out information and guidance for public bodies on payment of their suppliers to ensure service continuity during and after the current coronavirus, COVID-19, outbreak. Contracting authorities must act now to ensure suppliers at risk are in a position to resume normal contract delivery once the outbreak is over.

### Action

2. All contracting authorities should:
- Urgently review their contract portfolio and inform suppliers who they believe are at risk that they will continue to be paid as normal (even if service delivery is disrupted or temporarily suspended) until at least the end of June.
  - Put in place the most appropriate payment measures to support supplier cash flow; this might include a range of approaches such as forward ordering, payment in advance/pre-payment, interim payments and payment on order (not receipt).
  - If the contract involves payment by results then payment should be on the basis of previous invoices, for example the average monthly payment over the previous three months.
  - To qualify, suppliers should agree to act on an open book basis and make cost data available to the contracting authority during this period. They should continue to pay employees and flow down funding to their subcontractors.
  - Ensure invoices submitted by suppliers are paid immediately on receipt (reconciliation can take place in slower time) in order to maintain cash flow in the supply chain and protect jobs.

### Dissemination and Scope

3. This PPN is applicable to all contracting authorities, including central government departments, executive agencies, non-departmental public bodies, local authorities, NHS bodies and the wider public sector (excluding Devolved Administrations). Together these are referred to in this PPN as 'contracting authorities'. This PPN covers goods, services and works contracts being delivered in the UK.

4. Please circulate this PPN across your organisation and to other relevant organisations that you are responsible for, drawing it to the specific attention of those with a commercial and finance role.



## Timing

5. With immediate effect until 30 June 2020.

## Background

6. The current outbreak of COVID-19 is unprecedented and will have a significant impact on businesses of all sizes. Many suppliers to public bodies will struggle to meet their contractual obligations and this will put their financial viability, ability to retain staff and their supply chains at risk. Contracting authorities should act now to support suppliers at risk so they are better able to cope with the current crises and to resume normal service delivery and fulfil their contractual obligations when the outbreak is over.

7. It is vital that contracting authorities pay all suppliers as quickly as possible to maintain cash flow and protect jobs. Contracting authorities should also take action to continue to pay suppliers at risk due to COVID-19 on a continuity and retention basis. Contracting authorities can consider making advance payments to suppliers if necessary.

8. Central Government organisations should note that Managing Public Money prohibits payment in advance of need in absence of Treasury consent as this is always novel contentious and repercussive. However, in the circumstances Treasury consent is granted for payments in advance of need where the Accounting Officer is satisfied that a value for money case is made by virtue of securing continuity of supply of critical services in the medium and long term. This consent is capped at 25% of the value of the contract and applies until the end of June 2020. HM Treasury will review in mid-June whether this consent needs to be extended for a further period. Consent for payment in advance of need in excess of this amount should be sought from HMT in the usual way. This consent does not alleviate Accounting Officers their usual duties to ensure that spending is regular, proper and value for money or for other contracting authorities to conduct appropriate and proportionate due diligence to ensure such payments are necessary for continuity of supply of critical services.

9. Contracting authorities should aim to work with suppliers and, if appropriate, provide relief against their current contractual terms (for example relief on KPIs and service credits) to maintain business and service continuity rather than accept claims for other forms of contractual relief, such as force majeure.

10. Continuing to make payments to at risk suppliers will present risks including that, despite these exceptional actions, a supplier may still become insolvent. These risks will need to be managed by contracting authorities on a case by case basis.

## Contact

11. Further guidance on COVID-19 for individuals, employers and organisations is available on GOV.UK.

12. Enquiries about this PPN should be directed to the helpdesk at [info@crowcommercial.gov.uk](mailto:info@crowcommercial.gov.uk).



## **SUPPLIER RELIEF DUE TO COVID-19**

### **INTRODUCTION**

The public sector must act quickly and take immediate steps to pay all suppliers as a matter of urgency to support their survival over the coming months.

Where goods and services are either reduced or paused temporarily, authorities should continue to pay at risk suppliers to ensure cash flow and supplier survival. This could include, for example situations where:

- Services are cut short / reduced at short notice due to the impact of COVID-19 and non-payment could result in supply chains collapsing and/or significant financial implications for the supplier.
- It would be value for money and important to business continuity to continue to pay suppliers in the short term (regardless of whether you are able to reconcile at a later stage). This would ensure continuity of services when services can resume.

PPN 01/20 sets out how contracting authorities can amend contracts under Regulation 72 of the Public Contracts Regulations 2015<sup>1</sup>. Changes should be captured in contract variation or change note, and make clear that the changes relate only to the COVID-19 situation, include a review provision or time limit, and that it is the authority's decision when things should return to normal.

### **PAYMENT TO MAINTAIN BUSINESS CONTINUITY**

Contracting authorities should confirm with their at risk suppliers that they will continue to pay until at least the end of June, to ensure business and service continuity. Contracting can define their 'at risk suppliers' according to need. In general, this should override provisions in contracts that might require contracting authorities to pay suppliers on a decreasing scale as a result of, for example performance, force majeure or business continuity clauses.

There are a range of ways to support suppliers in maintaining cash flow during this period. Contracting authorities can continue to pay at usual contractual rates, or consider other options such as payment against revised/extended milestones or timescales, interim payments, forward ordering, payment on order or payment in advance/prepayment. Risks associated with advance or pre payment should be carefully considered and documented.

Where contracts operate 'payment by result' or are 'output / outcome' based, payments to suppliers should be made on the basis of a calculation of the average of the last three months invoices. Where possible, any payments made to suppliers during this emergency period should be adjusted to ensure profit margin is not payable on any undelivered aspects of the contract, however this should not delay payments being made.

Suppliers should identify in their invoices which elements of the invoiced amount relates to services they are continuing to supply (i.e. business as usual) and which amounts are attributable to the impact of COVID-19.

Payments should not be made to suppliers where there is no contractual volume commitment to supply, and contracting authorities should carefully consider the extent of payments to be made to suppliers who are underperforming and subject to an existing improvement plan.

---

<sup>1</sup> Or equivalent procurement regulations



## **Transparency**

Contracting authorities and suppliers should work collaboratively to ensure there is transparency during this period. Suppliers in receipt of public funds on this basis during this period must agree to operate on an 'open book' basis. This means they must make available to the contracting authority any data, including from ledgers, cash-flow forecasts, balance sheets, and profit and loss accounts, as required and requested to demonstrate the payments made to the supplier under contract have been used in the manner intended.

For example, this might include evidence that staff have been paid the right amount and on time, and that cash continues to flow through the supply chain as quickly as possible. Contracting authorities should keep records of decisions and agreements made, and ensure suppliers maintain records to enable future reconciliation if necessary.

Suppliers should not expect to make profits on elements of a contract that are undelivered during this period and all suppliers are expected to operate with integrity. Suppliers should be made aware that in cases where they are found to be taking undue advantage, or failing in their duty to act transparently and with integrity, contracting authorities will take action to recover payments made.

## **Supplier capacity**

Many suppliers will not be able to fulfil their contracts due to action taken elsewhere in the public sector. For example, transport services for school children, due to the closure of schools. Wherever possible, contracting authorities should seek to re-deploy the capacity of those suppliers to other areas of need; this can be implemented via a time-bound variation to the original contract under regulation 72 of the Public Contract Regulations (see PPN 01/20).

## **OTHER CONTRACTUAL RELIEF**

Contracting authorities should work with all suppliers to ensure business continuity is maintained wherever possible and that business continuity plans are robust and are enacted.

If a supplier seeks to invoke a clause relating to a form of contractual relief that would allow them to suspend performance, such as force majeure, contracting authorities should first work with the supplier to amend or vary contracts instead. These variations could include changes to contract requirements, delivery locations, frequency and timing of delivery, targets and performance indicators etc. Changes to the original terms should be limited to the specific circumstances of the situation, and considered on a case by case basis.

Other reliefs sought by a supplier could relate to any contractual obligation but usually takes the form of one, or both, of the following:

- an extension of time for contract performance (eg revised milestones dates or delivery dates, etc);
- a waiver or delay in the ability of the contracting authority to exercise a right and/or remedy (eg to claim liquidated and ascertained damages, service credits or terminate the contract)

Each claim for relief should be considered on a case by case basis, according to the nature of the goods/services/works being supplied, the challenges being faced, the contract terms and the constraints of any statutory requirements, for example the PCR to above-threshold contracts. You should seek specific legal advice as required.



Contracting authorities should take a pragmatic approach. These discussions and any temporary changes agreed should be recorded. The contract should return to its original terms as soon as the impact of the COVID-19 outbreak on the relevant contract is over.

Contracting authorities should not accept claims from suppliers who were already struggling to meet their contractual obligations prior to the COVID-19 outbreak.

### **Force Majeure**

Force majeure is a contractual term which may, (depending on the specific terms of the contract) allow one or both of the parties, when a specified event or events occurs beyond their control:

- to terminate the contract; or
- to be excused from performance of the contract, in whole or in part; or
- to be entitled to suspend performance for the period the event is continuing or to claim an extension of time for performance

It is important that force majeure clauses is not considered in isolation given its impact on other clauses such as exclusivity, liability, liquidated damages and termination rights. It may also be relevant to consider the governing law and jurisdiction clause as contracts subject to foreign law may be interpreted differently by the courts. It may also be an exclusion clause, which is subject to the Unfair Contract Terms Act 1977.

Contracting authorities are not bound to accept a supplier's claim for force majeure and can resist it. You should seek legal advice when dealing with a claim and continue to work with the supplier to maintain service continuity as far as possible. An attempt by a supplier to invoke a force majeure clause without valid cause may mean that the supplier is in breach of contract.

Force majeure clauses do not automatically entitle either party to claim relief. In some cases, a contract will not allow termination at all due to force majeure, and it cannot be forced.

### **Frustration**

It is unlikely a supplier will seek to frustrate a contract if they continue to be paid. However, unlike force majeure, frustration is rarely included as a provision in the contract. Instead, frustration arises where an event, for which the contract makes no sufficient provision, renders performance of the contract impossible or radically changes a party's principal reason for entering into the contract.

If a contract has been frustrated, it terminates automatically and the parties are excused from their future obligations. Any contractual obligations incurred before the time of frustration, such as for the contracting authority to pay outstanding charges to a supplier, remain enforceable. As neither party is at fault in respect of the frustration, neither may claim damages from the other for non-performance after the contract is declared frustrated.

However, the threshold for a contract being declared 'frustrated' is high and the fact that the contract will merely be more expensive to perform, or that the provider will have to perform the contract in a different way as a result of COVID-19 and/or its impact, are highly unlikely to constitute grounds for frustration in itself. You should seek legal advice if a supplier claims 'frustration'.

### **Excusing Causes, Relief Events and other options**

If included in a contract, excusing cause and relief event provisions generally give a supplier



relief from its contractual obligations, which contracting authorities may be able to use to provide relief, for example, to change the KPI regime, payment mechanism or reduce service level requirements. Some contracts may have other relief mechanisms. Whatever the regime, contracting authorities should maximise any commercial flexibilities within the contract, including agreeing new measures such as on meeting lead times, waiving or delaying exercising the authority's rights and/or remedies (e.g. to claim liquidated and ascertained damages, service credits or terminate the contract), revising milestones or delivery dates. In these circumstances, if there is one, use the contract change control procedure to keep records of any changes made and the decision making behind each one. If not, keep your own records.

## **ACCELERATING PAYMENT OF INVOICES**

Contracting authorities should pay suppliers as quickly as possible to maintain cash flow and protect jobs. The public sector must pay suppliers within 30 days under the Public Contracts Regulations 2015 but contracting authorities now need to accelerate their payment practice.

Contracting authorities should act now to ensure payment is made as quickly as possible to their suppliers, including:

- Targeting high value invoices where a prime is reliant on a supply chain to deliver the contract.
- Resolving disputed invoices as a matter of urgency; consider paying immediately and reconciling at a later date in critical situations.
- Take a risk based approach as to whether 2-way matching is always needed (rather than adopt regular 3-way matching against receipt and Purchase Order)
- Encourage suppliers to invoice on a more regular basis to help cash flow (eg every week rather than monthly)

Contracting authorities should consider the following additional contingency measures during the COVID-19 outbreak

### **Contingency measures - delegated authority to ensure invoices are not delayed**

With significant levels of staff absence possible, ensure you have appropriate contingencies in place including sufficient numbers of staff with delegated authority to promptly receipt / authorise an amount due for payment in business units as well as finance teams.

### **Contract Managers and Business Units**

Receipt for goods promptly, do not delay and ensure there is a contingency in place for delegated authority to approve in the event of staff shortages. Monitor flow down to ensure payment is cascading down the supply chain.

### **Verifying invoices as quickly as possible**

Verify an invoice as quickly as possible and do not send invoices back for minor administrative errors and risk causing delay in payment. Continue to undertake necessary checks, however, look to resolve any issues as a matter of urgency and reconcile any minor discrepancies in information at a later stage.

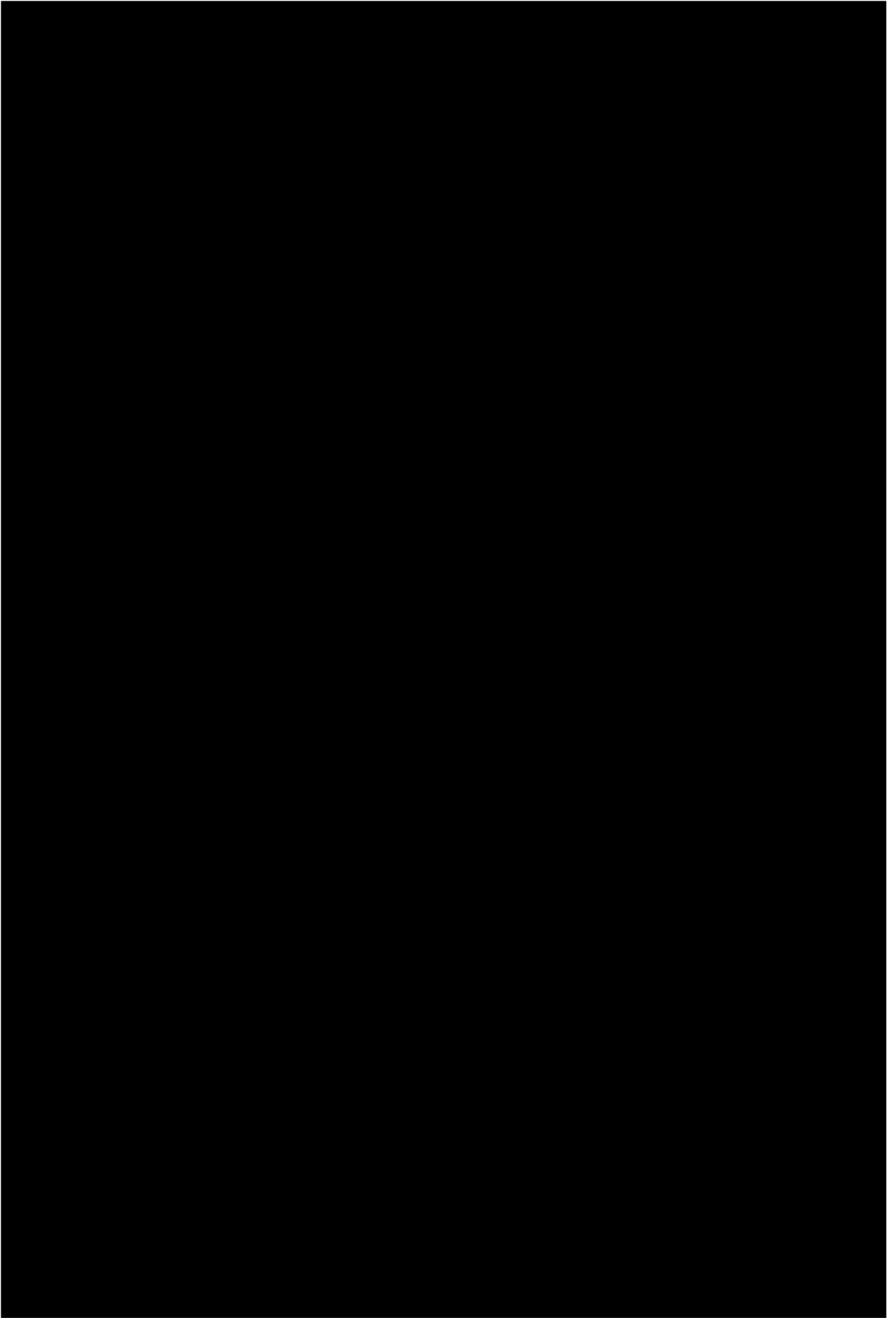
## **Payment Card Solutions**

Use of procurement/payment cards where possible to ensure businesses are paid as quickly as possible. Consider increasing the upper limit of spend, open up categories and ensure an appropriate number of staff have the authority to use.

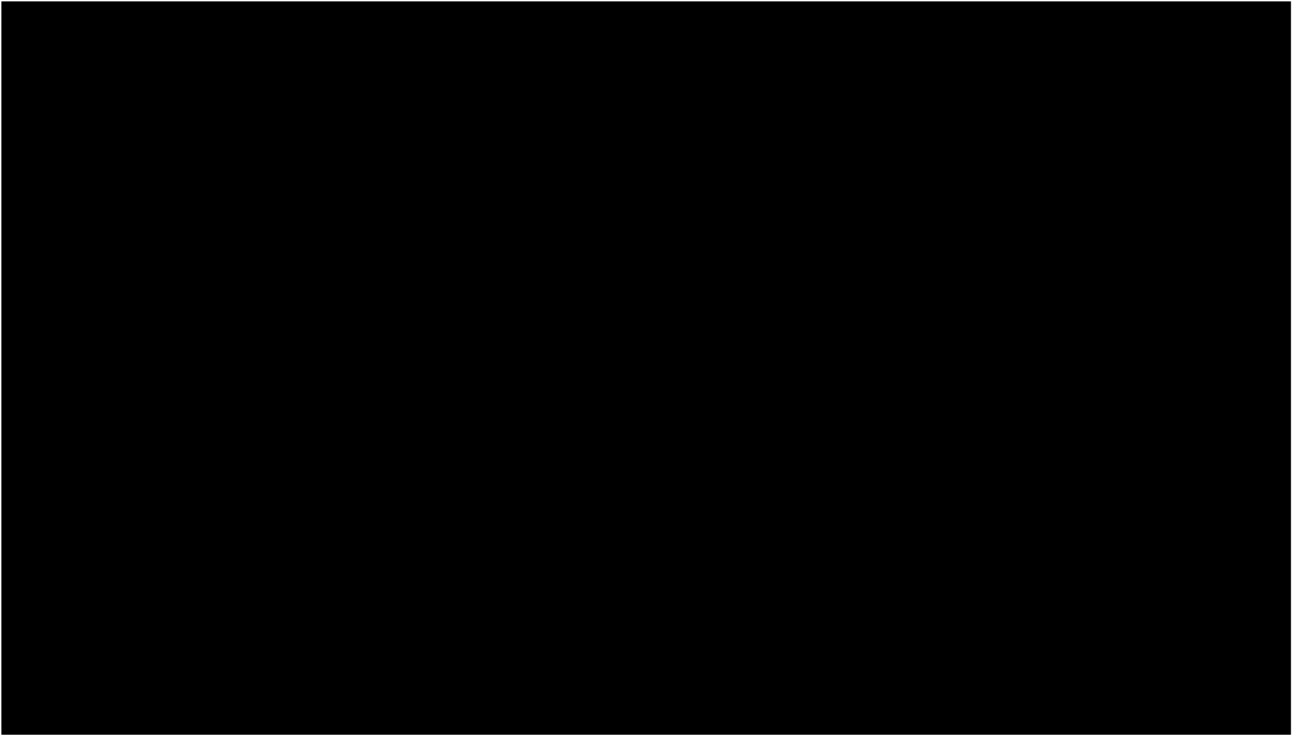
## **Invoicing procedures clearly set out for your suppliers**

Be clear where suppliers should send their invoice, including email address and the process required. This should be clear on the authority's website. This will minimise the number of invoices with incorrect information and/or being issued to the wrong address. Issue a reminder to all your suppliers to help them best prepare and ask for invoices to be sent in electronically to avoid hard copies sitting in office buildings potentially unattended.









[Redacted]

**From:** [Redacted]  
**Sent:** Thursday, 4 June 2020 9:07 AM  
**To:** [Redacted]  
**Subject:** Letter to Minister Cash  
**Attachments:** Microsoft Word 20200602 Employment Services Letter.pdf

Hi [Redacted]  
I hope you are well  
Attached is a letter we sent to Minister Cash yesterday.

[Redacted]

Kind Regards

[Redacted]



APM acknowledges Aboriginal & Torres Strait Islander people as the original custodians of this country throughout Australia and their continuing connection to land, sea and community. We pay our respects to them and their cultures, and to their Elders, past, present and emerging.

APM is building an inclusive workplace to help realise the potential of our employees, embrace difference and apply our diverse thinking to innovation and service delivery.  
APM is dedicated to the consideration, support and inclusion of people with disability, Aboriginal and Torres Strait Islander people, LGBTQIA people and people from culturally diverse backgrounds in all aspects of our organisation.

*Although Advanced Personnel Management (APM) uses virus protection programs, it cannot guarantee that this email and any of its attachments are free from computer viruses. Any person who opens an attachment does so at his or her own risk. This email is intended for the named addressee only. Its contents are confidential and may contain personal information. Please ensure that personal information is kept secure at all times and privacy is respected. If you have received this email in error, please contact APM immediately by telephoning (08) 9486 1244 or by reply email to the sender. Do not use, store, disclose or copy any personal information that you were not intended to receive. The copying or distribution of this email or any information it contains, by anyone other than the addressee, is prohibited. If you are not the named addressee, please immediately destroy the original email and any attachments.*

2 June 2020

Minister Michaelia Cash  
Minister for Employment, Skills, Small and Family Business

By Email

Dear Minister Cash

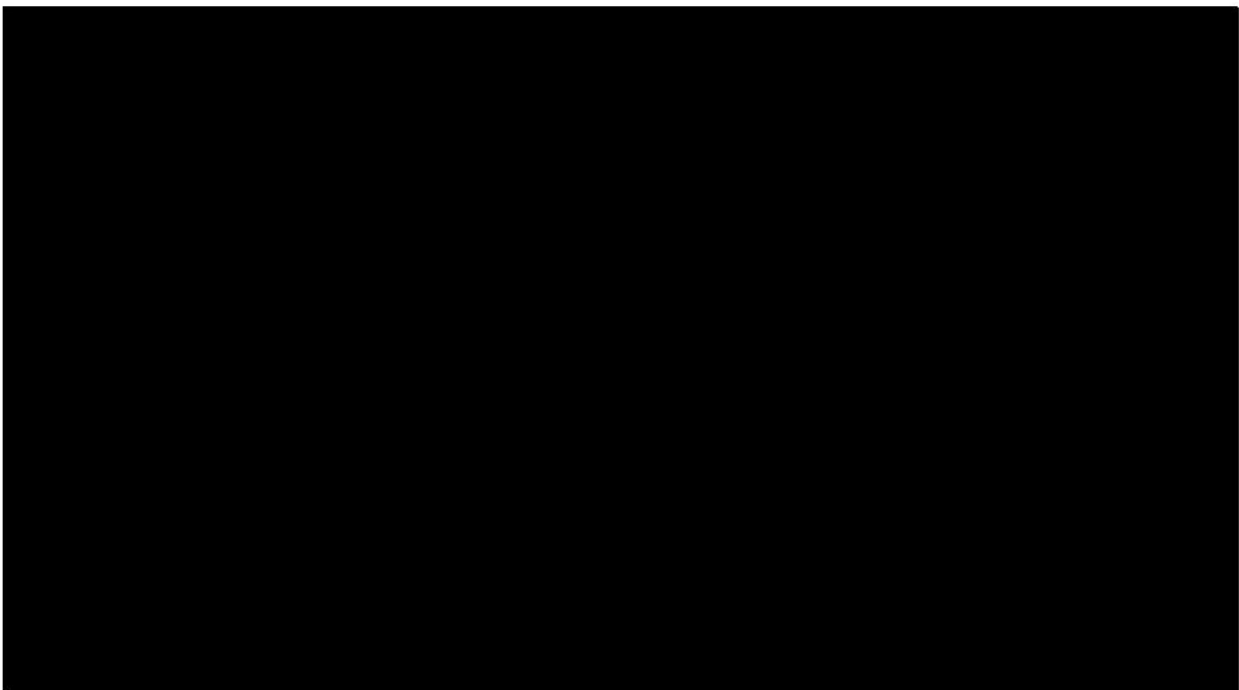
**Employment Services Programs – jobactive and Disability Employment Services**

APM is one of the largest providers of jobactive and Disability Employment Services (DES) operating across more than 480 locations throughout Australia, employing in excess of 2,000 team members and having the highest star ratings of any provider at scale at 3.9 stars in jobactive and 3.8 in DES. We are Australian headquartered and operate in 10 countries including United Kingdom, New Zealand, Canada, United States, Singapore, South Korea, Spain, Germany and Switzerland.

Our people pride themselves on supporting the most vulnerable in the community – the unemployed and disabled – supporting them on their journey to employment and improving their lives and we place more people into employment than any Provider.

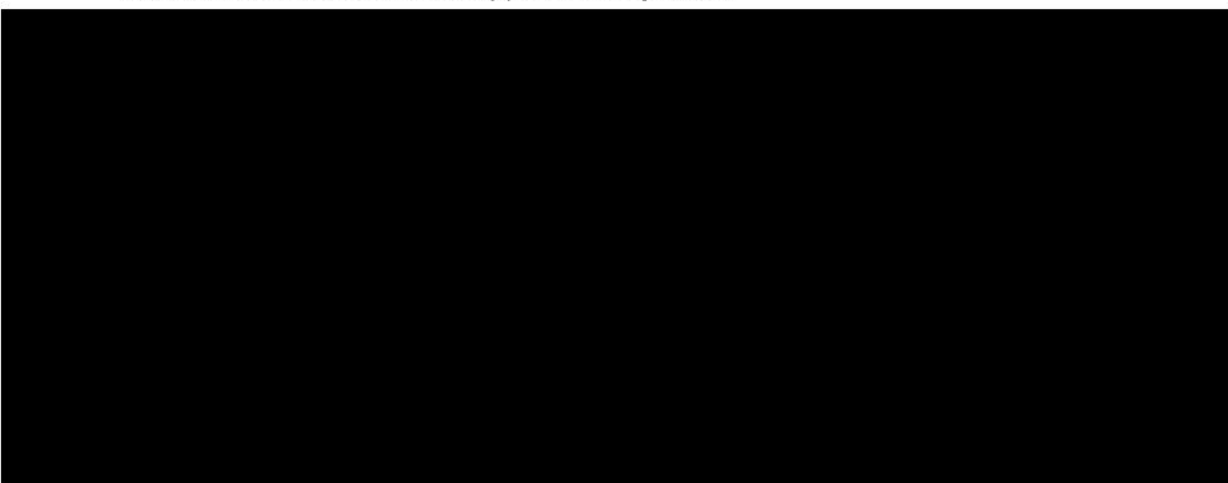
Today we see over 1.5 million Australians unemployed, some for the first time in their working history and these people need the support of Providers to assist them on their journey. These are people that have paid taxes and want to work. Currently approximately 900,000 of the unemployed are in the jobactive system and the balance are outside the system without any support other than using digital services and a “bot” to support them.

We see these clients come to Providers such as APM seeking support and wanting to be heard rather than be further isolated with on-line services.

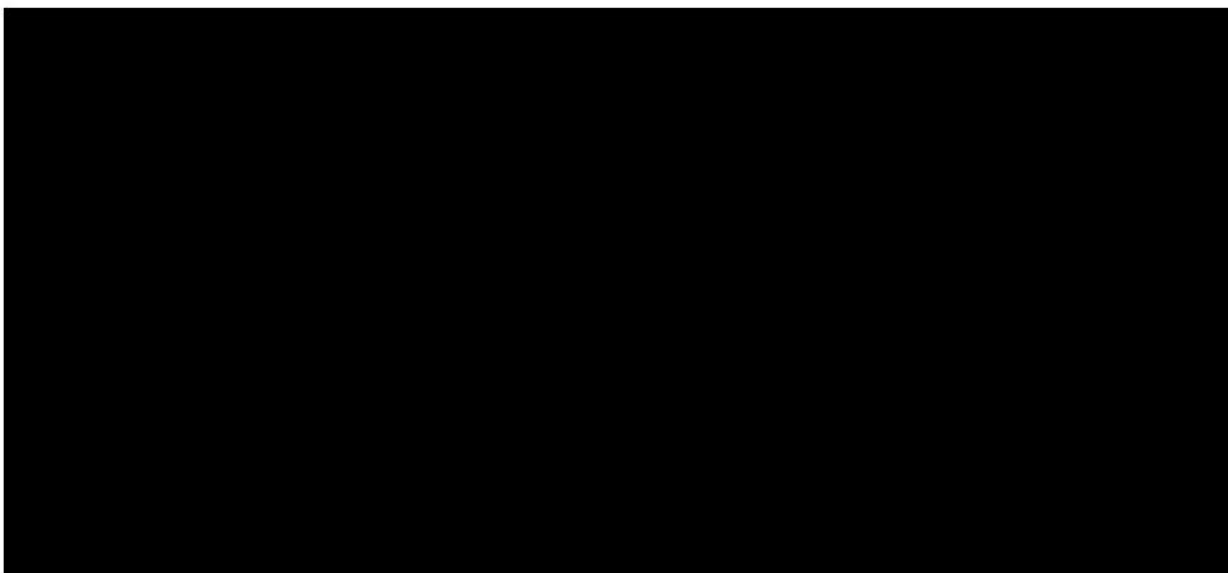


2. The process being operated by the Department under COVID-19 has the majority of jobseekers undertaking and abridged Job Seeker Barriers (JSCI) self-assessment. The JSCI is used to determine what Stream a participant is assigned to. We understand that this self assessment defaults to Stream A for all participants who have recently been employed and as such does not consider other barriers such as literacy and language. Therefore the new entrants into the jobactive program are heavily skewed towards Stream A as follows:

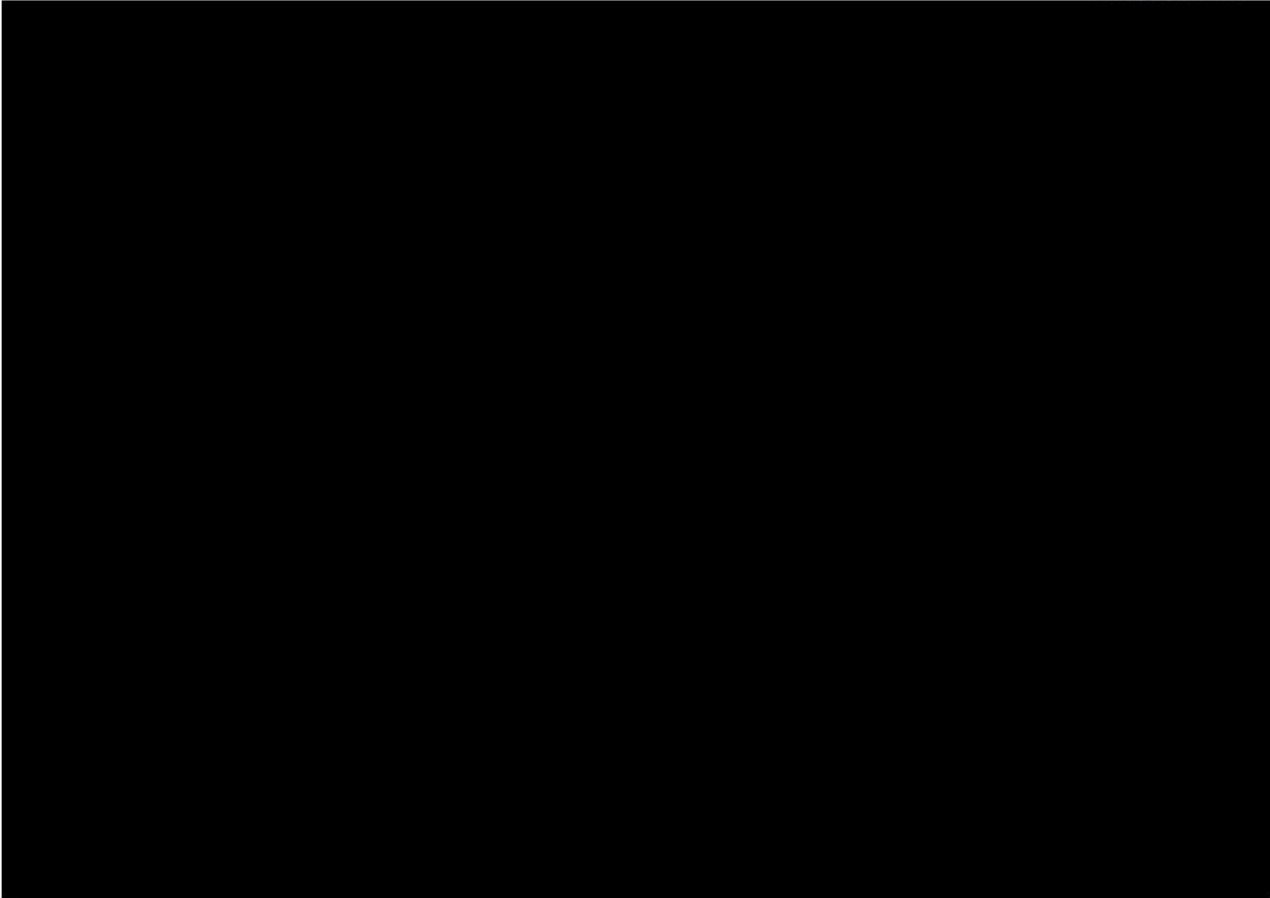
- 82% stream A (historic trend approximately 40%)
- 14% stream B (historic trend approximately 40%)
- 4% stream C (historic trend approximately 20%)



4. Historically when there has been significant economic downturn in a region displaced workers were immediately brought into Stream B which carries immediate eligibility for outcome fees and also increased support payments.



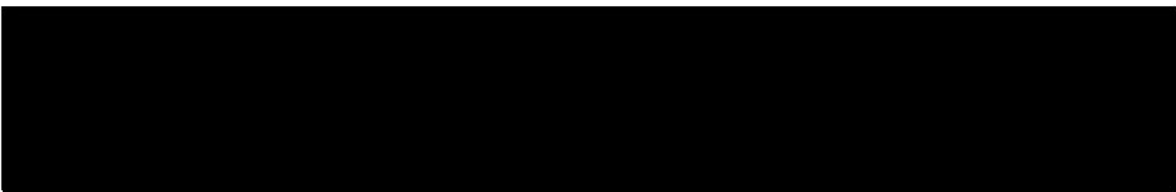


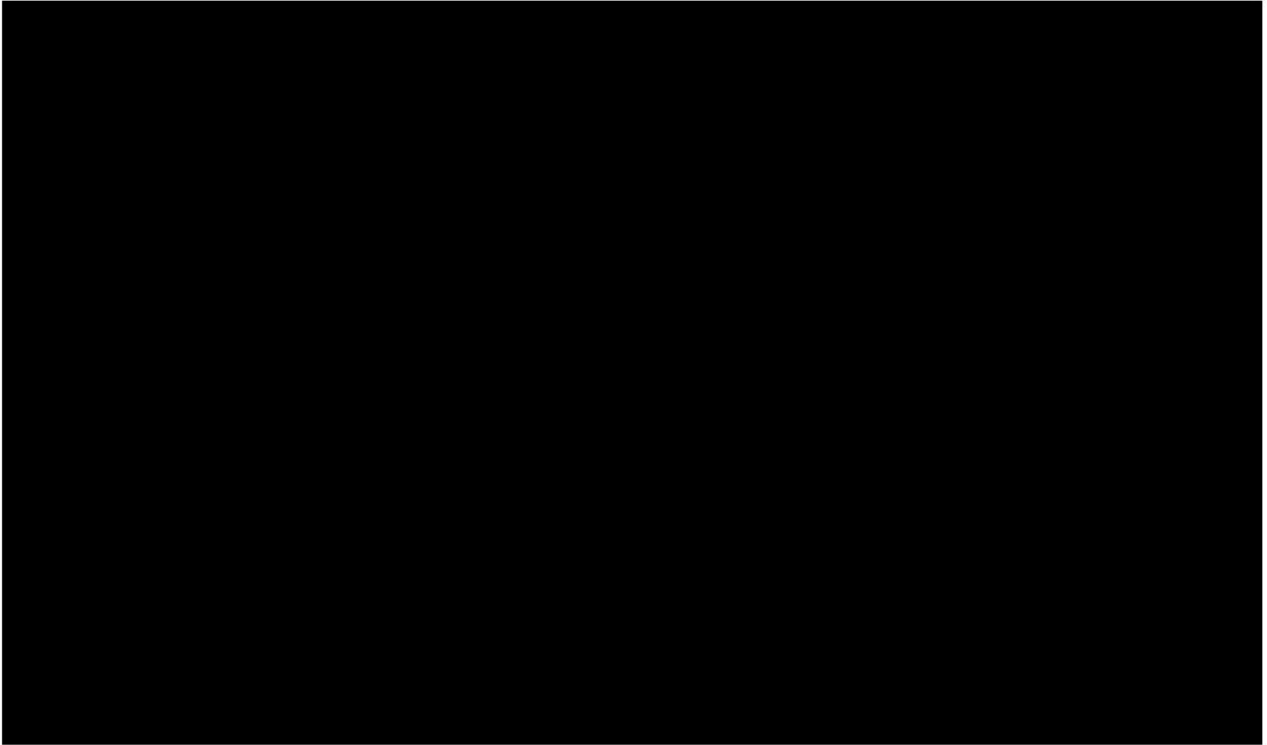


10. Globally all countries have stepped in to support Providers given the critical role they play in supporting the most vulnerable, the fact they are delivering a service from Government and ensuring that the participants are ready to seek employment as opportunities arise. By way of example in both UK and Canada, Government is paying Providers based on three-month averages prior to COVID-19 with a 25% loading to these in the UK in recognition of the investment required by Providers to sufficiently support the most vulnerable. In Australia, Providers have received no support other than an advanced payment.

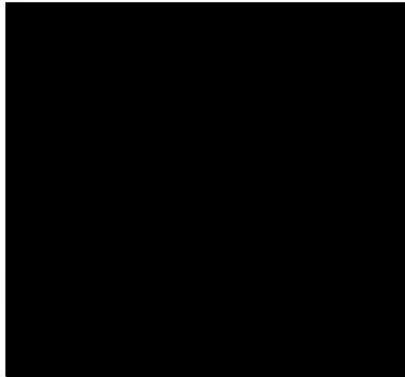


12. The impact on DES participants is further exacerbated given the nature of the cohort and their vulnerability to employment markets and unemployment.





I would be happy to discuss further at your convenience.



[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Tuesday, 21 July 2020 11:32 AM  
**To:** [REDACTED]  
**Subject:** FW: catch up request with Minister Rushton [SEC=UNOFFICIAL]

**Follow Up Flag:** Flag for follow up  
**Flag Status:** Flagged

Hi [REDACTED]

Below is some more correspondence with APM.

Sorry, I didn't see it when I originally checked.

Thanks

[REDACTED]  
**Office of Senator the Hon Anne Ruston**  
Minister for Families and Social Services  
[REDACTED]

**From:** [REDACTED]  
**Sent:** Tuesday, 18 February 2020 9:29 AM  
**To:** [REDACTED]  
**Subject:** Re: catch up request with Minister Rushton

[REDACTED]

Thanks for your time on the phone just then.

APM is the biggest DES provider and our senior leadership team will be in Canberra next week. I apologise for the late notice, but we were wondering if it would be possible for a quick meet and greet with the Min either next Tuesday or Wednesday afternoon.

I have dropped [REDACTED] a line but haven't heard back from him.

[REDACTED] would greatly appreciate an opportunity for a quick catch up.

Regards,

[REDACTED]

Advanced Personnel Management