

Provision of FPA consultancy and technical services to external clients

Preamble

The FPA is an independent statutory body responsible for the administration of the *Forest Practices Act 1985*. The statutory functions of the FPA require it to have access to high levels of expertise in sustainable forest management, including forest ecology, cultural values, forest policy, legislation, monitoring and regulation. The independent regulatory functions of the FPA are funded by government through an annual grant. The research and advisory functions of the FPA are undertaken in accordance with the self funding objectives of the Forest Practices Act (Schedule 7) through a fee on applications for forest practices plans, competitive research grants and other fee-for-service activities. The FPA wishes to maintain a critical mass of scientific and technical expertise to support its core business and to do this the FPA will undertake fee for service work in accordance with the guidelines set out in this policy.

1. Criteria under which the FPA will undertake consultancies

The FPA may undertake consultancies in accordance with the National Competition Policy and the principles of Competitive Neutrality where the work has relevance and benefit to the FPA and forest practices system and the work -

- a. does not interfere with the FPA's ability to deliver core business and other commitments; and
- b. does not give rise to a potential or perceived conflict of interest for the individual or the FPA; and
- c. can be satisfactorily completed to a high technical standard within agreed milestones; and
- d. has been subject to a risk assessment and the potential risks to the FPA are well understood and mechanisms proposed to manage those risks are within acceptable limits (see section 3 below); and
- e. provides a net commercial return to the FPA without cross-subsidy from other funding sources in accordance with the fee schedule below.

The FPA may also consider work that -

- f. is related to the FPA's core business or is in an area that will broaden or enhance the FPA's expertise or range of skills;
- g. provides FPA staff with opportunities for professional development, including working with external clients;
- h. increases the FPA's professional standing at a local, national or international level.

2. Fee schedule

The following table provides the basis for determining the fees that the FPA may apply to different categories of work. The CFPO will determine each fee on a case by case basis and may vary the fee as required.

FPA consultancy fees (\$) (excluding GST)				
FPA resources	Salary costs		Salary + overhead costs	
	Daily	Hourly	Daily	Hourly
CFPO	Rates are provided through formal quotations for consultancy work on a commercial-in-confidence basis			
Program Experts/Managers				
Professional staff				
Technical and administrative staff				
FPA vehicles				
Accommodation & meals				
Other costs (equipment, materials)				

Salary costs

- = salary costs (gross salary + superannuation and payroll tax)
- applies to work that is directly related to core business and/or provides other benefits to the FPA (e.g. professional development)

Salary + overhead costs

- = salary costs + overheads (office, IT, communications, + 25% margin to cover non-billable work and other overheads)
- applies to work that is not directly related to core business

3. Managing risk

The commercial risk in the project, and its outcomes to the FPA, need to have been carefully assessed and found to be acceptable. This is achieved through-

- discussion with the Program Manager, FPA's Business Manager, and CFPO (mandatory)
- ensuring that the FPA has the technical and administrative capacity to successfully complete the required work
- ensuring that any potential or perceived conflicts of interest are identified and addressed
- obtaining legal advice (if appropriate)
- ensuring that suitable insurance is in place through the FPA's Professional Indemnity Insurance cover or other means
- approval of a project plan by the CFPO and the Program Manager
- signing an appropriate contract, which includes clauses that allocate risk between the parties (usually mandatory) and addresses issues such as intellectual property
- proper subsequent contract management
- adhering to contract conditions, particularly milestones

- appropriate disclaimers in reports or other key documents given to clients (mandatory).

Projects will not be commenced unless –

1. the project plan has been approved by the CFPO; and
2. a contract has been signed.

4. Reporting and transparency

- a. The FPA will maintain a register of consultancies and will provide a statement of work in its Annual Report, detailing the name of the client, the broad nature of the work and a statement with respect to any potential or perceived conflict of interest and the action taken by the FPA to mitigate any such interests.
- b. The FPA will maintain the confidentiality of any work that is undertaken for external clients in accordance with contractual obligations.