

Council Policy

Procurement and Contract Management Framework



CONTROLLED DOCUMENT INFORMATION

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April 2026	[Resolution No.]	Creation of Framework

Further Document Information and Relationships	
Related Legislation*	Local Government (General) Regulation 2021 Local Government Act 1993 No 30 Government Information (Public Access) Act 2009 No 52 Work Health and Safety Act 2011 Work Health and Safety regulation 2017 Tendering Guidelines for NSW Local Government 2009 Model code of conduct and procedures 2020
Related Policies	Procurement Disposal Contract Management Project Management Contractor Management Code of Conduct Gifts, Benefits & Bribes Statement of Business Ethics WHS 001 - Work Health and Safety Management system

Related Documents	Procedure - Procurement - To be Written Procedure - Contact Management - To be Written Procedure - Purchase Requisition - Step 1 Procedure - Purchasing Procedure - Project Bid Application Procedure - Supply Chain Management Changing Bin Locations Purchase of Goods and Services - Terms and Conditions Councils Contract Register
<p>Note: Any reference to Legislation will be updated in this Policy as required. See website http://www.legislation.nsw.gov.au/ for current Acts, Regulations and Environmental Planning Instruments.</p>	

Contents

1. Purpose	2
2. Commencement and Review	2
3. Scope and Application	2
3.1. Activities Included	2
3.2. Exclusions	3
3.3. Who it applies to:	3
4. Definitions	3
5. Framework Structure	5
5.1. Framework Overview	6
i. Procurement Policy	6
ii. Disposal Policy	6
iii. Contract Management Policy	6
iv. Contractor Management Policy	6
6. Procurement Life cycle.....	6
i. Plan	7
ii. Engage	7
iii. Deliver	7
iv. Close	7
7. Phases of the Procurement Life Cycle	8
8. Review	8

1. Purpose

The purpose of this Procurement and Contract Management Framework is to establish a structured and integrated approach to the acquisition of goods, services, and works, and the management of related contracts.

This Framework ensures that all procurement-related activities are conducted in a transparent, efficient, ethical, and legally compliant manner.

Specifically, the Framework aims to:

- **Promote Accountability and Transparency:** Ensure that procurement processes are clear, open, and accountable, fostering trust and confidence amongst stakeholders.
- **Enhance Efficiency and Effectiveness:** Streamline procurement activities to achieve timely and cost-effective outcomes, maximising value for money.
- **Ensure Compliance:** Adhere to relevant laws, regulations, and organisational policies, minimising risks and ensuring legal and ethical standards are met.
- **Support Strategic Objectives:** Align procurement activities with Councils strategic goals, priorities and service delivery needs contributing to overall mission success.
- **Foster Innovation and Sustainability:** Encourage innovative solutions and sustainable practices in procurement to support long-term organisational and environmental goals.
- **Strengthen Supplier Relationships:** Build and maintain strong, collaborative relationships with suppliers to ensure quality and reliability in the supply chain.
- **Legislative Compliance:** Local Government Act 1993, Local Government (General) Regulation 2021 (Part 7 Tendering), GIPA Act, Code of Conduct.

2. Commencement and Review

This Policy is effective from date of adoption by Council resolution and shall remain in force until repealed by resolution of Council

3. Scope and Application

This Framework applies to all procurement, disposal, project management, contractor management, and contract management activities undertaken by Council.

It covers the full lifecycle of procurement, from planning and sourcing through to execution, monitoring, and closure.

3.1. Activities Included

- *Procurement of Goods and Services* - All tangible and intangible acquisitions required by Council.
- *Works* - Construction, maintenance, and related works.
- *Consultancy and Professional Services*
- *Supplier Management*

- *Contract Management* - Including monitoring, performance, issue management, and closeout.
- *Disposal of Assets*

3.2. Exclusions

- *Employment contracts*
- *Statutory payments*
- *Procurement via emergency powers (Declared Natural Disaster)*
- *Insurance (Civic Risk Mutual.)*

3.3. Who it applies to:

This framework is applicable to all employees, departments, and stakeholders involved in procurement and contract management activities. It provides guidelines and procedures to ensure that procurement practices are consistent, fair, and aligned with organisational objectives.

The application includes:

- **Employees** involved in requesting, approving, procuring, or managing contracts.
- **All Council Departments** that acquire goods, services, or works.
- **Suppliers and Contractors** engaged by Council.
- **Stakeholders**, including regulatory bodies and the community.
- **All Council Officials**, including Councillors, staff, volunteers, committee members, and delegates.

4. Definitions

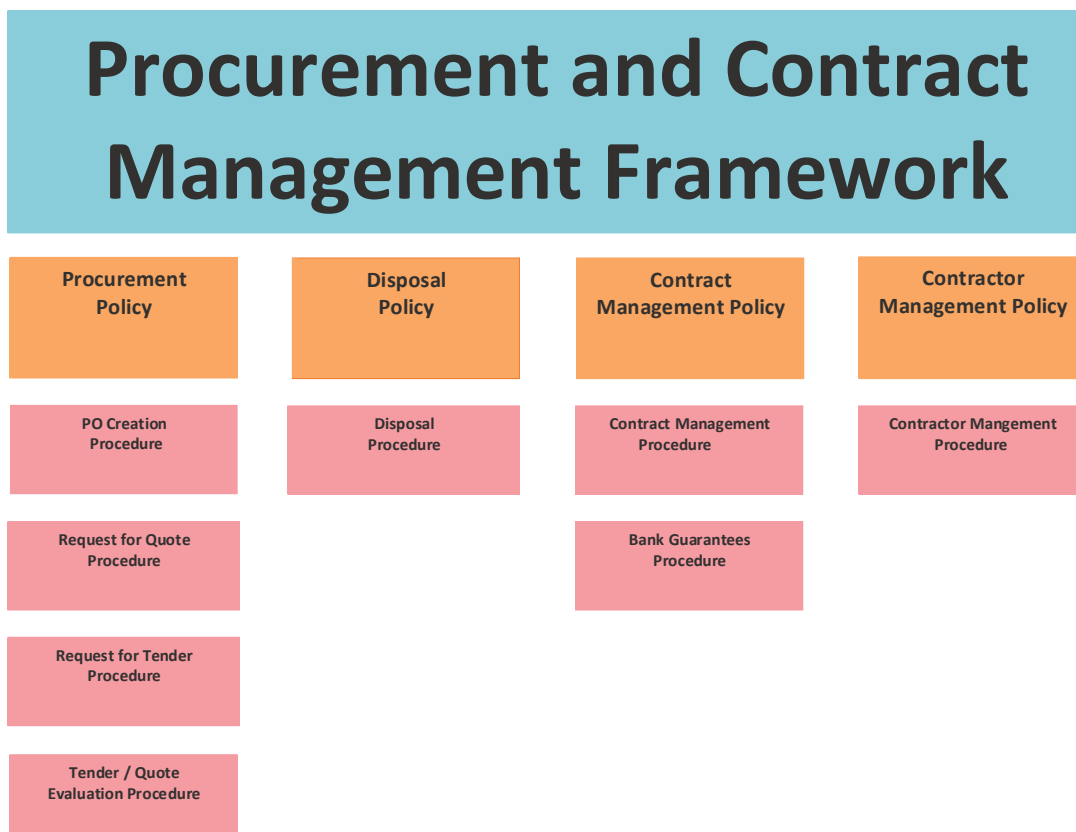
In this Council Policy, the following terms shall be interpreted as having the following meanings:

Term	Definition
Council	means Parkes Shire Council.
Business Day	means a day that is not a Saturday, a Sunday, 27/28/29/30/31 December, nor a public holiday in Sydney.
General Manager	means the General Manager of Parkes Shire Council appointed under section 334 of the <i>Local Government Act 1993</i> .
Governing Body	Means a person elected or appointed to civic office as a member of the governing body of Council who is not suspended, including the Mayor
Conflict of Interest	A Conflict of Interest exists when it appears likely that an employee could be influenced, or where it could be perceived that they are influenced, by a personal interest in carrying out their duty.

Term	Definition
Contract	A Contract is an agreement between two parties that creates an obligation to perform (or not perform) and to supply (or not supply) goods and services as per the specifications within the document. A contract is typically used for purchases comprising complex goods and services. In particular high risk, high value and extended period procurement require a contract
Contract Manager	The person within Council assigned responsibility for overseeing contract performance, ensuring compliance and acting as the primary point of contact for the Contractor.
Contract Management	The processes applied after contract execution to monitor performance, manage risks, ensure compliance, and achieve value for money.
Contract Register	A spreadsheet-based record that allocates a unique contract number and captures all required contract details, including information mandated for public disclosure under the Government Information (Public Access) Act 2009 (GIPA). It includes contractor details, contract purpose, value, duration, variations, and other relevant governance information.
Council Official	Includes Councillors, Council staff, committee members and delegates of Council.
Declared Natural Disaster	Means a natural disaster that has been declared in relation to the area of a Council by either— <ul style="list-style-type: none"> (a) Natural Disaster Declaration for the purposes of the Natural Disaster Relief and Recovery Arrangements jointly administered by the Commonwealth and the States and Territories, or (b) a Declaration under the State Emergency and Rescue Management Act 1989, section 33
Probity	The practice of ensuring integrity, fairness, impartiality, and transparency in procurement processes.
Procurement	All activities involved in acquiring goods and services either outright or by lease (including disposal and lease termination). Includes acquiring consumables, capital equipment, real property, infrastructure, and services under consultancies, professional services, facilities management, and construction
Procurement Activities	Any actions, decisions, documentation, or processes undertaken during the procurement lifecycle.

Term	Definition
Procurement Plan	A document outlining needs analysis, market assessment, procurement approach, risks, and approvals prior to commencing procurement.
Request (RFQ, RFT, RFP, EOI)	Documentation used to approach the market and obtain offers from suppliers (e.g., Request for Quote, Tender, Proposal, or Expression of Interest).
Supplier	A provider of goods, services, or works engaged by Council through a procurement process.
Whole of Life	All procurement activities will consider the ‘whole of life’ costs of a purchase rather than the initial cost to Council. Whole of life costing considers the total cost of a product or service over its lifetime, from manufacture through to disposal including purchase, hire or lease, maintenance, operation, utilities, training, and disposal
Value for Money	Value-for-money means getting the best overall result for Council by looking at more than just price, including quality, suitability, risks, and the full cost over the life of the goods or services.

5. Framework Structure



5.1. Framework Overview

The Procurement and Contract Management Framework provides the overarching governance structure for all procurement-related activities across Council. It ensures consistency, compliance, and accountability across the full lifecycle of procurement, contract administration, project delivery, contractor management, and asset disposal. The Framework is comprised of five key policy areas, each supported by detailed procedures and staff guidance to promote consistent and effective application across the organisation.

i. Procurement Policy

Defines the principles, rules, and responsibilities for the acquisition of goods, services, and works.

ii. Disposal Policy

Provides direction on the ethical, transparent, and responsible disposal of Council assets.

iii. Contract Management Policy

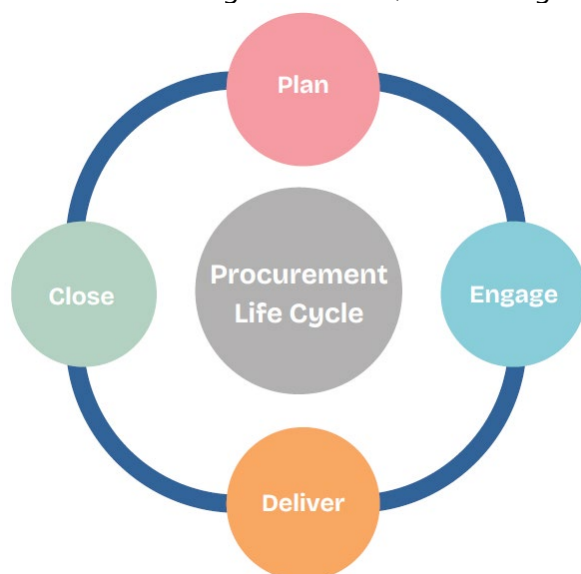
Outlines requirements for managing contracts throughout their lifecycle, including performance, risk, compliance, reporting, and supplier relationship management.

iv. Contractor Management Policy

Sets expectations for managing contractors safely, effectively, and in compliance with legislative and organisational requirements.

6. Procurement Life cycle

The Procurement Life Cycle outlines the four stages of planning, engaging the market, delivering the contract, and closing out the procurement.



i. Plan

This stage confirms what Council needs and how best to buy it.

Includes:

- Procurement Plan: Defines the need, objectives, scope, budget, timeframes, and proposed approach to market.
- Risk Assessment: Identifies potential risks (financial, WHS, delivery, reputational, etc.) and outlines how they will be managed.
- Market Scan: Reviews the supply market to understand capability, availability, pricing trends, and potential suppliers.

ii. Engage

This stage is about approaching the market and selecting the supplier.

Includes:

- RFQ/RFT Documents: Preparing and issuing the Request for Quotation or Request for Tender, including specifications, conditions, and evaluation criteria.
- Evaluation Report: Assessing the offers using the agreed criteria and documenting the recommendation for contract award.

iii. Deliver

This stage focuses on carrying out the contract and ensuring the supplier delivers what was agreed.

Includes:

- Project Delivery: Managing the contract and coordinating work with the supplier.
- Contract Performance Monitoring: Tracking progress, quality, compliance, milestones, and KPIs.
- Variations: Managing and documenting any approved changes to scope, time, or cost.

iv. Close

This stage formally completes the procurement and transitions to operations or asset management.

Includes:

- Close-Out Report: Summarises outcomes, performance, finances, and any outstanding obligations.
- Lessons Learned: Documents what worked well and what should improve for future procurements.
- Asset Handover: Transfers any delivered assets to the relevant team, including manuals, warranties, training, and maintenance requirements.

7. Phases of the Procurement Life Cycle

The Phases of the Procurement Life Cycle show the full process from identifying a need through to closing out a contract.

Phases of the Procurement Life Cycle						
Procurement Phase				Contract Management Phase		
Planning for Contract Management				Contract Start Up	Contract Performance	Contract Closure
Procurement Planning	Approach to Market RFQ / RFT	Evaluation	Negotiation & Award			

The Procurement Phase covers planning the procurement, approaching the market, evaluating offers, and awarding the contract. Planning also includes considering how the contract will be managed once in place.

The Contract Management Phase begins after award and includes starting up the contract, monitoring performance, managing risks, handling variations, and formally closing the contract at completion.

8. Review

As part of Council's commitment to good governance and continuous improvement, this Policy must be reviewed and re-adopted by Council not less than once every four years or as Council otherwise determines in line with legislative requirements and policy changes.