

Hay Shire Council Policy



Title of Policy	Contract Management Policy	
This applies to	All Council Staff	
Author	David Webb	Date Approved: 27 th July 2021
Position of Author	General Manager	Authorised by: Council
Legislation, Australian Standards, Code of Practice.		
Related Policies/Procedures	This should be read in conjunction with: <ol style="list-style-type: none"> 1) Code of conduct 2) Business Ethics Policy 3) Records Policy 4) Local Preference Policy 5) Procurement and Credit Card Policy 6) Policy Fraud & Corruption Policy 7) Related Parties Policy 8) Local Government Act 1993 9) Local Government (General) Regulation. 2005 10) Local Government Code of accounting Practice and Financial reporting (Guidelines) 11) Government Information (Public Access) Act 2009 	
Attachments	Contract Management Plan	
Aim	<ol style="list-style-type: none"> 1) Hay Shire Council manages the risk associated with contracts by providing clear direction to staff responsible for establishing and managing contracts with third parties, to minimise risk to Council. 2) Relevant legislation, codes and policies are complied with. 3) Obligations under contracts are performed. 4) Purchases the best value for money and business needs are achieved. 	
Version	Details	Date
Version 1	Initial Issue	27 th July 2021
To be reviewed		
Superseded Policies		
The Policy		

SCOPE

This Policy applies to contracts for the supply of goods rendering of serves entered into by Hay Shire Council and third parties with exception of:

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- 1) Employment contracts
- 2) Non-binding agreements or memorandums of understanding.

POLICY STATEMENT

- 1) All contracts must be in writing.
- 2) Only staff with the requisite delegation of authority may sign and execute contracts on behalf of Council.
- 3) All contracts must be entered into the Council’s Contracts Register a copy of which is to be made publicly available.
- 4) The goods or service to which the contract related must be procured on accordance with Council’s Procurement and Credit Card Policy.
- 5) Conflicts of interest that may arise in the negotiation, establishment and execution of a contract must be managed in accordance with the Local Government Act. 1993, Government Information (Public Access Act 2009 (GIPA Act) and Council’s Code of Conduct. In accordance with the GIPA Act all contracts over \$150,000 must be disclosed and made publicly available.
- 6) Contractual relationship will be established and managed having regard to the Council’s Business Ethics Policy.
- 7) All contracts and relevant documentation must be securely stored in accordance with Council’s Records Policy.
- 8) All commercial-in-confidential information will be treated as confidential.
- 9) A contract management plan will be prepared for contracts that as assessed as “high risk”.

CONTRACT MANAGEMENT PLAN

In assessing the risks associated with an individual contract the risk assessment will not be limited to the dollar value of the contract but also have regard to other relevant factors such as complexity, duration, type of contractor, etc.

A contract management plan is to be prepared for contracts that are assessed as “high risk”.

A contract management plan should be prepared prior to the execution of the relevant contract.

A contract management plan should, as a minimum:

- 1) Appoint a contract manager.
- 2) Identify other key individuals with roles and responsibilities in the management of the contract.
- 3) Identify the relevant officer with the appropriate delegation of authority to sign the contract, including approving any variations.
- 4) Ensure that funds have been properly appropriate or budgeted for the contracted expenditure, including any Council Resolution as required.
- 5) Identify what files need to be established for the contract e.g. tender file, contract file, DA file, etc.
- 6) Determine that there is no conflict of interest, or potential conflict, in managing the contract.
- 7) Identify specific contract risks and appropriate mitigation strategies.
- 8) Identify the purchase order corresponding to the contract.
- 9) Establish arrangements for payments to be made under the contract.
- 10) Establish appropriate method of communication between Council and the contracted party.
- 11) Outline any relevant reporting requirements for the contract.

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