CONTRACT MANAGEMENT POLICY

CONTRACT MANAGEMENT POLICY

Date of adoption: 20/07/2021

Effective date: 20/07/2021

City of Canada Bay

Contents

1. Introduction 3
2. Policy Objective 3
3. Legislation 3
4. Policies 3
5. Application 3
6. Delegations 4
7. Definitions 4
8. Enforcement 4

1. Introduction

This policy provides guidance on the review of the City of Canada Bay's contractors prior to any extension or renewal action, to ensure performance outcomes are achieved. The objective of this policy is to govern the execution and management of contracts entered into by the City of Canada Bay and minimise the exposure to financial and reputational risk. This Policy is to be read in conjunction with the Procurement Policy and Council's *Operational Management Standard No.06 Procurement*.

2. Policy Objective

The objective of this policy is to uphold the principles for procurement activities by Council and to provide clear guidelines for the contract management of contracts over $50,000 inclusive of GST. This policy also describes the legislative framework within which the City of Canada Bay operates; the practices within Council; staff responsibilities and expected behaviours of both Council staff and suppliers and contractors of Council.

Council supports an active and ongoing contractor management system which:

- seeks opportunities for improvements in service delivery;
- is based on contemporary risk management principles; and
- promotes positive working relationships between contractors and Council.

3. Legislation

- Local Government Act 1993
- Local Government (General) Regulation 2005 – Part 7 Tendering
- Government Information (Public Access) Act 2009
  And;
- Tendering Guidelines for NSW Local Government

4. Policies

This document is to be read in conjunction with the following:

- Procurement Policy
- Business Ethics Policy
- Code of Conduct
- *Operational Management Standard No.06 Procurement*
- Corporate Records Policy

5. Application

This Policy applies to all contracting activities undertaken by the City of Canada Bay, over $50,000 inclusive of GST and is binding on all Councillors, Council staff, suppliers, contractors and consultants, who must:

- Act with integrity, honesty and display ethical behaviour at all times
- Select the approach that will deliver the best outcome and best value for Council
- Document all procurement decisions thoroughly and in accordance with Council's Records Policy
- Conduct business in an open, consistent and transparent manner
- Ensure compliance to Work, Health & Safety laws and policies

Document Set ID: 6840931
Version: 2, Version Date: 07/07/2021

This Policy should be read and implemented with the *Operational Management Standard No.06 Procurement* to provide guidance for Council Staff in their day to day activities in managing purchasing, quotations, tendering and expressions of interest and contract management.

To achieve these outcomes, Council will ensure that all contracts are reviewed as per relevant Management Guidelines, prior to any extension or renewal action.

- As a business rule all Council contracts above the value of $50,000.00 that address the requirements for contract variations and exercising of extension options will be recorded and centrally registered within Council's contract management database (Ci Anywhere).
- Information in the contract management database will be maintained to ensure that it remains current.
- All contracts nearing expiry will undergo review and renewal in a timely manner (no less than three months prior to the contract expiry).
- Reviews should be consultative and clearly communicated with contractors.
- The outcomes of such reviews shall be recorded in Council record keeping system and used to inform corrective actions and guide future contracting decisions.
- This Policy does not apply to employment contracts, non-binding Memoranda of Understanding or partnering agreements with other agencies.
- This policy applies to procurement-related activities including recording of contracts and managing contractor relationships including measuring of performance against Council's requirements.

6. Delegations

Financial delegations define the financial limitations within which specified staff may approve a purchase, quotation and contractual processes. This allows Council to conduct business activities in an efficient and timely manner whilst maintaining transparency and integrity. All procurement must be undertaken within these delegations.

7. Definitions

Contracts

A contract is a legally binding agreement that sets out the rights and duties of the parties involved. Typical contracts entered into by Council, include the provision of building maintenance, construction of civil works, supply of goods and materials and consultancy services on issues such as engineering design, industrial relations, town planning, local enforcement and community engagement.

8. Enforcement

Non-compliance with this policy may result in disciplinary action and/or dismissal.

Revision History

Amended By (Name and Position)	Date	Change Description	Owner Approved	Version	Doc Set ID