



**Government
of South Australia**

State Procurement
Board

www.spb.sa.gov.au

Contract Register Policy

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Purpose

This policy sets out the State Procurement Board's (Board) requirements for the establishment of contract registers within all public authorities subject to the *State Procurement Act 2004* (the Act).

General Principles

The object of the Act is to advance government priorities and objectives by a system of procurement for public authorities directed towards:

- a) obtaining value in the expenditure of public money
- b) providing for ethical and fair treatment of participants
- c) ensuring probity, accountability and transparency in procurement operations.

Policy Statement

The principal officer of the public authority must maintain a contract register or have systems in place to record the contract information set out in this policy. The register or systems used by public authorities must allow the information to be easily accessed and retrieved.

Policy Scope

This policy applies to all public authorities as defined in the Act. For the purposes of this policy, the term "contract" refers to contracts established through procurement operations undertaken in accordance with the Act.

Application

Maintaining a register of information on key contracts supports public authorities in undertaking contract management, risk management, internal procurement planning and business improvement activities. A contract register also assists public authorities to meet reporting obligations under government policies including Premier and Cabinet Circular 27 Contract Disclosure, Treasurer's Instructions, the South Australian Industry Participation Policy and the Board's *Procurement Reporting Policy*.

Contracts to be Recorded

The following contracts must be recorded:

- goods and services contracts valued¹ above \$33,000 and above (GST inclusive), including secondary contracts under established panel contracts
- construction contracts valued above \$33,000 (GST inclusive) and up to \$165,000 (GST inclusive)².

¹ Contracts should be valued over the entire life of the contract, including any extension options.

² The State Procurement Board is only responsible for construction projects up to this value. This value aligns with the Government's *Construction Procurement Policy: Project Implementation Process*. Refer to section 5 of the *State Procurement Regulations 2005* for further information.



Public authorities may be subject to additional contract management, reporting and disclosure requirements under other governmental policies, for example Premier and Cabinet Circular 27 Disclosure of Government Contracts, Department of Treasury and Finance's Financial Management Toolkit and Treasurer's Instructions. Public authorities should consider how the requirements set out in this policy may be integrated to support other government policy obligations, or any internal business needs.

Data to be Recorded

The following information must be recorded (as a minimum) for all contracts:

- Business unit (if relevant, based on the organisational structure and size of the public authority)
- Unique contract identifier (i.e. public authorities unique alpha-numeric identifier for that contract)
- Contract title (i.e. description of requirements)
- Public authority contract manager and contact details (email and phone)
- Supplier
- Supplier address
- Supplier's contact person and contact details (email and phone)
- Contract execution date
- Contract commencement date
- Contract expiry/completion date
- Contract term including extension options
- Total estimated value of the contract including all options and GST
- Contract type (one off, period, panel)
- Type of market approach used (Invitation to Supply, Selective Invitation to Supply, , Request for Quotation, Direct Negotiation, Multi-stage process, Other)
- Goods/services category³
- Consultancy (yes/no)⁴
- UNSPSC classification⁵ for contract deliverables (detailed at the segment level)
- Number of suppliers approached (number or if open market approach)
- Lead Agency (yes/no)⁶
- Location of supplier ⁷(metropolitan, regional, other Australian states or New Zealand, overseas excluding New Zealand).

³ Goods are defined as tangible supplies. Services are intangible supplies or effort (including consultancies). Consultancies should be recorded as "services".

⁴ A consultant is defined as 'a person or firm who is engaged by a public authority for a specified period to carry out a task which requires specialist skills and knowledge not available in the public authority. The objectives of the task will be carried out by the consultant free from direction by the public authority as to the ways it is performed and in circumstances in which the engagement of a person under normal conditions is not a feasible alternative.

⁵ The United Nations Standard Products and Services Code (UNSPSC), is an open, global, multi-sector standard for efficient, accurate classification of products and services. Information on the UNSPSC codeset is available at www.unspsc.org.

⁶ A 'lead agency' contract is a contract sponsored by a public authority where that authority is the prime user of the good or service and where one or more public authorities may also use the contract.

⁷ For a supplier to be categorised as metropolitan or regional, the supplier must have an office that is located in South Australia and the employment activity undertaken to service the contract must be predominantly undertaken within South Australia.



The Government's *South Australian Industry Participation Policy* (IPP) outlines the requirements to be applied when undertaking procurements. The IPP requires that public authorities report on IPP outcomes annually. The following information is to be recorded on the public authority's contract register:

- For contracts with an IPP Plan⁸:
 - the number of jobs directly linked to the contract
 - the number of South Australian jobs directly linked to the contract
 - the \$ value of investment sourced from South Australia
 - the \$ value of investment located in South Australia
 - the overall IPP Plan score for the winning contractor.
- For contracts applying the Employment Contribution Test⁹, record the score for the Test¹⁰.
- Public authorities must record the reason if an ECT or IPP was not completed.

For public authorities required to submit annual reporting information under the Board's *Board Procurement Reporting Policy*, the following additional information must be recorded to facilitate annual data collection for *contracts valued greater than \$220,000 (GST inclusive)*:

- Risk level (low, medium or high);
- Approval commencement date (i.e. the date that acquisition planning effort or planning for procurement commenced following determination of the business need)
- Approval received date (i.e. the date the acquisition plan was approved, or approval obtained by the delegated authority)
- Date the invitation was issued to the market (or date suppliers were contacted for quotation)
- Date the invitation closed (or quotations were received)
- Purchase Recommendation approval date (i.e. the date the purchase recommendation was approved by the delegated authority)
- Contract award date (i.e. the date the supplier was formally notified that they would be awarded the contract)
- Contract execution date (the date the purchase order was issued or the contract was formally signed by all parties).

Public authorities may have existing systems and processes in place to record this information.

Compliance

Compliance with the requirements set out in this policy will be monitored in the Board's Assurance Program: refer to the Board's *Procurement Assurance Program Policy* for further information.

⁸ Above \$4 million in Metropolitan Adelaide / above \$1 million in Regional South Australia

⁹ Contracts valued between \$33,000 and \$4 million (Metropolitan Adelaide) and \$1 million (Regional SA)

¹⁰ Note that the final score for the regional ECT is the sum of the score for % of labour hours performed in SA plus the score for % of labour hours performed outside the Region but in SA.



Compliance

State Procurement Act 2004

Public Finance and Audit Act 1987

Department of Treasury and Finance Financial Management Toolkit

Treasurer's Instructions

Premier and Cabinet Circular 27: Disclosure of Government Contracts

Related Policies and Guidelines

SPB Board Procurement Reporting Policy

SPB Base Level Procurement Reporting Guideline

SPB Procurement Authority Policy

SPB Procurement Assurance Policy

SA Government Industry Participation Policy

DPC Circular PC033 *Industry Participation Policy*

Responsibilities

Principal Officers are responsible for ensuring this policy is implemented and monitored within their respective public authority.

The Board is responsible for ensuring this policy is promulgated, evaluated for its effectiveness across government and reviewed.

Review Date

This policy will be reviewed 24 months from the date of approval.