

# NSW Government Procurement Policy Framework



April 2022

# Procurement Policy Framework

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Section 1

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### Explore the goals

of NSW Government procurement, and the policies that support them.



01 Value for money



02 Fair and open competition



03 Easy to do business



04 Innovation



05 Economic development, social outcomes and sustainability

Section 2

## · PLAN, SOURCE, MANAGE ·

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### Plan, Source, Manage process

is the best practice approach to procurement, and includes the relevant policies highlighted at every stage.



01 Plan



02 Source



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Section 3

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### Find out more

about the structures supporting NSW Government procurement.



01 Governance



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# Introduction

Government buyers must comply with a range of legislative and policy requirements to ensure taxpayer money is spent fairly and efficiently, and for the long-term benefit of everyone in NSW.

## Using the framework

The NSW Procurement Policy Framework provides a consolidated view of government procurement objectives and the Procurement Board's requirements as they apply to each step of the procurement process.

NSW Procurement Policy Framework is a "policy" for the purposes of s.176(1)(a) of the *Public Works and Procurement Act 1912*. Government agencies, as defined in s.162 of the Act, must comply with the mandatory parts of this document.

Procurement has a broad end-to-end definition from 'needs identification' to 'contracting and placing orders', managing contracts and supplier relationships and disposing of government assets.

The framework applies to the procurement of goods and services of any kind including construction. For clarity, the framework identifies the requirements that apply to all procurement, to *construction* procurement, or to goods and services procurement.



The term '**must**' denotes mandatory rules based on requirements embedded in legislation, government policy and Procurement Board Directions and policies.



The terms '**should**', '**may**' and '**recommended**' indicate good practice with supporting documents categorised as guidance.

All dollar values and thresholds are **exclusive of GST** and **contract value** means the total estimated spend over the life of the contract, unless otherwise specified.

Terms in *italics* are defined in the [Glossary](#) at the end of the framework.

## Who is this document for?

This document is for everyone who buys goods or services including construction on behalf of NSW Government as well as policy makers of all levels. Agencies should ensure that their internal policies and controls are consistent with any obligations under this Framework.

## What's new as at 5 April 2022

- 1 The amendments to PBD 2021-01 Support for Flood-Affected Communities came into effect in March 2022. NSW Government agencies must use Small and Medium Enterprises (SMEs) within the local communities impacted by the floods in March 2021, February 2022 and March 2022, wherever possible for repair, rebuilding, remediation, and enhancement works arising out of, in relation to or following these floods:
  - Section 2:01: Plan, p. 50
  - Procurement Board Directions, p. 150
- 2 Amendments to the *Public Works and Procurement Act 1912* set an obligation for agencies to take reasonable steps to ensure that goods and services procured by and for government agencies are not the product of modern slavery. The NSW *Modern Slavery Act 2018*, commenced 1 Jan 2022, also sets out requirements regarding modern slavery. Modern slavery and procurement guidance is now available on buy.nsw:
  - Section 1:02: Objectives, p. 11-12
  - Section 1:05: Economic, social, and environmental outcomes, p. 31, 34
  - Section 2:01: Plan, p. 47-48, 60-
  - Section 2:02 Source, p. 76-82, 110
  - Section 2:03 Manage, p. 127-128
  - Glossary, p. 154
- 3 PBD 2021-03 Engagement of professional services suppliers, superseded PBD-2019-01 Engagement of professional services suppliers. PBD 2021-03 sets new requirements for suppliers outside the standard commercial framework:
  - Section 2:02 Source, p. 116-117
  - Procurement Board Directions p. 150
- 4 PBD 2021-04 Approved procurement arrangements, applicable from January 2022, superseded PBD 2020-04 Approved procurement arrangements. PBD 2021-04 adds the further approval requirements and provides an Exceptions Framework for agencies:
  - Section 2:01 Plan, p. 44, 52, 57-58
  - Section 2:02 Source, p. 85, 115
- 5 The ICT/Digital SME Procurement Commitments were updated in July 2021:
  - Section 1:03: Objectives, p. 20
  - Section 1:05: Economic, social and environmental outcomes, p. 32-33
  - Section 2:01 Plan, p. 53, 56
  - Section 2:02 Source, p. 94, 102
  - Section 2:03 Manage, p. 130
- 6 Construction contract resources and templates including General Construction (GC21), Minor Works (MW21), and Mini Minor Works (MMW) were amended: Section 2:02 Source, p. 95

### Key to icons

The following icons are used to identify different content types:



Mandatory items—you must comply with these requirements



Recommended items—you are encouraged to apply these provisions



Applies to goods and services (non-construction) procurement, including ICT



Applies to construction procurement



Applies to ICT procurement only



Applies to human services (non-government organisation (NGO)) procurement only



Additional information

- 7 TPP21-14: NSW Government Financial Risk Management Policy, applicable from January 2022, superseded TPP18-03 NSW Government Foreign Exchange Risk Policy. The policy sets out core financial risk management requirements:
  - Section 2: 01 Plan, p. 46-47
  - Section 2:02 Source, p. 109-110
  - Section 2:03 Manage, p. 130, 131
- 8 The Office Furniture Scheme has been replaced with the Office Education Furniture Contract 771. Updated Section 2:01 Plan, p. 55.
- 9 Several construction procurement guides have moved to a webpage format and are available on buy.nsw
- 10 Complex Market Engagement Methods guidance has moved to an webpage format and is now titled Non-traditional and Complex Market Approaches, available on buy.nsw.



# Foundation legislation and policies

The *Public Works and Procurement Act 1912* (PWP Act) provides the legislative framework for procurement for NSW government agencies.

The PWP Act establishes the NSW Procurement Board, its objectives and functions and defines the procurement obligations of government agencies.

NSW Government agencies must comply with a range of procurement-related requirements including:

- The PWP Act, *Government Sector Finance Act 2018*, *Independent Commission Against Corruption Act 1988*, *Government Information (Public Access) Act 2009* and other legislation
- NSW Government policy
- NSW Procurement Board Directions and policies
- Premier's Memoranda
- Treasurer's Directions.

## Agency responsibilities

NSW Government procurement operates within a devolved governance structure. The heads of government agencies are ultimately responsible for managing their agency's procurement in compliance with procurement law and government policy and entering into contracts on behalf of their agency. If the Procurement Board allocates responsibility for a whole-of-government category or agreement to an agency, the agency head is also responsible for entering into those agreements on behalf of the whole-of-government.

It is critical to the governance of agency procurement that clusters or agencies appoint a Chief Procurement Officer.

## Accreditation

An agency's authority to procure differs according to the terms of its accreditation by the Procurement Board under section 174 of the PWP Act. Further information on the goods and services and construction accreditation schemes is in [Section 3.2](#).

## Compliance

The PWP Act and the Procurement Board's policies and directions apply to all government agencies, excluding state-owned corporations and local councils, as defined in s.162 of the Act. The Act and the Procurement Board's policies also apply to agencies that undertake procurement to fulfil statutory functions or have other statutory powers to undertake procurement.

Agencies **must** regularly test their compliance with the mandatory requirements of this framework and other Procurement Board policies and directions. For accredited agencies this will inform the annual self-assessment attestation.

## References





Type	Reference	Status	Category		Value	Plan	Source	Manage
Legislation	<a href="#"><u>Public Works and Procurement Act 1912</u></a>				Any			
Legislation	<a href="#"><u>Public Works and Procurement Regulation 2019</u></a>				Any			
Legislation	<a href="#"><u>Government Sector Finance Act 2018</u></a>				Any			
Legislation	<a href="#"><u>Independent Commission Against Corruption Act 1988</u></a>				Any			
Legislation	<a href="#"><u>Government Information (Public Access) Act 2009</u></a>				≥\$150,000 (inc GST)			
Policy	<a href="#"><u>Accreditation Program for Goods and Services Procurement</u></a>				Any			
Policy	<a href="#"><u>Accreditation Program for Construction Procurement</u></a>				Any			

Table 1 References: Foundation legislation and policy

Key  Mandatory  Recommended  Goods and services  Construction  ICT  Human services  Additional information

## Section 1

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### · OBJECTIVES ·



Value for money



Fair and open competition



Easy to do business



Innovation



Economic development, social outcomes and sustainability



# Value for money

The overarching consideration for government procurement is ensuring best value for money in the procurement of goods, services, and construction.

Value for money is not necessarily the lowest price, nor the highest quality good or service. It requires a balanced assessment of a range of financial and non-financial factors, such as: quality, cost, fitness for purpose, capability, capacity, risk, total cost of ownership or other relevant factors.

## References

Type	Reference	Status	Category		Value	Plan	Source	Manage
Legislation	<a href="#">Public Works and Procurement Act 1912</a>				Any			
Legislation	<a href="#">Government Sector Finance Act 2018</a>				Any			
Policy	<a href="#">TPP18-06 NSW Government Business Case Guidelines</a>				Risk based			
Policy	<a href="#">TPP17-03 NSW Government Guide to Cost Benefit Analysis</a>				Risk based			
Guidance	<a href="#">Value for Money</a>				Any			
Guidance	<a href="#">Market Approaches Guide</a>				Any			
Guidance	<a href="#">Benefits Realisation Framework</a>				Any			


Table 2 References: Value for money













**Key** Mandatory Recommended Goods and services Construction ICT Human services Additional information

## Fair and open competition

Fair and open competition improves outcomes for NSW by broadening access to government procurement, especially for SMEs and regional businesses.










Transparent, competitive processes build trust in government procurement practices and decisions, drive fair and ethical behaviour, safeguard probity and foster healthy working relationships between government buyers and suppliers. Competition produces tangible outcomes such as cost savings, increased quality and innovation and supports market sustainability.

Relating to	Status	Category	Value	Obligation	Reference
Fair and open competition		 	Any	You <b>must</b> treat potential suppliers equitably and not discriminate based on business size, location or ownership, except where targeted policy <i>measures</i> or <i>preferences</i> apply (e.g. <a href="#">SME and Regional Procurement Policy</a> ).	<a href="#">Promoting Competition</a>
			≥\$680,000	You <b>must not</b> discriminate against suppliers due to their foreign affiliation or ownership, or the origin of their goods or services, for procurements covered by <i>enforceable procurement provisions</i> .	<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>
			≥\$9,584 million		
		 	Any	You <b>should</b> assess the impact of contract terms and extensions on market competition, including how they will limit new suppliers from doing business with government.	
Probity and fairness		 	Any	You <b>must</b> ensure procurement is fair, ethical, transparent and probity rich and ensure that probity is routinely considered in procurement decisions.	<a href="#">Independent Commission Against Corruption Act 1988</a>
		 	Any	You <b>must</b> safeguard confidential supplier information and treat tenders and business information fairly, impartially, and securely.	
		 	Any	You <b>should not</b> use probity as a ‘road-block’ or to ignore innovative procurement arrangements with suppliers.	

Relating to	Status	Category	Value	Obligation	Reference
Supplier conduct		 	Any	You <b>must</b> require suppliers to comply with relevant standards of behaviour and use reasonable endeavours to be aware of any adverse findings against current or prospective suppliers.	<a href="#">PBD-2017-07 Conduct by Suppliers</a>
		 	Any	The <a href="#">Supplier Code of Conduct</a> documents the minimum expectations and behaviours for doing business with NSW Government. Your agency can build upon the code to hold suppliers to more stringent requirements where appropriate.	<a href="#">Supplier Code of Conduct</a>
		 	Any	You <b>must</b> comply with the <i>Public Works and Procurement Act 1912</i> , including requirements to take reasonable steps to ensure that goods and services procured by and for the agency are not the product of modern slavery. This may lead to specific obligations imposed on supplier conduct in regards to modern slavery risks for a particular procurement.  You <b>must</b> comply with the <i>NSW Modern Slavery Act 2018</i> , including annual reporting requirements for agencies, commencing 1 July 2023 subject to Governor approval, and agency co-operation with the Anti-Slavery Commissioner. This may include supplier conduct regarding modern slavery.	<a href="#">Public Works and Procurement Act 1912</a> <a href="#">Modern Slavery Act 2018 (NSW)</a>
		 	Any	You <b>should</b> ensure that suppliers are aware of agency expectations concerning supplier conduct in respect to modern slavery risks and human rights. You should embed relevant discussions into procurement processes. Your agency can choose to hold suppliers to additional conduct requirements such as to notify the agency of an actual or suspected occurrence of modern slavery in its operations or supply chains and take reasonable steps to respond to and address the issue where appropriate. Your agency can incorporate the modern slavery model contract clause into contract extensions or variations, upon agreement with the supplier. For procurement assessed as having a high level of modern slavery risk, you may include key performance indicators (KPIs) in the contract.	<a href="#">Modern Slavery and Procurement Guidance</a>

Key  Mandatory  Recommended  Goods and services  Construction  ICT  Human services  Additional information

## Section 1: Objectives

Relating to	Status	Category	Value	Obligation	Reference
Supplier due diligence		 	Any	You <b>should</b> conduct supplier due diligence checks, in line with the value, nature and risk profile of the procurement and resulting contract. Due diligence processes are primarily conducted during the sourcing stage. However, contract management also involves the ongoing monitoring of supplier compliance with contractual, regulatory, and other obligations.	<a href="#">Supplier Due Diligence: A Guide for NSW Public Sector Agencies</a>
Supplier due diligence Modern slavery risks		 	Any	You <b>must</b> comply with the <i>Public Works and Procurement Act 1912</i> , including requirements to take reasonable steps to ensure that goods and services procured by and for the agency are not the product of modern slavery. This may lead to specific obligations imposed on supplier conduct in regards to modern slavery risks for a particular procurement.  You <b>must</b> comply with the <i>NSW Modern Slavery Act 2018</i> , including annual reporting requirements for agencies, commencing 1 July 2023 subject to Governor approval, and agency co-operation with the Anti-Slavery Commissioner. This may include reporting on due diligence procedures undertaken with regard to modern slavery risks.	<a href="#">Public Works and Procurement Act 1912</a> <a href="#">Modern Slavery Act 2018 (NSW)</a>
		 	Any	You <b>should</b> implement effective due diligence procedures to ensure that goods and services procured by government agencies are not the product of modern slavery. Agencies can also seek input from suppliers through one or a combination of the following: <ul style="list-style-type: none"> <li>• The modern slavery risk assessment</li> <li>• Responses to the model tender schedule or similar self-assessment questionnaires. An agency may also request supporting documentation.</li> <li>• Audits or site inspections. Agencies can discuss with NSW Procurement any coordinated processes for audits and site inspections.</li> </ul>	<a href="#">Modern Slavery and Procurement Guidance</a>

Section 1: Objectives










Relating to	Status	Category	Value	Obligation	Reference
Transparency		 	Any	You <b>must</b> keep appropriate records of procurement planning, management and decision making.	<a href="#"><u>State Records Act 1998</u></a>
		 	≥\$150,000 (inc GST)	You <b>must</b> comply with the contract disclosure and open access information requirements of the GIPA Act including formal requests to access government information, subject to the public interest provisions in the act.	<a href="#"><u>Government Information (Public Access) Act 2009 (GIPA Act)</u></a>
		 	Any	You <b>should</b> proactively share information on procurement processes and decision-making, including publishing procurement policies and supplier briefings that explain the reasons for sourcing strategies and outcomes.	

Table 3: Fair and open competition



## References

Type	Reference	Status	Category		Value	Plan	Source	Manage
Legislation	<a href="#"><u>Government Information (Public Access) Act 2009</u></a>				≥\$150,000 (inc GST)			
Legislation	<a href="#"><u>Government Sector Finance Act 2018</u></a>				Any			
Legislation	<a href="#"><u>Independent Commission Against Corruption Act 1988</u></a>				Any			
Legislation	<a href="#"><u>Modern Slavery Act 2018 (NSW)</u></a>				Any			
Legislation	<a href="#"><u>Public Works and Procurement Act 1912</u></a>				Any			
Legislation	<a href="#"><u>State Records Act 1998</u></a>				Any			
Policy	<a href="#"><u>NSW Industrial Relations Guidelines: Building and Construction Procurement</u></a>				Any			
Policy	<a href="#"><u>PBD 2017-07 Conduct by Suppliers</u></a>				Any			
Policy	<a href="#"><u>PBD-2019-05 Enforceable Procurement Provisions</u></a>				≥\$680,000 ≥\$9.584 million			
Policy	<a href="#"><u>Supplier Code of Conduct</u></a>				Any			
Guidance	<a href="#"><u>Controlling Corruption Opportunities in the Provision of Maintenance Services</u></a>				Any			
Guidance	<a href="#"><u>Corruption and Integrity in the NSW Public Sector: An Assessment of Current Trends and Events</u></a>				Any			







Type	Reference	Status	Category		Value	Plan	Source	Manage
Guidance	<a href="#">Corruption Prevention, Fairness and Probity</a>				Any			
Guidance	<a href="#">Corruption Risks in NSW Government Procurement – Recommendations to Government</a>				Any			
Guidance	<a href="#">Corruption Risks in NSW Government Procurement – Suppliers' Perception of Corruption</a>				Any			
Guidance	<a href="#">Corruption risks in NSW Government Procurement – The Management Challenge</a>				Any			
Guidance	<a href="#">Direct Dealing Guidelines</a>				Any			
Guidance	<a href="#">Direct Negotiations: Guidelines for Managing Risks</a>				Any			
Guidance	<a href="#">Free Trade Agreements</a>				≥\$680,000 ≥\$9,584 million			
Guidance	<a href="#">Funding NGO Delivery of Human Services in NSW: A Period of Transition</a>				Any			
Guidance	<a href="#">Complaint Management Guidelines</a>				Any			
Guidance	<a href="#">Identifying and Managing Conflicts of Interest in the Public Sector</a>				Any			
Guidance	<a href="#">Managing IT Contractors, Improving IT Outcomes</a>				Any			
Guidance	<a href="#">Modern Slavery and Procurement Guidance</a>				Any			
Guidance	<a href="#">Promoting Competition</a>				Any			

Table 4 References: Fair and open competition

Key Mandatory Recommended Goods and services Construction ICT Human services Additional information

Section 1: Objectives

References


















Type	Reference	Status	Category		Value	Plan	Source	Manage
Guidance	<a href="#"><u>Supplier Due Diligence: A Guide for NSW Public Sector Agencies</u></a>				Any			





## Easy to do business

NSW aims to be the easiest state to start and stay in business.

Making government procurement simpler, easier, and more efficient saves time and money for both agencies and businesses. Streamlined and accessible processes lower barriers to participation and expand opportunities to a broad supply base, especially small and medium businesses.




Relating to	Status	Category	Value	Obligation	Reference
Notifying suppliers of business opportunities		 	Any	You <b>must</b> advertise <b>open tenders</b> electronically on <a href="#">NSW eTendering</a> . Print advertising may be used in exceptional circumstances where electronic advertising will not meet your needs. In these cases, eTendering must still also be used to, at a minimum, notify the market about the tender.	<a href="http://www.tenders.nsw.gov.au">www.tenders.nsw.gov.au</a> <a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>
		 	Any	You <b>should</b> provide as much notice as possible of upcoming procurement opportunities.	
		 	Any	You <b>must</b> ensure tender periods give respondents reasonable time to effectively price and prepare their submissions or bids.	
			Any	You <b>must</b> provide suppliers with as much notice as possible of upcoming and open procurements.	<a href="#">SME and Regional Procurement Policy</a>
Contracts and prequalification schemes		 	Any	Mandated contracts <b>must</b> be used for ICT (PBD-2021-02 Mandated use of ICT Purchasing Framework) and <i>human services procurements</i> .	<a href="#">PBD-2021-02 Mandated use of ICT Purchasing Framework</a> <a href="#">PBD-2017-04 Procuring Human Services from NGOs</a>
		 	Any	Procurements using whole-of-government arrangements, e.g. standing offers and prequalification schemes, <b>must</b> use the designated customer contract for those arrangements.	

Relating to	Status	Category	Value	Obligation	Reference
Contracts and prequalification schemes		 	Any	Agencies <b>should</b> use standard tender and contract templates with uniform terms and conditions across the agency, to make it easier for potential suppliers to familiarise themselves with contract requirements.	
		 	Any	You <b>should</b> use plain English and limit contract length and complexity.	
				You <b>must</b> , wherever feasible, limit the length of tender responses when seeking more than one quote, and minimise tender and contract requirements whenever possible (such as insurance levels or technical requirements).	<a href="#">SME and Regional Procurement Policy</a>
		 	Any	You <b>should</b> apply the Procurement Board's recommended <a href="#">commercial approaches to key contract terms</a> except where individual circumstances and/or value for money considerations require otherwise.	<a href="#">Commercial Approaches in Contracts</a>
		 	Any	You <b>should</b> minimise insurances and indemnities imposed on suppliers, with risk allocated to the party best placed to mitigate or manage those risks.	
		 	Any	You <b>should</b> identify opportunities to establish prequalification schemes in place of panel contracts and standing offers, so that new suppliers are not locked out of government business opportunities for long periods.	
			Any	You <b>should</b> review the <a href="#">Motor Vehicle Operational Guidelines</a> , for information on motor vehicles and related goods and services procurement. You should ensure motor vehicles are acquired, managed, maintained and disposed of using whole-of-government contracts established for these purposes. Any motor vehicle procurement outside of mandated whole of government arrangements must be approved by the agency head.	<a href="#">Motor Vehicle Operational Guidelines</a>

Key  Mandatory  Recommended  Goods and services  Construction  ICT  Human services  Additional information



Relating to	Status	Category	Value	Obligation	Reference
Contracts and prequalification schemes			HPHR Tier 1	<p>Agencies and State Owned Corporations (SOCs) <b>must</b> apply the default practices in the <a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a> in a manner commensurate with project needs. These practices include:</p> <ul style="list-style-type: none"> <li>As far as practicable, use prequalification to reduce the number of times a contractor is required to submit its systems and plans. Where documents and plans are genuinely significant in evaluation, require submission at one stage only (EOI, RFT, negotiations with preferred, post contract award).</li> </ul> <p>Where it is proposed that a practice is not applied, reasons should be submitted for approval in writing to the Chief Executive or Secretary of the responsible agency.</p>	<a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a>
Supplier payments			Any	You <b>must</b> pay registered <i>small businesses</i> (< 20 FTEs) within 5 business days of receipt of a correctly rendered invoice for payments of \$10,000–\$1 million, unless an existing contract or standing offer provides for an alternative time period.	<a href="#">Faster Payment Terms Policy</a>
			≥ \$7.5 million	You <b>must</b> require large businesses with NSW Government contracts valued at \$7.5 million or above to pay small business subcontractors within 20 business days.	<a href="#">Small Business Shorter Payment Terms Policy</a>
			Any	You <b>should</b> pay suppliers within contractual timeframes, noting your agency must report on payment performance in its annual report.	

Relating to	Status	Category	Value	Obligation	Reference
Purchasing exemptions		 	Any	You <b>may</b> use purchasing exemptions to procure goods and services directly from certain suppliers, subject to your agency's safety, security, or infrastructure requirements, even if the goods or services are available on whole-of-government arrangements. <a href="#">Refer Section 2: 01 Plan, Exemptions</a> for details.	<a href="#">SME and Regional Procurement Policy</a> <a href="#">Aboriginal Procurement Policy</a> <a href="#">Public Works and Procurement Regulation 2019</a> <a href="#">ICT/Digital SME Procurement Commitments</a>
Recognise international experience			HPHR Tier 1	Agencies and State Owned Corporations (SOCs) <b>must</b> apply the default practices in the <a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a> in a manner commensurate with project needs. These practices include: <ul style="list-style-type: none"> <li>Recognise international experience of international contractors and key personnel, subject to those contractors (1) genuinely bringing people, systems and skills into the market to support projects (2) providing bonding or guarantees that can be relied upon and easily drawn if needed and (3) partnering with domestic tier 1 and tier 2 contractors.</li> </ul> Where it is proposed that a practice is not applied, reasons should be submitted for approval in writing to the Chief Executive or Secretary of the responsible agency.	<a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a>

Key  Mandatory  Recommended  Goods and services  Construction  ICT  Human services  Additional information

Section 1: Objectives

























































Relating to	Status	Category	Value	Obligation	Reference
Bid cost contributions			> \$100 million	<p>Agencies <b>may</b> consider contributing up to 50% of expected bid costs to eligible unsuccessful bidders for construction projects with an estimated total capital cost over \$100 million.</p> <p>You <b>should</b> identify the need and rationale for a bid cost contribution in the project's Final Business Case, and the proposed contribution should be included in the total project funding envelope presented to ERC or Cabinet for approval prior to commencing the procurement process.</p> <p>You <b>should</b> seek Treasury's agreement that conditions of the Bid Cost Contributions policy are met before releasing an Expression of Interest, if you wish to pay bid cost contributions.</p>	<a href="#">NSW Bid Cost Contributions Policy</a>

Table 5: Easy to do business

## References

Type	Reference	Status	Category		Value	Plan	Source	Manage
Legislation	<a href="#">Building and Construction Industry Security of Payment Act 1999</a>				Any			
Legislation	<a href="#">Public Works and Procurement Regulation 2019</a>				Any			
Policy	<a href="#">Aboriginal Procurement Policy</a>				< \$250,000 ≥ \$7.5 million			
Policy	<a href="#">NSW Bid Cost Contributions Policy</a>				> \$100 million			
Policy	<a href="#">Faster Payment Terms Policy</a>				< \$1 million			
Policy	<a href="#">ICT/Digital SME Procurement Commitments</a>				≤ \$150,000 \$150,001 to \$250,000 > \$3 million			
Policy	<a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a>				HPHR Tier 1			
Policy	<a href="#">PBD 2017-03 Civil Liability Act 2002 and Proportionate Liability</a>				Any			
Policy	<a href="#">PBD-2017-04 Procuring Human Services from NGOs</a>				Any			
Policy	<a href="#">PBD-2021-02 Mandated Use of ICT Purchasing Framework</a>				Any			
Policy	<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>				≥ \$680,000 ≥ \$9.584 million			
Policy	<a href="#">Small Business Shorter Payment Terms Policy</a>				≥ \$7.5 million			

Key  Mandatory  Recommended  Goods and services  Construction  ICT  Human services  Additional information



## References

Type	Reference	Status	Category	Value	Plan	Source	Manage
Policy	<a href="#">SME and Regional Procurement Policy</a>			< \$150,000 < \$3 million ≥ \$3 million			
Guidance	<a href="#">Approaching the Supplier Market</a>			Any			
Guidance	<a href="#">Commercial Approaches in Contracts</a>			Any			
Guidance	<a href="#">NSW Treasury – Business in NSW</a>			Any			
Guidance	<a href="#">Industry Engagement</a>			Any			
Templates	<a href="#">ICT Purchasing Framework</a>			Any			
Templates	<a href="#">NSW Human Services Agreement</a>			Any			
Templates	<a href="#">Goods and Services Contract Templates</a>			Any			
Templates	<a href="#">Construction Contract Templates</a>			Any			

Table 6 References: Easy to do business












# Innovation















The marketplace is a great source of innovation and can assist government to work smarter and deliver better services.

Industry engagement and flexible procurement practices assist agencies to adopt innovative services and solutions and support supplier innovation in government’s supply chains.

Innovation can be encouraged at three levels of market engagement:






- *at the state economic level* –through effective, early, structured, and open communication of needs to the market
- *at the sourcing level* –by adapting sourcing methods to facilitate innovation and collaboration
- *at the contract management level* –by focusing on outcomes and developing supplier relationships that deliver value beyond the contract.

Relating to	Status	Category	Value	Obligation	Reference
Testing new ideas			< \$1 million	You <b>may</b> test the capability of new solutions to meet your current or emerging business needs through innovative collaborations or outcomes-based trials.	<a href="#">PBD-2019-03 Construction Procurement Opportunities for SMEs</a>
			Any		<a href="#">Digital.nsw accelerator</a>
Engaging with industry		 	Any	You <b>should</b> engage with industry through all phases of the procurement lifecycle, noting there are increased opportunities for innovation if industry engagement takes place as early as possible.	<a href="#">Industry Engagement</a>

Relating to	Status	Category	Value	Obligation	Reference
Engaging with industry		 	Any	You <b>may</b> consider complex market engagements to pursue innovative procurement outcomes, subject to complying with legislative and policy requirements including the <a href="#">EPP Direction</a> .	<a href="#">Non-traditional and Complex Market Approaches</a>
		 	Any	You <b>must</b> refer <i>unsolicited proposals</i> to the Department of Premier and Cabinet for assessment, noting such proposals are not a substitute for routine competitive procurement actions. An <i>unsolicited proposal</i> is an approach to government from a proponent over a commercial proposition, where the government has not requested the proposal (refer <a href="#">Glossary</a> for more). The focus of <i>unsolicited proposals</i> is on unique and innovative projects or services, with the proposal and proponent to be <u>uniquely</u> able to deliver the proposed service.	<a href="#">C2017-05 Unsolicited Proposals</a> <a href="#">Unsolicited Proposals: Guide for Submission and Assessment</a>
		 	Any	You <b>may</b> consider a commissioning and contestability approach to pursue innovative, customer centric approaches to service delivery.	<a href="#">TPP 16-05 Commissioning and Contestability Policy</a>
		 	Any	You <b>should</b> refer to the <a href="#">Direct Dealing Guidelines</a> for complex market engagement where a competitive tender is not possible or appropriate.	<a href="#">Direct Dealing Guidelines</a>
			Any	You <b>should</b> refer to the <a href="#">Procurement Methods Guidelines</a> for guidance on commonly used contract models for infrastructure delivery, including early contractor involvement and engagement.	<a href="#">Procurement Methods Guidelines</a>

Key  Mandatory  Recommended  Goods and services  Construction  ICT  Human services  Additional information

## Section 1: Objectives

Relating to	Status	Category	Value	Obligation	Reference
Engaging with industry			HPHR Tier 1	<p>Agencies and State Owned Corporations (SOCs) <b>must</b> apply the default practices in the <a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a> in a manner commensurate with project needs. These practices include:</p> <ul style="list-style-type: none"> <li>• Use early contractor engagement to identify, mitigate and nominate risks that cannot be readily quantified or priced in lump sums. Early engagement also contributes to identifying the most effective delivery solutions. Engagement should be taken early enough to influence preferred solutions and reference designs as well as proposed delivery approach, but should be undertaken efficiently over a defined period commensurate with the requirements of the project to avoid unwarranted costs or delay</li> <li>• Designate packages that can be undertaken prior to the commencement of main works that address common risks, such as removal of existing assets, relocation of utilities and investigation of in-ground conditions. In the case of public private partnerships, these works are often undertaken as “State works” that fall outside the scope of the PPP</li> <li>• Include proposed contract terms and risk allocation in early engagement with industry. Engagement must identify, mitigate and nominate risks that cannot be readily quantified or priced in lump sums</li> <li>• Optimise the State’s role in advancing design of projects to levels that avoid duplication of design effort (incorporating early contractor participation and promoting design challenge to incorporate innovation), without eroding the intended allocation of risk.</li> </ul> <p>Where it is proposed that a practice is not applied, reasons should be submitted for approval in writing to the Chief Executive or Secretary of the responsible agency.</p>	<a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a>
Interactive tendering		 	Any	You <b>may</b> use interactive tendering processes to provide prospective suppliers with information and feedback during a procurement project. Confidentiality and probity must be maintained, including using a probity adviser to observe and guide the process, whenever interactives are used.	<a href="#">Interactive Tendering Guidelines</a>

## Section 1: Objectives







Relating to	Status	Category	Value	Obligation	Reference
Construction			Any	You <b>should</b> refer to the CILF practice notes as guidance when procuring and delivering major infrastructure projects. The CILF notes provide strategies to address key challenges affecting the construction sector.	<a href="#">Construction Industry Leadership Forum (CILF) Practice Notes</a>
			HPHR Tier 1	Agencies and State Owned Corporations (SOCs) <b>must</b> apply the default practices in the <a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a> in a manner commensurate with project needs. These practices include: <ul style="list-style-type: none"> <li>Reward innovation and productivity enhancing measures that save taxpayers money or deliver better outcomes with incentives, including on more traditional forms of contract. Incentives should reward areas where performance exceeds minimum requirements of the contract specification.</li> </ul> Where it is proposed that a practice is not applied, reasons should be submitted for approval in writing to the Chief Executive or Secretary of the responsible agency.	<a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a>
			Any	You <b>should</b> refer to the <a href="#">Procurement Methods Guidelines</a> for guidance on commonly used contract models for infrastructure delivery, including early contractor involvement and engagement.	<a href="#">Procurement Methods Guidelines</a>
Engaging with the human services sector			Any	You <b>must</b> use the NGO Registration Scheme – Human Services as a first step to sourcing information from NGOs that are seeking, or are contracted, to deliver human services on behalf of the NSW Government.	<a href="#">PBD-2016-04 NGO Registration Scheme</a>

Table 7: Innovation



## References

Type	Reference	Status	Category		Value	Plan	Source	Manage
Policy	<a href="#">C2017-05 Unsolicited Proposals</a> <a href="#">Unsolicited Proposals: Guide for Submission and Assessment</a>				Any			
Policy	<a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a>				HPHR Tier 1			
Policy	<a href="#">PBD-2016-04 NGO Registration Scheme</a>				Any			
Policy	<a href="#">PBD-2017-04 Procuring Human Services from NGOs</a>				Any			
Policy	<a href="#">PBD-2019-03 Access to Government Construction Procurement Opportunities by SMEs:</a> Procurement innovation stream				< \$1 million			
Policy	<a href="#">TPP16-05 Commissioning and Contestability Policy</a>				Any			
Guidance	<a href="#">Non-traditional and Complex Market Approaches</a>				Any			
Guidance	<a href="#">Construction Industry Leadership Forum (CILF) Practice Notes</a>				Any			
Guidance	<a href="#">Digital.nsw Accelerator</a>				Any			
Guidance	<a href="#">Direct Dealing Guidelines</a>				Any			
Guidance	<a href="#">Guidelines for Engagement with NSW Human Services NGOs</a>				Any			
Guidance	<a href="#">Human Services Outcomes Framework</a>				Any			

References

Type	Reference	Status	Category		Value	Plan	Source	Manage
Guidance	<a href="#">Industry Engagement</a>				Any			
Guidance	<a href="#">Interactive Tendering Guidelines</a>				Any			
Guidance	<a href="#">Market Approaches Guide</a>				Any			
Guidance	<a href="#">NSW Government Action Plan: A ten point commitment to the construction sector</a>				Any			
Guidance	<a href="#">Procurement Methods Guidelines</a>				Any			
Guidance	<a href="#">Supplier Relationship Management Guidelines</a>				Any			

Table 8 References: Innovation

**Key**
 Mandatory
 Recommended
 Goods and services
 Construction
 ICT
 Human services
 Additional information



## Economic development, social outcomes and sustainability

Government procurement can help to support economic participation, social outcomes, develop skills and create jobs for the citizens of NSW.







By building a diverse supply base, government agencies can support businesses of all types to grow and encourage economic development across the state.

The government uses procurement to support *small and medium sized businesses, Aboriginal businesses, regional businesses, disability employment organisations and social enterprises*. It is also using its substantial infrastructure investments to support jobs and skills development for a range of workers including Aboriginal people, apprentices and young people aged under 25 years.

*Sustainable procurement* focuses on spending public money efficiently, economically, and ethically to deliver value for money on a whole of life basis. *Sustainable procurement* extends the assessment of value for money beyond the sourcing process, considering benefits and risks to the organisation, the community, the economy and impacts on the environment.

### **Sustainable procurement:**

- Considers how procurement impacts society, the economy and the environment
- Provides all suppliers with full and fair opportunities to compete
- Respects stakeholders' interests, the rule of law and human rights, including modern slavery
- Seeks innovative solutions to address sustainability throughout the supply chain
- Buys only what is needed or seek sustainable alternatives
- Analyses all procurement costs, including benefits for society, environment and the economy
- Integrates sustainability into procurement practices.

Relating to	Status	Category	Value	Obligation	Reference
SME and regional businesses			< \$150,000 < \$3 million ≥ \$3 million	You <b>must</b> comply with the SME and Regional Procurement Policy to support the participation of <i>SMEs</i> and <i>regional businesses</i> in goods and services procurement.	<a href="#">SME and Regional Procurement Policy</a>
Small businesses			Any	You <b>must</b> comply with the ICT/Digital SME procurement commitments and apply a target to increase participation of SMEs in government procurement of ICT goods and services.	<a href="#">ICT/Digital SME Procurement Commitments</a>
			> \$3 million	For ICT procurements over \$3 million you <b>must</b> : <ul style="list-style-type: none"> <li>• make suppliers aware of the SME indirect addressable spend target at time of tender</li> <li>• include SME indirect targets in the contract, of at least 25% of the total contract value of addressable spend</li> <li>• monitor suppliers are submitting quarterly reporting against their progress to achieve their SME contract target commitments.</li> </ul>	
			≤ \$150,000 \$150,001 to \$250,000	Up to \$250,000 you <b>may</b> use purchasing permissions to procure ICT directly from an SME (exemptions apply): <ul style="list-style-type: none"> <li>• Up to \$150,000 (ex. GST), agencies may buy directly from an SME (regardless if on the ICT Services Scheme or a mandated ICT contract).</li> <li>• From \$150,001 and up to \$250,000 (ex. GST), agencies may buy directly from an SME on the ICT Services Scheme. This is regardless of whole-of-government contracts in place, except the Telecommunication Purchasing Arrangements.</li> </ul> <p>When buying ICT consultancy services you must comply with the ICT Consultancy Framework. Agencies must complete a technical assessment when buying, to ensure solutions are compatible with ICT systems and infrastructure.</p>	

Key  Mandatory  Recommended  Goods and services  Construction  ICT  Human services  Additional information













## Section 1: Objectives

05



Economic, social and sustainable procurement outcomes

Relating to	Status	Category	Value	Obligation	Reference
Small businesses			≥ \$7.5 million	You <b>must</b> comply with the Small Business Shorter Payment Terms Policy to support cash flow for small businesses that are subcontracted on NSW Government goods and services contracts.	<a href="#">Small Business Shorter Payment Terms Policy</a>
Employment of Aboriginal people			< \$250,000 ≥ \$7.5 million	You <b>must</b> comply with the Aboriginal Procurement Policy to support 3,000 FTE employment opportunities for Aboriginal people by the end of 2021 through government procurement activities.	<a href="#">Aboriginal Procurement Policy</a>
Employment of people with a disability			Any	You <b>may</b> purchase goods and services of any value from an approved <i>disability employment organisation</i> via a single written quote, even if there is a whole of government arrangement in place.	<a href="#">Public Works and Procurement Regulation 2019</a> (PWP Regulation)
Social enterprises			Any	You are <b>encouraged</b> to procure from <i>social enterprises</i> to support economic and social change for disadvantaged people. Social enterprises may be small businesses, SMEs, Aboriginal businesses or Australian Disability Enterprises, and if so, qualify for the purchasing preferences and initiatives under the <a href="#">SME and Regional Procurement Policy</a> , <a href="#">ICT/Digital SME Procurement Commitments</a> , <a href="#">Aboriginal Procurement Policy</a> or <a href="#">PWP Regulation</a> .	<a href="#">SME and Regional Procurement Policy</a> <a href="#">ICT/Digital SME Procurement Commitments</a> <a href="#">Public Works and Procurement Regulation 2019</a> (PWP Regulation)
			Any	<i>Social enterprises</i> are businesses that trade to intentionally tackle social problems, improve communities, provide people access to employment and training, or help the environment. Procuring through social enterprises represents significant opportunity for social enterprise growth, and social change for disadvantaged Australians.	<a href="#">Aboriginal Procurement Policy</a>

Relating to	Status	Category	Value	Obligation	Reference
Modern slavery		 	Any	<p>You <b>must</b> comply with the <i>Public Works and Procurement Act 1912</i>, including requirements to take reasonable steps to ensure that goods and services procured by and for the agency are not the product of modern slavery. This may lead to specific obligations imposed on suppliers for a particular procurement.</p> <p>You <b>must</b> comply with the <i>NSW Modern Slavery Act 2018</i>, including annual reporting requirements for agencies, commencing 1 July 2023 subject to Governor approval, and agency co-operation with the Anti-Slavery Commissioner.</p>	<a href="#">Public Works and Procurement Act 1912</a> <a href="#">NSW Modern Slavery Act 2018</a>
		 	Any	You <b>should</b> embed responsible procurement principles into category management strategies for procurements where the risk of modern slavery is higher. Procurement activities should consider the potential for an agency to cause, contribute to, or be directly linked to modern slavery through its supply chains.	<a href="#">Modern Slavery and Procurement Guidance</a>
Skills, training and diversity in construction			< \$10 million	You, and any contractors you engage, are expected to commit to supporting skills development on construction projects.	<a href="#">PBD 2020-03 Skills, Training and Diversity in Construction</a>
			\$10 million – \$100 million	<p>You <b>must require</b>:</p> <ul style="list-style-type: none"> <li>• 20% of the trades workforce on the project to be apprentices, with the target included in tender documentation, contracts, and quarterly reporting requirements</li> <li>• suppliers to comply with the Aboriginal participation requirements of the <a href="#">Aboriginal Procurement Policy</a></li> <li>• suppliers to provide quarterly reports to Training Services NSW in the Department of Education against agreed targets.</li> </ul> <p>You <b>may</b> also adopt the additional Infrastructure Skills Legacy Program (ISLP) targets that apply to contracts over \$100 million (see below).</p>	<a href="#">Aboriginal Procurement Policy</a>

Key  Mandatory  Recommended  Goods and services  Construction  ICT  Human services  Additional information

## Section 1: Objectives




















Relating to	Status	Category	Value	Obligation	Reference
Skills, training and diversity in construction			> \$100 million	For major construction projects over \$100 million, you <b>must</b> also require: <ul style="list-style-type: none"> <li>• 20% of the total labour force to be learning workers</li> <li>• double the number of women in trade-related work (up from the NSW average of 1% to 2%)</li> <li>• 8% of total project workforce to be aged less than 25 years</li> <li>• report the employment and training outcomes for people from the local region (as defined in the contract).</li> </ul>	<a href="#">PBD 2020-03 Skills, Training and Diversity in Construction</a> <a href="#">Aboriginal Procurement Policy</a>
Resource efficiency and waste reduction		 	Any	You <b>must</b> comply with the <a href="#">Government Resource Efficiency Policy (GREP)</a> by ensuring goods, services and construction projects meet minimum energy, water use and air emissions standards. An exception applies for agencies with fewer than 100 employees, when compliance is voluntary.	<a href="#">NSW Government Resource Efficiency Policy (GREP)</a>
Resource efficiency and waste reduction		 	Any	You <b>should</b> purchase construction materials with recycled content; copy, stationery and print publication paper with post-consumer recycled content, and non-recycled paper from sustainable sources. Refer to the <a href="#">GREP</a> for information on recognised standards and certification programs for recycled content and sustainable sources.	<a href="#">M2012-08 Use of Biofuels</a>  <a href="#">NSW Circular Economy Policy Statement</a>
			Any	You <b>must</b> use E10 and biodiesel blends where possible, unless there is a clear operational requirement that precludes the use of biofuels.	
		 	Any	You <b>should</b> consider the product lifecycle when conducting needs analysis and developing product specifications, including taking account of <i>circular economy</i> principles, so that use of recycled materials and disposal or repurposing of goods or assets is planned into the procurement process.	

Table 9: Economic, social and sustainable procurement outcomes

## Section 1: Objectives

Relating to	Status	Category	Value	Obligation	Reference
Construction and demolition waste management			Any	To the extent they relate to construction procurement: <ul style="list-style-type: none"> <li>You <b>must</b> comply with the <a href="#">Protection of the Environment Operations Act 1997</a>.</li> <li>If you are disposing of construction waste, the construction and demolition waste facility <b>must</b> comply with the <a href="#">Standards for Managing Construction Waste in NSW</a>.</li> </ul>	<a href="#">Protection of the Environment Operations Act 1997</a> <a href="#">Standards for Managing Construction Waste in NSW</a>
			Any	You <b>should</b> refer to the Construction and Demolition Waste Management Toolkit prepared by the Environmental Protection Authority (EPA) for guidance on engaging contractors and working on contracts that involve construction and demolition.	<a href="#">Construction and Demolition Waste: A Management Toolkit</a>
			Any	Unlawful waste disposal or fraudulent behaviour by contractors and subcontractor creates the potential for significant reputation damage, financial penalty and criminal conviction.	

## Section 1: Objectives

05



Economic, social and sustainable procurement outcomes

## References

Type	Reference	Status	Category		Value	Plan	Source	Manage
Legislation	<a href="#">Modern Slavery Act 2018 (NSW)</a>				Any			
Legislation	<a href="#">Protection of the Environment Operations Act 1997</a>				Any			
Legislation	<a href="#">Public Works and Procurement Act 1912</a>				Any			
Legislation	<a href="#">Public Works and Procurement Regulation 2019</a>				Any			
Policy	<a href="#">Aboriginal Procurement Policy</a>				< \$250,000 ≥ \$7.5 million			
Policy	<a href="#">ICT/Digital SME Procurement Commitments</a>				≤ \$150,000 \$150,001 to \$250,000 > \$3 million			
Policy	<a href="#">M2012-08 Use of Biofuels</a>				Any			
Policy	<a href="#">NSW Government Resource Efficiency Policy</a>				Any			
Policy	<a href="#">PBD 2019-03 Access to Government Construction Opportunities by SMEs</a>				< \$1 million			
Policy	<a href="#">PBD 2020-03 Skills, Training and Diversity in Construction</a>				> \$10 million			
Policy	<a href="#">SME and Regional Procurement Policy</a>				< \$150,000 < \$3 million ≥ \$3 million			



























































Type	Reference	Status	Category		Value	Plan	Source	Manage
Policy	<a href="#">Small Business Shorter Payment Terms Policy</a>				≥ \$7.5 million			
Policy	<a href="#">Standards for Managing Construction Waste in NSW</a>				Any			
Guidance	<a href="#">Australian Disability Enterprises</a>				Any			
Guidance	<a href="#">BuyAbility</a>				Any			
Guidance	<a href="#">Construction and Demolition Waste: A Management Toolkit</a>				Any			
Guidance	<a href="#">ISO 20400 Sustainable Procurement</a>				Any			
Guidance	<a href="#">Modern Slavery and Procurement Guidance</a>				Any			
Guidance	<a href="#">NSW Circular Economy Policy Statement</a>				Any			
Guidance	<a href="#">OCHRE plan – NSW Government Aboriginal Affairs Strategy</a>				Any			
Guidance	<a href="#">Small Business Strategy</a>				Any			
Guidance	<a href="#">Supplier Diversity</a>				Any			
Guidance	<a href="#">Supporting SMEs and Regional Businesses</a>				Any			

Table 10 References: Economic, social and sustainable outcomes

Key  Mandatory  Recommended  Goods and services  Construction  ICT  Human services  Additional information



## Section 2

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### · PLAN, SOURCE, MANAGE ·



Plan



Source



Manage



# The Plan, Source, Manage approach

Procurements follow three stages: planning, sourcing and managing the procurement.

The Plan, Source, Manage approach identifies key policy requirements and considerations in the procurement process as practical reference for government buyers. It is not intended as a prescriptive process for all procurement. The importance of each stage depends on the size, priorities, required outcomes, risk profile and type of procurement.

The Plan and Manage stages are the most critical to creating and delivering value, and appropriate time and resources should be allocated to these activities.

### Procurement Board requirements

The Procurement Policy Framework uses the Plan, Source, Manage approach to provide a structured guide to procurement process as specified in legislation, government policies and Procurement Board policies and directions. Key considerations and mandatory requirements are identified at each step in the process.

### Agency policies and tendering manual

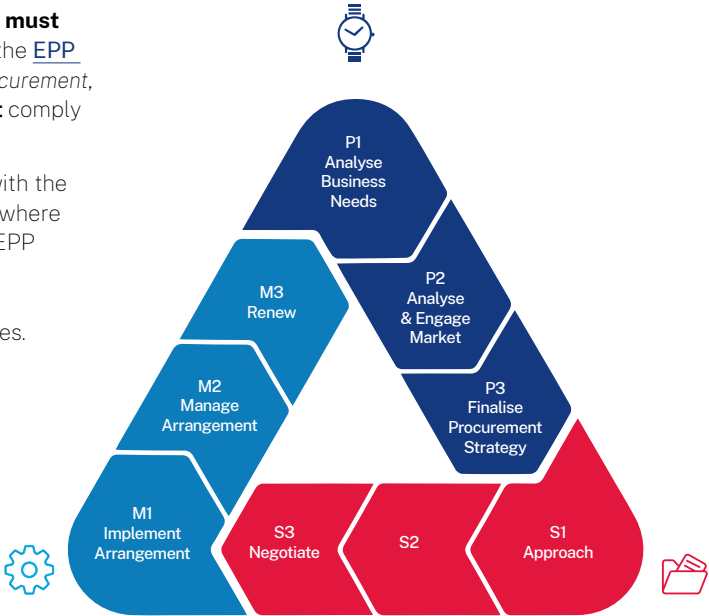
Agency procurement functions will have specific policies and procedures that need to be followed. Agency procurement manuals provide guidance on the specific agency approach to engaging with the market and managing procurement activities.

### International procurement agreements

Australia is party to several international trade and procurement agreements which impact NSW government procurement. [PBD-2019-05 Enforceable Procurement Provisions](#) (EPP Direction) details the requirements of these international procurement agreements.

Prior to starting any procurement process, you **must first assess** if the procurement is covered by the [EPP Direction](#). If your procurement is a *covered procurement*, your procurement approach and process **must** comply with the [EPP Direction](#).

The procurement process **must also** comply with the mandatory sections of this framework, except where there is any conflict or inconsistency with the EPP Direction. The EPP Direction takes precedence over all other policies that apply to covered procurements, including internal agency policies.





Section 2 **01**



Understand the procurement environment and authority to procure.

Accreditation and authority to procure





Relating to	Status	Category	Value	Obligation	Reference
Authority to procure			Any	You <b>must</b> procure according to the terms of the agency's accreditation by the Procurement Board.	<a href="#">List of Accredited Agencies</a>
			≥ \$680,000	You <b>must</b> comply with <a href="#">Enforceable Procurement Provisions Direction (EPP Direction)</a> for procurements valued over the thresholds, unless the agency or the procurement category is exempt. Covered agencies are listed in Schedule 1 of the Direction. Exempt goods and services are listed in Schedule 2.	<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>
			≥ \$9.584 million		
			Any	You <b>must</b> use whole-of-government contracts and specified prequalification schemes (see existing arrangements <b>below</b> ) to purchase relevant goods or services, except where exemptions apply (see exemptions <b>below</b> ).	
			Any	You <b>must not</b> split orders to avoid procurement threshold levels and/or governance requirements.	
Accredited agencies			Any	You <b>must</b> follow your agency's governance rules, including when to seek multiple quotes or go to tender, and approval requirements.	Refer to agency's policies and procedures

Key Mandatory Recommended Goods and services Construction ICT Human services Additional information



## Accreditation and authority to procure

Relating to	Status	Category	Value	Obligation	Reference
<b>Goods and services:</b> Level 1 accredited agencies			> \$20 million > \$35 million > \$50 million	You <b>may</b> need to seek concurrence from a level 2 accredited agency or NSW procurement for the proposed procurement approach, based on the value and risk profile of the procurement (refer <a href="#">Section 3 Governance: 02 Accreditation</a> for definition of level 1 and level 2 accreditation).	<a href="#">Accreditation Program for Goods and Services Procurement</a>
<b>Goods and services:</b> Unaccredited agencies				You <b>must</b> follow the following processes to procure goods and services (non-construction) that are not covered under a whole-of-government arrangement:	<a href="#">PBD 2021-04 Approved Procurement Arrangements</a> <a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>
			<b>Value</b>	<b>Process</b>	
			< \$10,000	Purchase from any supplier, subject to agency safety and infrastructure requirements and provided the rates are reasonable and consistent with normal market rates.	
			\$10,000–\$30,000	Obtain at least one written quotation.	
			\$30,000–\$680,000	<ul style="list-style-type: none"> <li>Obtain at least three written quotations, <b>or</b></li> <li>Conduct an appropriate procurement process approved by the agency head or an accredited agency within the cluster.</li> </ul>	
≥ \$680,000	<ul style="list-style-type: none"> <li>Determine if the procurement is a covered procurement under PBD-2019-05 <a href="#">EPP Direction</a> and comply if required <b>and</b></li> <li>Conduct a procurement process endorsed by an accredited agency within the cluster (preferred) or NSW Procurement.</li> </ul>				
				You <b>must</b> obtain approval from their responsible Minister, before entering into whole-of-government contracts, with the relevant Minister to make an assessment as to whether Cabinet consideration is necessary.	

Relating to	Status	Category	Value	Obligation	Reference
Construction: Unaccredited agencies			≤ \$1.3 million	You <b>may</b> undertake construction work valued up to \$1.3 million (excluding GST).	<a href="#">Accreditation Program for Construction Procurement</a>
			> \$1.3 million	You <b>must</b> , for work valued over \$1.3 million, comply with the Assurance Process for Construction Procurement.	<a href="#">Assurance Process for Construction Procurement</a>

#### Agency procurement planning

Relating to	Status	Category	Value	Obligation	Reference
Annual Procurement Plans		 	Any	Accredited agencies <b>must</b> submit an <i>Annual Procurement Plan</i> to the Board by 31 August each financial year. A summary of the plan is also published on eTendering.	<a href="#">Accreditation Program for Goods and Services Procurement</a> <a href="#">Accreditation Program for Construction Procurement</a>
		 	Any	Unaccredited agencies are <b>encouraged</b> to publish an <i>Annual Procurement Plan</i> on eTendering.	
Aboriginal Participation Strategy		 	Any	<b>All</b> clusters or agencies <b>must</b> publish an <i>Aboriginal Participation Strategy</i> that describes how your agency will meet its obligations under the <a href="#">Aboriginal Procurement Policy</a> .	<a href="#">Aboriginal Procurement Policy</a>
Category plans		 	Any	Agencies <b>should</b> develop category management plans that analyse the category market, emerging trends, risks and impact on competition.	<a href="#">Promoting Competition</a>
Business case		 	Significant proposals	You <b>must</b> prepare a business case to submit to Treasury for significant capital, recurrent and ICT investment proposals.	<a href="#">TPP18-06 NSW Government Business Case Guidelines</a>

Key  Mandatory  Recommended  Goods and services  Construction  ICT  Human services  Additional information





















## Agency procurement planning

Relating to	Status	Category	Value	Obligation	Reference		
Gateway review					You <b>must</b> register capital, ICT and major recurrent projects with the relevant Gateway Coordination Agency (GCA):	<a href="#">NSW Gateway Policy</a>	
				<b>Value</b>	<b>Project type</b>		<b>Gateway Coordination Agency</b>
				> \$10 million	Capital	Infrastructure NSW	<a href="#">Infrastructure Investor Assurance Framework</a>
				> \$10 million	ICT	Department of Customer Service	<a href="#">ICT Assurance Framework</a>
				≥\$100M over 4 years, or ≥\$50 million pa	Major recurrent	Treasury	<a href="#">Recurrent Expenditure Assurance Framework</a>
Foreign exchange (FX) risk management					FX risk can arise when an agency purchases, sells or intends to purchase or sell goods and services either directly from/to overseas, or indirectly when goods/services are sourced overseas through domestic providers. This includes where the goods/services are sold in Australian Dollars, but they originate overseas.	<a href="#">TPP21-14 NSW Government Financial Risk Management Policy</a>	
				A\$500,000 face value	You <b>must</b> consider if the procurement is impacted, either directly or indirectly, by foreign exchange risk when planning your procurement strategy and/or preparing a business cases. You <b>must</b> consult with Treasury and TCorp to manage the FX risk when the risk has been identified and if the risk changes by the threshold amount.		






## Agency procurement planning

Relating to	Status	Category	Value	Obligation	Reference
Commodity price risk		 		Commodity price risk can arise when the movement in the price of a commodity leads directly to a change in costs or revenues.	<a href="#">TPP21-14 NSW Government Financial Risk Management Policy</a>
		 	A\$20 million face value	You <b>must</b> consider if the procurement is impacted, either directly or indirectly, by the movement in commodities when planning your procurement and/or preparing a procurement strategy or business case. You <b>must</b> consult with Treasury and TCorp to manage the commodity price risk when the risk has been identified and if the risk changes by the threshold amount.	
Interest rate risk		 		Interest rate risk can arise when the change in interest rates directly leads to a change in future cash flows. This includes leasing arrangements which have underlying interest rate exposures.	<a href="#">TPP21-14 NSW Government Financial Risk Management Policy</a>
		 	A\$20 million face value	You <b>must</b> consider if the procurement is impacted, either directly or indirectly, by a change in interest rates when planning your procurement and/or preparing a procurement strategy or business case. You <b>must</b> consult with Treasury and TCorp to manage the interest rate risk when the risk has been identified and if the risk changes by the threshold amount.	
Modern slavery		 	Any	You <b>must</b> comply with the <i>Public Works and Procurement Act 1912</i> , including requirements to take reasonable steps to ensure that goods and services procured by and for the agency are not the product of modern slavery. This may lead to specific obligations imposed on supplier conduct in regards to modern slavery risks for a particular procurement. You <b>must</b> comply with the <i>NSW Modern Slavery Act 2018</i> , including annual reporting requirements for agencies, commencing 1 July 2023 subject to Governor approval, and agency co-operation with the Anti-Slavery Commissioner.	<a href="#">Public Works and Procurement Act 1912</a> <a href="#">NSW Modern Slavery Act 2018</a>

Relating to	Status	Category	Value	Obligation	Reference
Modern slavery		 	Any	<p>You <b>should</b> undertake a modern slavery risk assessment to identify the level of risk associated with the procurement. The procurement strategy should reflect the outcome of the risk assessment and identify opportunities to address modern slavery risks. The procurement strategy may also address:</p> <ul style="list-style-type: none"> <li>the scope of modern slavery concerns that will be considered during the procurement process</li> <li>the standard required from suppliers</li> <li>how the agency will manage the risk of modern slavery in the procurement process</li> <li>roles and responsibilities for the modern slavery component of the procurement.</li> </ul> <p>You should embed responsible procurement principles into category management strategies for procurements at higher levels of risk for modern slavery. Procurement activities should consider the potential for an agency to cause, contribute to, or be directly linked to modern slavery through its supply chains.</p>	<a href="#">Modern Slavery and Procurement Guidance</a>

### Selecting a procurement method

Relating to	Status	Category	Value	Obligation	Reference
Emergency procurements		 	Any	<p>You <b>must</b> obtain approval from the agency head or delegate for emergency procurements. They can approve procurements to a value sufficient to meet the immediate needs of the particular emergency.</p>	<a href="#">Public Works and Procurement Regulation 2019</a> <a href="#">Covid-19 Emergency Procurement</a> <a href="#">Direct Dealing Guidelines</a>

Key  Mandatory  Recommended  Goods and services  Construction  ICT  Human services  Additional information





## Selecting a procurement method

Relating to	Status	Category	Value	Obligation	Reference
Emergency procurements			Any	You <b>must</b> report every emergency authorisation to the Procurement Board as soon as possible via <a href="mailto:nswbuy@treasury.nsw.gov.au">nswbuy@treasury.nsw.gov.au</a> .	<a href="#">Public Works and Procurement Regulation 2019</a> <a href="#">Covid-19 Emergency Procurement Direct Dealing Guidelines</a>
			Any	You <b>do not</b> have to comply with Procurement Board policies or directions, including the EPP Direction, or the terms of accreditation, for emergency procurements. You are <b>encouraged</b> to achieve value for money and comply with this Policy Framework where possible.	
			Any	You <b>should</b> have justification for exclusive negotiations and comply with all relevant policies if this approach is appropriate for the emergency.	
Covered procurements			≥\$680,000 ≥\$9.584 million	The <a href="#">EPP Direction</a> takes precedence over all other policies that apply to covered procurements, including internal agency policies.	<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>
Bushfire or flood recovery works			Any	You <b>must</b> give first preference to an appropriate <a href="#">Local Business</a> based in the local government area (LGA) for works arising out of, in relation to or following the bushfires in calendar years 2019 and 2020, and floods occurring from January to March 2020:  If you cannot identify an appropriate <i>Local Business</i> , you may allocate the work to another <a href="#">Regional Supplier</a> . Where no suitable <i>Local Business</i> or <i>Regional Supplier</i> is available, then you may use another suitable supplier.  You are exempt from complying with the <a href="#">EPP Direction</a> for these procurements. Definitions for <a href="#">Local Business</a> and <a href="#">Regional Supplier</a> are provided in the glossary.	<a href="#">PBD 2020-01: Support for Bushfire Affected Communities</a>
			Any	You <b>should</b> , wherever possible, contractually require your head contractors to first consider <i>Local Businesses</i> to deliver associated goods or services for fire or flood remediation works.	








Relating to	Status	Category	Value	Obligation	Reference	
Bushfire or flood recovery works				Any	You <b>must</b> give first preference to appropriate Small and Medium Enterprises (SME), based in the local government area (LGA) where possible, when engaging suppliers to conduct repairs, rebuilding, remediation and enhancement works, or to supply associated goods or services arising out of, in relation to or following the floods in March 2021, February 2022 and March 2022. If no appropriate SME can be identified to complete the work within a reasonable timeframe in the LGA, then another suitable SME from regional NSW may be used. For procurements in areas bordering other States and Territories, agencies may use their discretion in seeking quotes from any suitable supplier.  If an agency is engaging a head contractor to undertake a project or program of works, the agency should wherever possible, contractually require the head contractor to first consider SMEs in the LGA to deliver associated goods or services. The underlying principles of value for money and probity must be maintained, with engagements subject to appropriate due diligence and adequate supplier performance.	<a href="#">PBD 2021-01 Support for Flood Affected Communities</a>
				Any	You <b>should</b> ensure that you maintain information about procurements covered by <a href="#">PBD 2021-01</a> and the outcomes achieved in supporting local businesses. This information will assist the Procurement Board to evaluate the effectiveness of this Direction.	
Procurement approved by Cabinet or ERC				≥\$680,000 ≥\$9.584 million	You <b>must</b> assess whether the procurement is covered by the <a href="#">EPP Direction</a> and, if applicable, comply with all requirements.	<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>
				Any	You <b>do not</b> have to comply with other Procurement Board policies or directions if there is any inconsistency with the Cabinet or Standing Committee decision regarding the procurement.	
				Any	You <b>must</b> comply with this Procurement Policy Framework, Board Directions or other policies that do not conflict with the Cabinet decision, including the need to achieve value for money.	

Relating to	Status	Category	Value	Obligation	Reference
Supply by government entities		 	Any	You <b>may</b> purchase goods or services directly from another government entity that provides those goods or services as part of its principal functions. Procurements from other government entities are not covered by the <a href="#">EPP Direction</a> .	<a href="#">TPP02-01 Policy Statement on the Application of Competitive Neutrality</a>
		 	Any	The government entity providing the goods and services (i.e. the supplier) <b>must</b> ensure its pricing and other terms and conditions are consistent with <i>competitive neutrality</i> principles.	
Exemptions		 		<b>Hint:</b> The following exemptions are compliant with <b>the <a href="#">EPP Direction</a></b> as they fall under the Schedule 2 or 3 exemption provisions and/or are under the thresholds for <b>covered procurements</b> .	














## Selecting a procurement method

Relating to	Status	Category	Value	Obligation		Reference
Exemptions				You <b>must</b> check if your agency's specific requirements limit use of these exemptions due to safety, security or infrastructure considerations.		
				You <b>may</b> purchase goods and services, including construction, directly from suppliers as per the table below, even if there is a whole-of-government contract in place. Value for money remains the overarching consideration.		
			<b>Value</b>	<b>Supplier type</b>	<b>Process</b>	
			≤ \$10,000	Any	You <b>may</b> purchase from any supplier, unless an agency has specific requirements related to safety and infrastructure. The procuring agency should ensure the rates are reasonable and consistent with normal market rates.	<a href="#">PBD 2021-04 Approved Procurement Arrangements</a>
			< \$50,000	Small business	You <b>may</b> directly purchase from a small business (< 20 FTEs).	<a href="#">PBD-2019-03 Construction Procurement Opportunities for SMEs</a>
			< \$150,000	SMEs and regional businesses	You <b>may</b> negotiate directly with and engage an SME or regional supplier.	<a href="#">SME and Regional Procurement Policy</a>
			< \$250,000	Aboriginal business	You <b>may</b> directly purchase from an Aboriginal business.	<a href="#">Aboriginal Procurement Policy</a>
			< \$1 million	SMEs, for innovative trials	If your agency is accredited, you <b>may</b> directly negotiate with an SME supplier to do proof-of-concept testing or outcomes-based trials.	<a href="#">PBD 2019 03 Access to Government Construction Procurement Opportunities by SMEs</a>

Relating to	Status	Category	Value	Obligation	Reference	
Exemptions		 	No limit	Disability employment organisation	You <b>may</b> purchase goods and services from an approved disability employment organisation via a single written quote.	<a href="#">Public Works and Procurement Regulation 2019</a>
			≤ \$150,000 \$150,001 to \$250,000	SMEs	<p>Up to \$250,000 you <b>may</b> use purchasing permissions to procure ICT directly from an SME (exemptions apply):</p> <ul style="list-style-type: none"> <li>Up to \$150,000 (ex. GST), agencies may buy directly from an SME (regardless if on the ICT Services Scheme or a mandated ICT contract).</li> <li>From \$150,001 and up to \$250,000 (ex. GST), agencies may buy directly from an SME on the ICT Services Scheme. This is regardless of whole-of-government contracts in place, except the Telecommunication Purchasing Arrangements.</li> </ul> <p>When buying ICT consultancy services you must comply with the ICT Consultancy Framework. Agencies must complete a technical assessment when buying, to ensure solutions are compatible with ICT systems and infrastructure.</p>	<a href="#">ICT/Digital SME Procurement Commitments</a>

Key  Mandatory  Recommended  Goods and services  Construction  ICT  Human services  Additional information





Selecting a procurement method

Relating to	Status	Category	Value	Obligation		Reference
Preferences				Hint: The following <b>preferences</b> are compliant with the <a href="#">EPP Direction</a> as they fall under the Schedule 2 or 3 exemption provisions and/or are under the thresholds for <i>covered procurements</i> .		
		 		You <b>may</b> preference SMEs and Aboriginal businesses as per the table below, although you must ensure value for money.		
Goods and services			<b>Value</b> < \$250,000	<b>Supplier type</b> Aboriginal business	<b>Process</b> You <b>should</b> whenever feasible first consider purchasing from an <b>Aboriginal business</b> .	<a href="#">Aboriginal Procurement Policy</a>
			< \$3 million	SMEs	You <b>must</b> first consider purchasing from an SME, where you are permitted to directly purchase goods and/or services from a supplier, including from prequalification schemes and panels.	<a href="#">SME and Regional Procurement Policy</a>
				Hint: Many Aboriginal businesses are also SMEs. Where there is an opportunity to use either a suitably qualified SME or Aboriginal business, you may choose which business type to consider first. If you choose to preference an Aboriginal business, you do not have to preference an SME.		
			≥ \$7.5 million	<b>Small businesses</b>	You <b>must</b> require large businesses with NSW Government contracts valued at \$7.5 million or above to pay small business subcontractors within 20 business days.	<a href="#">Small Business Shorter Payment Terms Policy</a>



## Selecting a procurement method

Relating to	Status	Category	Value		Reference
Construction			< \$1 million	<p><b>Process</b></p> <p>You <b>must</b> make reasonable efforts to obtain a quote from SMEs when using the following prequalification schemes:</p> <ul style="list-style-type: none"> <li>• <a href="#">SCM1191 Construction Consultant Services</a></li> <li>• <a href="#">SCM0256 General Construction Works</a></li> </ul> <p>unless an SME cannot reasonably provide a competitive quote.</p>	<a href="#">PBD-2019-03 Access to Government Construction Procurement Opportunities by SMEs</a>
			< \$250,000	<p>You <b>may</b> directly negotiate with an Aboriginal business.</p> <p>You <b>should</b> whenever feasible first consider purchasing from an <b>Aboriginal business</b>.</p>	<a href="#">Aboriginal Procurement Policy</a>
ICT			< \$3 million	<p>You <b>must</b> comply with the <a href="#">ICT/Digital SME Procurement Commitments</a> and apply a target of 30% of NSW Government's total addressable direct ICT spend to be with SMEs. Agencies with ICT procurements over \$3 million must:</p> <ul style="list-style-type: none"> <li>• make suppliers aware of the SME indirect addressable spend target at time of tender.</li> <li>• include SME indirect targets in the contract, of at least 25% of the total contract value of addressable spend.</li> <li>• monitor suppliers are submitting quarterly reporting against their progress to achieve their SME contract target commitments.</li> </ul> <p>The application of any exclusion must be approved by an agency's Chief Procurement Officer or appropriate delegate. Exclusions are determined by agencies and may include explanations consistent with section 3.3 of the <a href="#">ICT/Digital SME Procurement Commitments</a>.</p>	<a href="#">ICT/Digital SME Procurement Commitments</a>

Relating to	Status	Category	Value		Reference
ICT			≤ \$150,000 \$150,001 to \$250,000	<p>Up to \$250,000 you <b>may</b> use purchasing permissions to procure ICT directly from an SME (exemptions apply):</p> <ul style="list-style-type: none"> <li>Up to \$150,000 (ex. GST), agencies may buy directly from an SME (regardless if on the ICT Services Scheme or a mandated ICT contract).</li> <li>From \$150,001 and up to \$250,000 (ex. GST), agencies may buy directly from an SME on the ICT Services Scheme. This is regardless of whole-of-government contracts in place, except the Telecommunication Purchasing Arrangements.</li> </ul> <p>When buying ICT consultancy services you must comply with the <a href="#">ICT Consultancy Framework</a>. Agencies must complete a technical assessment when buying, to ensure solutions are compatible with ICT systems and infrastructure.</p>	<a href="#">ICT/Digital SME Procurement Commitments</a>  <a href="#">ICT Consultancy Framework</a>
Existing arrangements			HPHR Tier 1	<p>Agencies and State Owned Corporations (SOCs) must apply the default practices in the <a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a> in a manner commensurate with project needs. These practices include:</p> <ul style="list-style-type: none"> <li>To expedite projects, utilise existing pre-qualified panels to appoint early works contractors for early works. Where early works cannot be reliably quantified and priced prior to commencement, this may be done on an open-book reimbursable basis, with selection based mainly on program, margins and preliminaries. Where it is proposed that a practice is not applied, reasons should be submitted for approval in writing to the Chief Executive or Secretary of the responsible agency.</li> </ul>	<a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a>

Key  Mandatory  Recommended  Goods and services  Construction  ICT  Human services  Additional information





## Creating a new procurement arrangement

Relating to	Status	Category	Value	Obligation	Reference
Existing arrangements				<p>You <b>must</b> use the following whole-of-government prequalification schemes where applicable:</p> <ul style="list-style-type: none"> <li>• <a href="#">Contingent Workforce</a></li> <li>• <a href="#">Financial Assessment Services Scheme</a> unless the agency undertakes its own financial assessments.</li> <li>• <a href="#">ICT Services</a></li> <li>• <a href="#">Motor Vehicle Acquisition</a></li> <li>• <a href="#">Operational Telecommunications Equipment, Infrastructure and Services Scheme</a></li> <li>• <a href="#">General Construction Works up to \$1 million Scheme</a> except <ul style="list-style-type: none"> <li>– if you issue an open tender, or if you engage a local contractor for a one-off contract valued under \$30,000 and you formally invite the contractor to become prequalified.</li> </ul> </li> </ul> <p>Limited exceptions to the use of applicable mandatory whole-of-government procurement arrangements are permitted where no other exemptions apply and the conditions set out below are met.</p> <ul style="list-style-type: none"> <li>• All procurements that are exceptions must meet the probity and fairness requirements defined in s.176(1)(c) and s.176(2) of the <a href="#">Public Works and Procurement Act 1912</a>, and ensure value for money is achieved (applying Section 1 of the Government Procurement Policy Framework as appropriate)</li> <li>• The cluster Secretary or delegate must approve all exceptions, and the agency must notify the owners of the arrangement in advance.</li> <li>• All procurements that are exceptions must be reported to the PLG at the next scheduled meeting.</li> <li>• Note: the transitional provision in clause 29 of the <a href="#">EPP Direction</a> (PBD-2019-05) does not apply if an agency purchases outside of those existing contracts, and a covered agency may need to comply with PBD 2019-05 for that transaction.</li> </ul>	<p><a href="#">PBD-2021-04 Approved Procurement Arrangements</a></p> <p><a href="#">PBD-2020-05 Approved Procurement Arrangements for the ICT Services Scheme</a></p> <p><a href="#">PBD-2013-01C Financial Assessments</a></p> <p><a href="#">PBD-2014-04C Construction Procurement Prequalification Schemes for Work Valued to \$1 Million</a></p> <p><a href="#">Public Works and Procurement Act 1912</a></p> <p><a href="#">PBD-2019-05 Enforceable Procurement Provisions</a></p>



## Selecting a procurement method

Relating to	Status	Category	Value	Obligation	Reference
Existing arrangements			Any	You <b>must</b> use <a href="#">whole-of government-contracts</a> to purchase applicable goods or services, including construction, except where the <a href="#">exemptions listed above</a> apply.  Agencies are required to obtain approval from their responsible Minister, before entering into whole-of-government contracts, with the relevant Minister to make an assessment as to whether Cabinet consideration is necessary.  In undertaking the procurement approved by Cabinet or a Cabinet Standing Committee, the agency is to have regard to policies of the Board to the extent they are consistent with the Cabinet decision, including the need to achieve value for money.  If the procurement is covered by PBD-2019-05 Enforceable Procurement Provisions, the agency must comply with the enforceable procurement provisions.	<a href="#">PBD 2021-04 Approved Procurement Arrangements</a>
			Any	You are <b>encouraged</b> to use the other whole-of-government prequalification schemes.	<a href="#">Whole-of-Government Prequalification Schemes</a>
			Any	You <b>must</b> check if your agency requires you to use any agency-specific standing offers, panel contracts or other arrangements.	
			Any	You <b>should</b> check if your agency has any pre-existing contracts, panels or prequalification schemes in place that meet your needs.	
			Any	You <b>may</b> use another agency's contracts, panels or prequalification schemes through a <i>piggyback</i> clause.	<a href="#">Multi-Agency Access (piggyback) Clauses</a>
			Any	You <b>may</b> seek quotes or tenders from businesses listed on a Standing Offer Notice or Multi-Use List published on the Australian Government's <a href="#">AusTender</a> website.	<a href="#">PBD 2014-07 Recognising Suppliers to Australian Government</a>



## Selecting a procurement method

Relating to	Status	Category	Value	Obligation	Reference
Existing arrangements			Any	<b>You should</b> follow the <a href="#">Motor Vehicle Operational Guidelines</a> and ensure that vehicles are acquired, managed, maintained and disposed of using whole-of-government contracts established for these purposes. Any procurement outside of mandated whole of government arrangements must be approved by the agency head.	<a href="#">Motor Vehicle Operational Guidelines</a>
Covered procurements			≥\$680,000 ≥\$9.584 million	You <b>may</b> use procurement panels and procurement lists (prequalification schemes) for <i>covered procurements</i> , provided they were established in accordance with the <a href="#">EPP Direction</a> . You may also continue to use panels established prior to the EPP Direction coming into effect on 29 November 2019.	<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>



## Creating a new procurement arrangement

Relating to	Status	Category	Value	Obligation	Reference
Engaging with the market			≥\$680,000 ≥\$9.584 million	<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a> has changed your market engagement options.	<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>
			Any	If you need to engage with the market to select a new supplier, the market engagement method <b>must</b> : <ul style="list-style-type: none"> <li>• achieve value for money</li> <li>• be fair and transparent</li> <li>• ensure maximum competition in the market.</li> </ul>	





## Creating a new procurement arrangement












Relating to	Status	Category	Value	Obligation	Reference	
Engaging the market			Any	You <b>should</b> refer to the <a href="#">Procurement Methods Guidelines</a> for guidance on commonly used contract models.	<a href="#">Procurement Methods Guidelines</a>	
				Any	You <b>must</b> comply with the <i>Public Works and Procurement Act 1912</i> , including requirements to take reasonable steps to ensure that goods and services procured by and for the agency are not the product of modern slavery. This may lead to specific obligations imposed on supplier conduct in regards to modern slavery risks for a particular procurement.  You <b>must</b> comply with the <i>NSW Modern Slavery Act 2018</i> , including annual reporting requirements for agencies, commencing 1 July 2023 subject to Governor approval, and agency co-operation with the Anti-Slavery Commissioner.	<a href="#">Public Works and Procurement Act 1912</a> <a href="#">NSW Modern Slavery Act 2018</a>
				Any	You <b>should</b> use market engagement opportunities, such as supplier forums and market soundings to raise awareness of modern slavery risks and legislative obligations. They can also help an agency: <ul style="list-style-type: none"> <li>• assess the level of market maturity in responding to modern slavery risks</li> <li>• ensure that agency and suppliers' understanding of modern slavery risks are aligned</li> <li>• remain up to date on any modern slavery risks not previously known.</li> </ul>	<a href="#">Modern Slavery and Procurement Guidance</a>
Construction			Any	You <b>should</b> refer to the CILF practice notes as guidance when procuring and delivering major infrastructure projects. The CILF notes provide strategies to address key challenges affecting the construction sector.	<a href="#">Construction Industry Leadership Forum (CILF) Practice Notes</a>	

Relating to	Status	Category	Value	Obligation	Reference
Construction			HPHR Tier 1	<p>Agencies and State Owned Corporations (SOCs) <b>must</b> apply the default practices in the <a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a> in a manner commensurate with project needs. These practices include:</p> <ul style="list-style-type: none"> <li>• Use early contractor engagement to identify, mitigate and nominate risks that cannot be readily quantified or priced in lump sums. Engagement should be taken early enough to influence preferred solutions and reference designs as well as proposed delivery approach, but should be undertaken efficiently over a defined period commensurate with the requirements of the project to avoid unwarranted costs or delay</li> <li>• Designate packages that can be undertaken prior to the commencement of main works that address common risks, such as removal of existing assets, relocation of utilities and investigation of in-ground conditions. In the case of public private partnerships, these works are often undertaken as “State works” outside the PPP scope</li> <li>• Utilise existing pre-qualified panels to appoint early works contractors or early works. Where early works cannot be reliably quantified and priced prior to commencement, this may be done on an open-book reimbursable basis, with selection based mainly on program, margins and preliminaries</li> <li>• Size contract packages across the NSW portfolio to facilitate competitive bids from a wide range of participants. To utilise the full capacity of the construction market, offer tender packages capable of being more readily priced and managed by either tier 2 contractors or joint ventures between tier 1 and tier 2 contractors. The dollar value of the package may vary depending on the nature of works and form of procurement and risk allocation in the contract</li> </ul>	<a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a>

**Key**
 Mandatory
  Recommended
  Goods and services
  Construction
  ICT
  Human services
  Additional information

Creating a new procurement arrangement

Relating to	Status	Category	Value	Obligation	Reference
Construction			HPHR Tier 1	<ul style="list-style-type: none"> <li>Utilise open book and/or target cost mechanisms for elements of projects where a firm price for that element cannot realistically be determined or efficiently priced in a tender process. Where this method is applied, the approach should include mechanisms to firm up those elements as the project progresses and provide value for money</li> <li>Ensure that risk allocation between client and head contractor is passed down to subcontractors wherever practicable</li> <li>Where integration is a key risk, and to the extent possible, maintain consistency and simplicity of contracts across the relevant projects</li> <li>Include proposed contract terms and risk allocation in early engagement (e.g. term sheet level at ROI phase and/or draft deeds where available). Engagement should identify and propose allocation of risks that cannot be quantified and priced in lump sums</li> <li>Recognise international experience of international contractors and key personnel, subject to contractors (1) genuinely bringing people, systems and skills into the market to support projects (2) providing bonding or guarantees that can be relied upon and easily drawn if needed and (3) partnering with domestic tier 1 and tier 2 contractors</li> <li>Reward innovation and productivity enhancing measures that save taxpayers money or deliver better outcomes with incentives, including on more traditional forms of contract. Incentives should reward areas where performance exceeds minimum requirements of the contract specification</li> <li>Use realistic tender timetables, taking account of required due diligence, land acquisition, planning approvals, budget processes and the effect of other projects in the pipeline. They should be communicated clearly to tenderers and upheld. Where changes to timetable are necessary, contractors should be updated</li> </ul>	<a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a>

Relating to	Status	Category	Value	Obligation	Reference	
Construction			HPHR Tier 1	<ul style="list-style-type: none"> <li>Undertake a holistic review of tender requirements and hence costs, including a review of plans and documents required of tenderers, to ensure that each has a genuine purpose in the selection of contractors and delivery of projects, and that they are really required at tender stage</li> <li>As far as practicable, use prequalification to reduce the number of times a contractor is required to submit its systems and plans. Where documents and plans are genuinely significant in evaluation, require submission at one stage only (EOI, RFT, negotiations with preferred, post contract award). In some cases, detailed plans need not be provided until a contractor is nominated as preferred or a contract is awarded. Insofar as plans are required at early stages, limit the detail required of bidders (which may include indexes or outlines only) and increase the State's role in producing draft documentation and draft plans to reduce the requirements sought from tenderers</li> <li>Increase the State's role in stakeholder management and project communications with a view to reducing costs of bidding and ensuring that responsibilities are allocated to parties most able to manage outcomes. The respective roles should reflect the party best able to manage the risk.</li> </ul> <p>Where it is proposed that a practice is not applied, reasons should be submitted for approval in writing to the Chief Executive or Secretary of the responsible agency.</p>	<a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a>	
Covered procurements				≥\$680,000 ≥\$9.584 million	The EPP Direction does not require you to use a particular procurement method or strategy for covered procurements, however you may only directly invite suppliers to participate in a procurement in specific circumstances.	<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>
				≥\$680,000 ≥\$9.584 million	You <b>must</b> assess if the procurement is covered by the <a href="#">EPP Direction</a> , and comply with the direction if you determine it is a covered procurement.	
Estimating the contract value				≥\$680,000 ≥\$9.584 million	You <b>must</b> estimate the maximum value of a <i>covered procurement</i> including, amongst other factors, the value of the goods or services to be procured; the value of any options, extensions or renewals; and any remuneration and revenue streams payable in the proposed contract.	<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>

Key  Mandatory  Recommended  Goods and services  Construction  ICT  Human services  Additional information



## Creating a new procurement arrangement

Relating to	Status	Category	Value	Obligation	Reference
Open approach to market			≥\$680,000 ≥\$9.584 million	You <b>must</b> issue an <i>open approach to market</i> (OAM) published on <a href="#">NSW eTendering</a> except: <ul style="list-style-type: none"> <li>in specific circumstances when <i>limited tendering</i> may be used</li> <li>when using a <i>procurement panel</i> or <i>procurement list</i> (including a prequalification scheme) established in accordance with the EPP Direction.</li> </ul> An OAM may be, for example, an open request for tender (RFT), an expression of interest process (EOI), a multi-stage process, a request for quotation (RFQ), a request for proposals (RFP) or any innovative strategy that involves a competitive market approach.	
Limited tendering			≥\$680,000 ≥\$9.584 million	<i>Limited tendering</i> is where you directly invite one or more suppliers of your choice to participate in a procurement, e.g. direct negotiation.	<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>
				You <b>must only</b> use <i>limited tendering</i> in the circumstances listed in cl. 15 of the <a href="#">EPP Direction</a> , such as reasons of extreme urgency or an absence of competition due to technical reasons.	
				You <b>must</b> keep a written report for each contract awarded by <i>limited tendering</i> that justifies the use of the limited tender.	
Transitional arrangements			≥\$680,000 ≥\$9.584 million	The <a href="#">EPP Direction</a> <b>does not apply</b> to any contract or procurement panel entered into before 29 November 2019. It also does not restrict the use of extension options on existing contracts. You can continue to use the contract or the panel for the period it is in force, including extension options if exercised.  You <b>do not</b> have to comply with the <a href="#">EPP Direction</a> if your procurement commenced before the 29 November 2019, provided the contract is awarded within three years.	<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>



Creating a new procurement arrangement

Relating to	Status	Category	Value	Obligation	Reference
Innovation and non-traditional approaches to procurement		 	Any	You <b>should</b> consider innovative and non-traditional approaches to procurement, subject to meeting legislative and policy requirements including the <a href="#">EPP Direction</a> , such as: <ul style="list-style-type: none"> <li>• commissioning and contestability</li> <li>• Public Private Partnerships.</li> </ul>	<a href="#">Commissioning and Contestability Policy</a> <a href="#">TPP17-07 NSW Public Private Partnerships Guidelines</a> <a href="#">National Public Private Partnerships Policy and Guidelines</a>
Unsolicited proposals		 	Any	The government <b>may</b> consider <i>unsolicited proposals</i> from industry to explore unique and innovative ideas. An <i>unsolicited proposal</i> is a proposal to deal directly with the government over a commercial proposition, where the government has not requested the proposal (full definition in <a href="#">Glossary</a> ).	<a href="#">Unsolicited Proposal Process</a> <a href="#">Direct Dealing Guidelines</a>
		 	Any	<i>Unsolicited proposals</i> <b>must</b> be forwarded to the Department of Premier and Cabinet for assessment. <i>Unsolicited proposals</i> <b>must not</b> be used as a substitute for routine competitive procurement or to bypass tender processes.	



## Creating a new procurement arrangement

Relating to	Status	Category	Value	Obligation	Reference
Complex market engagement methods			Any	You <b>may</b> use a complex market engagement method, such as direct negotiations (i.e. <i>limited tendering</i> with one supplier) or managed services contracts.	<a href="#">Non-traditional and Complex Market Approaches</a> <a href="#">Direct Dealing Guidelines</a>
			Any	You <b>must</b> , when considering a <i>complex market engagement</i> : <ul style="list-style-type: none"> <li>ensure the procurement process complies with the <a href="#">EPP Direction</a>, if it is a <i>covered procurement</i></li> <li>ensure the procurement strategy justifies the procurement method, including a comprehensive analysis of the market that demonstrates it is the most suitable approach</li> <li>demonstrate, for a direct negotiation, that a competitive process does not need to, or cannot, be conducted but value for money can still be achieved</li> <li>conduct a risk assessment, including addressing the procurement process risks arising from the procurement method.</li> </ul>	
Complex market engagement methods			Any	The officer approving the complex market engagement method <b>must</b> be satisfied that the agency will satisfy its legislative and policy obligations in relation to the procurement.	<a href="#">Non-traditional and Complex Market Approaches</a> <a href="#">Direct Dealing Guidelines</a>
			Any	In order to direct deal, justification for direct dealing <b>should</b> be obtained from an appropriate agency senior executive, the relevant portfolio Minister or Cabinet.	
Interactive tendering			Any	You <b>may</b> use interactive tendering to provide prospective suppliers with information and feedback as part of the procurement. Confidentiality and probity must be maintained, including using a probity adviser to observe and guide the process, whenever interactives are used.	<a href="#">Interactive Tendering Guidelines</a>
Skills, training and diversity in construction			> \$10 million	You <b>must</b> plan for and include skills, training and diversity targets for the engagement of apprentices, learning workers, young people under 25 years, women and Aboriginal and Torres Strait Islander people on major construction projects.	<a href="#">PBD 2020-03 Skills, Training and Diversity in Construction</a>



Relating to	Status	Category	Value	Obligation	Reference
Resource efficiency and the circular economy			Any	You <b>should</b> consider the product lifecycle when conducting needs analysis and developing product specifications, including <i>circular economy</i> principles, so that reuse, repurposing, recycling and/or disposal of goods or assets is planned into the procurement process.	<a href="#">NSW Circular Economy Policy Statement</a> <a href="#">Government Resource Efficiency Policy</a>
Bid cost contributions			> \$100 million	Agencies <b>may</b> consider contributing up to 50% of expected bid costs to eligible unsuccessful bidders for construction projects with an estimated total capital cost over \$100 million.  You should identify the need and rationale for a bid cost contribution in the project's Final Business Case, and the proposed contribution should be included in the total project funding envelope presented to ERC or Cabinet for approval prior to commencing the procurement process.  You should seek Treasury's agreement that conditions of the Bid Cost Contributions policy are met before releasing an Expression of Interest, if you wish to pay bid cost contributions.	<a href="#">NSW Bid Cost Contributions Policy</a>



## References

Type	Reference	Status	Category		Value	Plan	Source	Manage
Legislation	<a href="#"><u>Modern Slavery Act 2018 (NSW)</u></a>				Any			
Legislation	<a href="#"><u>Public Works and Procurement Act 1912</u></a>				Any			
Legislation	<a href="#"><u>Public Works and Procurement Regulation 2019</u></a>				Any			
Policy	<a href="#"><u>Aboriginal Procurement Policy</u></a>				< \$250,000 ≥ \$7.5 million			
Policy	<a href="#"><u>Accreditation Program for Goods and Services Procurement</u></a>				Any			
Policy	<a href="#"><u>Accreditation Program for Construction Procurement</u></a>				Any			
Policy	<a href="#"><u>Assurance Process for Construction (Unaccredited Agencies)</u></a>				> \$1.3 million			
Policy	<a href="#"><u>NSW Bid Cost Contributions Policy</u></a>				> \$100 million			
Policy	<a href="#"><u>C2017-05 Unsolicited Proposals</u></a>				Any			
Policy	<a href="#"><u>Government Resource Efficiency Policy</u></a>				Any			
Policy	<a href="#"><u>ICT Assurance Framework</u></a>				> \$10 million			
Policy	<a href="#"><u>ICT/Digital SME Procurement Commitments</u></a>				≤ \$150,000 \$150,001 to \$250,000 > \$3 million			

Type	Reference	Status	Category		Value	Plan	Source	Manage
Policy	<a href="#">Infrastructure Investor Assurance Framework</a>				> \$10 million			
Policy	<a href="#">National Public Private Partnerships Policy and Guidelines</a>				Any			
Policy	<a href="#">NSW Circular Economy Policy Statement</a>				Any			
Policy	<a href="#">NSW Gateway Policy</a>				> \$10 million			
Policy	<a href="#">NSW Public Private Partnerships Guidelines (TPP17-07)</a>				Any			
Policy	<a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a>				HPR Tier 1			
Policy	<a href="#">PBD-2013-01C Financial Assessments</a>				> \$1 million			
Policy	<a href="#">PBD-2014-04C Construction Procurement Prequalification Schemes for Work Valued to \$1 million</a>				< \$1 million			
Policy	<a href="#">PBD 2014-07 Recognising Suppliers to Australian Government</a>				Any			
Policy	<a href="#">PBD 2019-03 Access to Construction Contracting Opportunities by SMEs</a>				< \$1 million			
Policy	<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>				≥\$680,000 ≥\$9.584 million			
Policy	<a href="#">PBD 2020-03 Skills, Training and Diversity in Construction</a>				> \$10 million			
Policy	<a href="#">PBD-2020-05 Approved Procurement Arrangements for the ICT Services Scheme</a>				Any			

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## References

Type	Reference	Status	Category	Value	Plan	Source	Manage	
Policy	<a href="#">PBD-2021-01 Support for Flood Affected Communities</a>				Any			
Policy	<a href="#">PBD 2021-04 Approved Procurement Arrangements</a>				Any			
Policy	<a href="#">SME and Regional Procurement Policy</a>				< \$150,000 < \$3 million ≥ \$3 million			
Policy	<a href="#">Small Business Shorter Payment Terms Policy</a>				≥ \$7.5 million			
Policy	<a href="#">TPP02-01 Policy Statement on the Application of Competitive Neutrality</a>				Any			
Policy	<a href="#">TPP16-05 Commissioning and Contestability Policy</a>				Any			
Policy	<a href="#">TPP18-06 NSW Government Business Case Guidelines</a>				Significant			
Policy	<a href="#">TPP19-03 Recurrent Expenditure Assurance Framework</a>				≥\$50 million pa ≥\$100 million over 4 years			
Policy	<a href="#">TPP21-14 NSW Government Financial Risk Management Policy</a>				A\$500,000 A\$20 million			
Guidance	<a href="#">Commissioning and Contestability Practice Guide</a>				Any			
Guidance	<a href="#">Construction Industry Leadership Forum (CILF) Practice Notes</a>				Any			
Guidance	<a href="#">Direct Dealing Guidelines</a>				Any			

Type	Reference	Status	Category		Value	Plan	Source	Manage
Guideline	<a href="#">Interactive Tendering Guidelines</a>				Any			
Guidance	<a href="#">Market Approaches Guide</a>				Any			
Guidance	<a href="#">Modern Slavery and Procurement Guidance</a>				Any			
Guidance	<a href="#">Motor Vehicle Operational Guidelines</a>				Any			
Guidance	<a href="#">Non-traditional and Complex Market Approaches</a>				Any			
Guidance	<a href="#">Procurement Methods Guidelines</a>				Any			
Guidance	<a href="#">Promoting Competition</a>				Any			

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## Source



Identify and engage suppliers that will deliver best value for money in a framework of probity and fair dealing.

Probity and fairness

Relating to	Status	Category	Value	Obligation	Reference	
Probity				Any	Agencies <b>must</b> ensure procurement procedures are in place that safeguard fair, transparent and ethical practices.	Refer to agency's policies and procedures
				Any	You <b>must</b> be aware of the general and procurement-specific obligations under relevant legislation and the agency's code of conduct, gifts and benefits policy and business ethics statement.	
				Any	You <b>must</b> follow the agency's procedures to manage conflicts of interest, both real and perceived.	
Direct dealing probity				Any	When engaging in direct dealing, you <b>should</b> have appropriate processes in place to ensure fundamental principles of probity and the ICAC's guidelines, <a href="#">Direct Negotiations: Guidelines for Managing Risks (PDF)</a> , are complied with.	<a href="#">Direct Dealing Guidelines</a> <a href="#">ICAC Direct Negotiations Guidelines</a>
Probity advisers and auditors				Any	You <b>may</b> engage a <i>probity adviser</i> or <i>auditor</i> , although this should be the exception rather than the rule for standard procurement activities.	<a href="#">Engaging Probity Advisers and Auditors</a>
				Any	Agencies <b>should</b> clearly set out the general principles of probity which staff and probity advisers/auditors are expected to apply throughout a procurement or sale process.	
				Any	You, your managers and other agency staff, <b>retain accountability</b> for procurement decisions and following probity-rich management practices even if a probity adviser/auditor is engaged.	

Relating to	Status	Category	Value	Obligation	Reference
Probity advisers and auditors		 	Any	You <b>must</b> , when engaging probity advisers or auditors: <ul style="list-style-type: none"> <li>• be satisfied the engagement will not create a real or perceived conflict of interest arising from this or other work being performed by the probity adviser/auditor</li> <li>• not engage <u>auditors</u> that are already engaged in other work within the agency except where the audits are linked or there are other mitigating circumstances</li> <li>• ensure probity advisers/auditors remain independent and objective by not engaging the same probity advisers/auditors on an ongoing or serial basis over several related or unrelated issues.</li> </ul>	<a href="#">Engaging Probity Advisers and Auditor</a>
		 	Any	Agencies <b>may</b> be asked to report to the Procurement Board on the use of probity advisers and auditors within the agency.	
		 	Any	Continuing to engage the same adviser or auditor can, at a minimum, give rise to a perception that the relationship is not robustly independent.	

### Tender documentation







Relating to	Status	Category	Value	Obligation	Reference
Tender length and complexity			Any	You <b>must</b> whenever feasible, limit the length of tender responses when seeking more than one quote, and minimize tender and contract requirements whenever possible (such as insurance levels or technical requirements).	<a href="#">SME and Regional Procurement Policy</a>

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## Tender documentation

Relating to	Status	Category	Value	Obligation	Reference
Tender length and complexity			HPHR Tier 1	<p>Agencies and State Owned Corporations (SOCs) <b>must</b> apply the default practices in the <a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a> in a manner commensurate with project needs. These practices include:</p> <ul style="list-style-type: none"> <li>• Use realistic tender timetables, taking account of required due diligence, land acquisition, planning approvals, budget processes and the effect of other projects in the pipeline. They should be communicated clearly to tenderers and upheld. Where changes to timetable are necessary, contractors should be updated</li> <li>• Where integration is a key risk, and to the extent possible, maintain consistency and simplicity of contracts across the relevant projects</li> <li>• For timely completion of tenders and contract awards, move as soon as practicable but in stages to a smaller bidding field and preferred contractor. This facilitates direct engagement where open book processes are required, and also provides an environment for innovation</li> <li>• Undertake a holistic review of tender requirements and hence costs, including a review of plans and documents required of tenderers, to ensure that each has a genuine purpose in the selection of contractors and delivery of projects, and that they are really required at tender stage.</li> </ul> <p>Where it is proposed that a practice is not applied, reasons should be submitted for approval in writing to the Chief Executive or Secretary of the responsible agency.</p>	<a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a>



















Relating to	Status	Category	Value	Obligation	Reference
Direct dealing Procurement documentation		 	Any	<p>Regardless of the stages involved in a direct deal process, you <b>should</b> issue documentation that sets out the protocols and processes for how government and the counterparty interact. This is required to ensure any discussions and/or negotiations are undertaken in a fair and transparent manner.</p> <p>These may take the form of a cooperation or participation agreement or, in the context of formal negotiations, they may sometimes be executed as a deed and described as a deed of direct negotiation.</p> <p>This documentation may include, for example:</p> <ul style="list-style-type: none"> <li>• provisions regarding how the Government and counterparty communicate</li> <li>• how discussion/negotiation meetings are held</li> <li>• requirements around the provision of information and confidentiality</li> <li>• prohibitions on lobbying during the direct deal process.</li> </ul> <p>The process documentation should be signed by government and the counterparty prior to the commencement of formal discussions or direct negotiations, to ensure appropriate processes are in place to govern those stages of the direct deal process.</p>	<a href="#">Direct Dealing Guidelines</a>
Modern slavery Procurement documentation		 	Any	<p>You <b>must</b> comply with the <i>Public Works and Procurement Act 1912</i>, including requirements to take reasonable steps to ensure that goods and services procured by and for the agency are not the product of modern slavery. This may lead to specific obligations imposed on suppliers for a particular procurement. This may include additional procurement documentation regarding modern slavery risk and the supplier response to these risks.</p> <p>You <b>must</b> comply with the <i>NSW Modern Slavery Act 2018</i>, including annual reporting requirements for agencies, commencing 1 July 2023 subject to Governor approval, and agency co-operation with the Anti-Slavery Commissioner.</p>	<a href="#">Public Works and Procurement Act 1912</a> <a href="#">NSW Modern Slavery Act 2018</a>

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## Tender documentation

Relating to	Status	Category	Value	Obligation	Reference
Procurement documentation			Any	Depending on the level modern slavery risks associated with the procurement, you <b>should</b> ask suppliers to complete a model tender schedule (or similar). This model questionnaire is designed to help an agency understand a supplier's modern slavery risk management processes. The model questionnaire may be tailored to the procurement. Your agency may request a supplier submit a Modern Slavery Statement or similar information regarding their response to modern slavery risks in supply chains and operations.  Action taken by suppliers to address modern slavery risks can vary across industries, and therefore supplier action should be tailored and effective for the relevant industry.	<a href="#">Modern Slavery and Procurement Guidance</a>
Covered procurements Procurement documentation			≥\$680,000 ≥\$9.584 million	The EPP Direction differentiates between an <i>open approach to market</i> (OAM) and <i>procurement documentation</i> .  An OAM is an invitation (such as a notice or post) to participate in a procurement that is publicly available on <a href="#">NSW eTendering</a> (refer <a href="#">Notifying and Briefing the Market</a> below for further details).  <i>Procurement documentation</i> sets out the terms and conditions of the procurement, along with conditions for participation, specifications for the goods and services to be provided, and evaluation criteria.	<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>
			≥\$680,000 ≥\$9.584 million	Procurement documentation <b>must</b> include: <ul style="list-style-type: none"> <li>• the nature, scope and the quantity of the required goods or services</li> <li>• any technical specifications or requirements</li> <li>• any conditions for participation in the procurement (see below)</li> <li>• the evaluation criteria and, if applicable, their relative importance</li> <li>• any dates for the delivery of goods or services</li> <li>• any other terms or conditions relevant to the evaluation of submissions.</li> </ul>	<a href="#">Cl. 18 PBD-2019-05 Enforceable Procurement Provisions</a>
Conditions for participation			≥\$680,000 ≥\$9.584 million	Conditions for participation are used to identify suppliers that have the capacity and ability to fulfil the procurement. They are different from the evaluation criteria.	<a href="#">Cl. 16 PBD-2019-05 Enforceable Procurement Provisions</a>













Relating to	Status	Category	Value	Obligation	Reference
		 	≥\$680,000 ≥\$9.584 million	You <b>must</b> only set conditions for participation that ensure the supplier has the legal capacity, financial capacity and commercial and technical ability to fulfil the procurement, on the basis of the supplier's business activities wherever they have occurred.	
		 	≥\$680,000 ≥\$9.584 million	You <b>must not</b> : <ul style="list-style-type: none"> <li>discriminate against any supplier due to its degree of foreign affiliation, ownership, location or the origin of its goods and services</li> <li>require suppliers to have prior experience in Australia</li> <li>require suppliers to have prior contracts with a government agency in Australia.</li> </ul>	
Modern slavery Conditions for participation		 	Any	You <b>must</b> comply with the <i>Public Works and Procurement Act 1912</i> , including requirements to take reasonable steps to ensure that goods and services procured by and for the agency are not the product of modern slavery. This may involve specific conditions for participation for a procurement.  You <b>must</b> comply with the <i>NSW Modern Slavery Act 2018</i> , including annual reporting requirements for agencies, commencing 1 July 2023 subject to Governor approval, and agency co-operation with the Anti-Slavery Commissioner.	<a href="#">Public Works and Procurement Act 1912</a> <a href="#">NSW Modern Slavery Act 2018</a>
		 	Any	You <b>may</b> include in the request for tender, conditions of participation relating to modern slavery risk mitigation, remediation and due diligence.	<a href="#">Modern Slavery and Procurement Guidance</a>
Covered procurements Conditions for participation		 	≥\$680,000 ≥\$9.584 million	You <b>must</b> include any conditions for participation in the procurement documentation and provide a summary in the OAM for a procurement.	<a href="#">Cl. 16 PBD-2019-05 Enforceable Procurement Provisions</a>
		 	≥\$680,000 ≥\$9.584 million	You <b>must</b> : <ul style="list-style-type: none"> <li>invite all suppliers that demonstrate they meet the conditions for participation to participate in the procurement, or include them on the relevant procurement list, and</li> <li>base your assessment solely on the conditions for participation that you have specified in the procurement documentation.</li> </ul>	

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## Tender documentation

Relating to	Status	Category	Value	Obligation	Reference
Specifications			≥\$680,000 ≥\$9.584 million	You <b>must</b> set out specifications: <ul style="list-style-type: none"> <li>as performance and functional requirements</li> <li>using international standards, except where they would not meet your requirements</li> <li>in generic terms.</li> </ul>	<a href="#">Cl. 17 PBD-2019-05 Enforceable Procurement Provisions</a>
Evaluation criteria			≥\$680,000 ≥\$9.584 million	Evaluation criteria are used to identify the submission that achieves the required specifications and provides the best value for money. The following factors <b>should</b> be considered, if relevant, when assessing value for money: <ul style="list-style-type: none"> <li>the financial and non-financial costs and benefits of the procurement</li> <li>the quality and quantity of the goods or services</li> <li>whether the goods or services are fit for purpose</li> <li>the supplier's relevant experience and performance history</li> <li>the environmental sustainability of the goods or services</li> <li>the whole of life costs of the goods or services.</li> </ul>	<a href="#">Cl. 3(2) PBD-2019-05 Enforceable Procurement Provisions</a>
			≥\$680,000 ≥\$9.584 million	You <b>must</b> disclose evaluation criteria in the procurement documentation, and, if applicable, indicate their relative importance.	<a href="#">Cl. 18 PBD-2019-05 Enforceable Procurement Provisions</a>
			≥\$680,000 ≥\$9.584 million	You <b>must</b> ensure any decision to award the contract is in accordance with the evaluation criteria disclosed in the procurement documentation.	<a href="#">Cl. 22 PBD-2019-05 Enforceable Procurement Provisions</a>
			Any	You <b>must</b> comply with the <i>Public Works and Procurement Act 1912</i> , including requirements to take reasonable steps to ensure that goods and services procured by and for the agency are not the product of modern slavery. This may lead to specific evaluation criteria for a particular procurement.  You <b>must</b> comply with the <i>NSW Modern Slavery Act 2018</i> , including annual reporting requirements for agencies, commencing 1 July 2023 subject to Governor approval, and agency co-operation with the Anti-Slavery Commissioner.	<a href="#">Public Works and Procurement Act 1912</a> <a href="#">NSW Modern Slavery Act 2018</a>










Relating to	Status	Category	Value	Obligation	Reference
Evaluation criteria		 	Any	You <b>should</b> request suppliers complete the model tender schedule and or an action plan to address modern slavery risks. This may depend on the level of modern slavery risks associated with the procurement. The model tender schedule has questions designed to help an agency understand a supplier's risk management processes:	<a href="#">Modern Slavery and Procurement Guidance</a>
<b>Covered procurements</b> Exempt measures and preferences		 	≥\$680,000 ≥\$9.584 million	The <i>exempt measures and preferences</i> listed in Schedule 3 of the <a href="#">EPP Direction</a> allow you to comply with the SME and Regional Procurement Policy, the Aboriginal Procurement Policy, and other initiatives such as those designed to support businesses that employ people with a disability.	<a href="#">Sch. 3 PBD-2019-05 Enforceable Procurement Provisions</a>
<b>Supplier conduct</b>		 	Any	You <b>must</b> , in all tenders or sourcing documents, ensure prospective tenderers or suppliers are made aware of the requirement to: <ul style="list-style-type: none"> <li>comply where relevant with the NSW Procurement Policy Framework, the <a href="#">Supplier Code of Conduct</a> and the <a href="#">NSW Industrial Relations Guidelines: Building and Construction Procurement</a>.</li> <li>provide information concerning any findings of dishonest, unfair, unconscionable, corrupt or illegal conduct against the tenderer, its directors or management.</li> </ul>	<a href="#">PBD 2017-07 Supplier Conduct</a>
		 	Any	The <a href="#">Supplier Code of Conduct</a> documents the minimum expectations and behaviours for doing business with NSW Government. Your agency can build on the code to hold suppliers to more stringent requirements where appropriate.	<a href="#">Supplier Code of Conduct</a>

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Relating to	Status	Category	Value	Obligation	Reference
Supplier conduct			Any	Findings of dishonest, unfair, unconscionable, corrupt or illegal conduct have consequences for individual suppliers, up to exclusion from contracting opportunities with the government.	
			≥ \$7.5 million	If the estimated contract value is \$7.5 million or above, you <b>should</b> use the model tender and contract clauses for small business payment terms.	<a href="#">Small Business Shorter Payment Terms Policy</a>
			Any	You <b>must</b> comply with the <i>Public Works and Procurement Act 1912</i> , including requirements to take reasonable steps to ensure that goods and services procured by and for the agency are not the product of modern slavery. This may lead to specific obligations imposed on supplier conduct in regards to modern slavery risks for a particular procurement. This may include additional procurement documentation regarding modern slavery risk and the supplier's response to these risks.  You <b>must</b> comply with the <i>NSW Modern Slavery Act 2018</i> , including annual reporting requirements for agencies, commencing 1 July 2023 subject to Governor approval, and agency co-operation with the Anti-Slavery Commissioner. This may include supplier conduct with regard to modern slavery risks.	<a href="#">Public Works and Procurement Act 1912</a> <a href="#">NSW Modern Slavery Act 2018</a>
			Any	You <b>should</b> ensure that suppliers are aware of agency expectations concerning supplier conduct in respect to modern slavery risks and human rights. You should embed relevant discussions into procurement processes, including contract management.  Your agency can choose to hold suppliers to additional conduct requirements such as to notify the agency of an actual or suspected occurrence of modern slavery in its operations or supply chains and take reasonable steps to respond to and address the issue where appropriate. Your agency can incorporate the modern slavery model contract clause into contract extensions or variations, upon agreement with the supplier. Agencies may monitor progress against modern slavery and human rights related key performance indicators (KPIs).	<a href="#">Modern Slavery and Procurement Guidance</a>

Relating to	Status	Category	Value	Obligation	Reference
Supplier due diligence		 	Any	You <b>should</b> conduct supplier due diligence checks, in line with the value, nature and risk profile of the procurement and resulting contract.	<a href="#">Supplier Due Diligence: A Guide for NSW Public Sector Agencies</a>
		 	Any	<p>You <b>must</b> comply with the <i>Public Works and Procurement Act 1912</i>, including requirements to take reasonable steps to ensure that goods and services procured by and for the agency are not the product of modern slavery. This may lead to specific obligations imposed on suppliers for a particular procurement and include the implementation of effective due diligence procedures.</p> <p>You <b>must</b> comply with the <i>NSW Modern Slavery Act 2018</i>, including annual reporting requirements for agencies, commencing 1 July 2023 subject to Governor approval, and agency co-operation with the Anti-Slavery Commissioner. This may include reporting on due diligence procedures undertaken with regard to modern slavery risks.</p>	<a href="#">Public Works and Procurement Act 1912</a> <a href="#">NSW Modern Slavery Act 2018</a>
		 	Any	<p>You <b>should</b> implement effective due diligence procedures to ensure that goods and services procured by government agencies are not the product of modern slavery. Agencies can also seek input from suppliers through one or a combination of the following:</p> <ul style="list-style-type: none"> <li>• The modern slavery risk assessment</li> <li>• Responses to the model tender schedule or similar self-assessment questionnaires. An agency may also request supporting documentation.</li> <li>• Audits or site inspections. Agencies can discuss with NSW Procurement any coordinated processes for audits and site inspections.</li> </ul>	<a href="#">Modern Slavery and Procurement Guidance</a>

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Relating to	Status	Category	Value	Obligation	Reference
<b>Supplier conduct</b> Excluding suppliers from covered procurements				You <b>may</b> exclude a supplier from a covered procurement if you have a reasonable belief that the supplier: <ul style="list-style-type: none"> <li>• is bankrupt or insolvent</li> <li>• has made one or more false declarations</li> <li>• has provided significant or persistently deficient performance under a prior contract</li> <li>• has been found to have engaged in corrupt conduct within the last 10 years</li> <li>• has failed to pay taxes</li> <li>• has been convicted of an offence punishable by imprisonment of more than 2 years, or a fine of over \$200,000</li> <li>• has been found guilty of professional misconduct or unprofessional conduct in a jurisdiction in Australia.</li> </ul>	<a href="#">Cl. 12 PBD-2019-05 Enforceable Procurement Provisions</a>
<b>Additional requirements for construction contracts</b>					
<b>Supplier conduct</b>			Any	You <b>must</b> include the mandatory evaluation criteria on adverse actual or reputational risks arising from supplier conduct in all EOIs and RFTs for construction projects. The criteria wording is provided in PBD 2017-07.	<a href="#">PBD 2017-07 Supplier Conduct</a>
<b>Industrial relations</b>			Any	You <b>must</b> clearly set out the requirements of the <a href="#">NSW Industrial Relations Guidelines: Building and Construction Procurement</a> in all EOIs, tenders and contractual documents for construction projects.	<a href="#">NSW Industrial Relations Guidelines: Building and Construction Procurement</a>
			≥\$10 million ≥ \$5 million	You <b>must</b> require tenderers to provide a <i>Workplace Relations Management Plan</i> for construction projects where the NSW government or a public sector body contribution is: <ul style="list-style-type: none"> <li>• ≥\$10 million, or</li> <li>• ≥ \$5 million and at least 50% of the total construction project value.</li> </ul>	











Relating to	Status	Category	Value	Obligation	Reference
Standards			Any	<p>You <b>must</b>:</p> <ul style="list-style-type: none"> <li>ensure construction materials and processes are fit for purpose, including compliance with relevant standards</li> <li>identify and document the intended purpose or purposes when procuring construction goods or services, including the anticipated uses and period of use</li> <li>assess risks arising from non-conforming or non-compliant building products and construction materials.</li> </ul> <p>You <b>must</b> ensure these risks are managed as far as practicable, considering legal obligations, compliance with the National Construction Code and other relevant standards and technical specifications.</p>	<a href="#">PBD-2016-03 Construction Standards and Conformance</a>
Standards			Any	You <b>must</b> contractually require contractors to comply with relevant standards for building products, construction materials and construction or manufacturing processes, including that they comply with the standards specified in <a href="#">PBD 2016-03</a> .	<a href="#">PBD-2016-03 Construction Standards and Conformance</a>
			Any	You <b>must</b> ensure contractors comply with relevant standards, including where relevant third-party independent certification.	
			≥\$10 million	You <b>are encouraged</b> to disclose publicly the source of major components and materials on infrastructure projects valued ≥\$10 million.	



## Tender documentation

Relating to	Status	Category	Value	Obligation	Reference
Financial assessments			Any	You <b>must</b> ensure that tender and relevant contract documentation includes appropriate references to the sharing and use of financial assessment reports.	<a href="#">PBD 2013-01C Financial Assessments</a>
			> \$1 million	You <b>must</b> obtain a financial assessment on the preferred contractor prior to awarding a construction contract for work valued > \$1 million. The assessment must have been conducted within the last: <ul style="list-style-type: none"> <li>• six months for contracts valued \$1 million–\$10 million</li> <li>• three months old for contracts valued &gt; \$10 million.</li> </ul>	
Covered procurements				You <b>must</b> evaluate the financial capacity of the supplier on the basis of the supplier's business activities, wherever they have occurred. Ensure the financial capacity criteria specified in the <i>procurement documentation</i> is consistent with the information that you obtain through the financial assessment reports.	<a href="#">Cl. 16(5) PBD-2019-05 Enforceable Procurement Provisions</a>
			Any	You <b>must</b> use the <a href="#">Financial Assessments Prequalification Scheme</a> to procure financial assessment reports, unless your agency has capability to prepare financial assessment reports itself.	<a href="#">Financial Assessments Prequalification Scheme</a> <a href="#">PBD 2021-04 Approved Procurement Arrangements</a>
			Any	You <b>must</b> address risks and any recommended actions identified in a financial assessment by applying appropriate strategies through the life of the contract.	
			Any	Suppliers that are members of the Financial Assessments Prequalification Scheme are required to provide a copy of each report prepared for an agency to NSW Procurement. These reports are held in a <a href="#">central repository</a> and agencies can <a href="#">request access to reports</a> for specific contractors. The report date is provided to allow agencies to comply with the timeframes above.	<a href="#">Financial Assessments Repository</a>

Relating to	Status	Category	Value	Obligation	Reference
Work, health and safety				<p>You <b>must</b> include all relevant work, health and safety (WHS) requirements in tender documentation, including:</p> <ul style="list-style-type: none"> <li>the requirement to prepare and implement an acceptable <i>WHS Management Plan</i> (WHSMP)</li> <li>any known safety risks relating to the site where the construction work will be carried out</li> <li>the safe design report and asbestos register, if applicable</li> <li>monitoring and auditing requirements.</li> </ul>	<a href="#">Work Health and Safety Management Guidelines</a> <a href="#">WHS Regulation 2017</a>
			< \$1 million	<p>You <b>must</b> require tenderers to provide evidence of:</p> <ul style="list-style-type: none"> <li>capability to develop and implement a WHSMP</li> <li>previous satisfactory WHS management performance.</li> </ul>	
			≥\$1 million, or lower if you determine there is a significant risk	<p>You <b>must</b> require tenderers to provide evidence of:</p> <ul style="list-style-type: none"> <li>an acceptable <i>WHS Management System</i> (WHSMS) certified by the Joint Accreditation System of Australia and New Zealand (JAS-ANZ) and aligned with AS/NZS ISO 45001 (or AS4801 until March 2021)</li> <li>previous satisfactory WHS management performance.</li> </ul> <p>If a tenderer has been subject to any WHS prosecutions or penalties in the preceding three years, they must also demonstrate that any shortcomings in their WHSMS have been effectively remedied.</p>	
			Any	<p>You <b>may</b> modify the application of the WHS Management Guidelines, subject to complying with the <i>WHS Regulation 2017</i>, provided you conduct a detailed analysis of the specific project and/or contract related WHS risks. The risk assessment must use processes that align with the <a href="#">NSW Treasury Internal Audit and Risk Management Policy</a>.</p>	<a href="#">TPP15-03 Internal Audit and Risk Management Policy for the NSW Public Sector</a>

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## Tender documentation










Relating to	Status	Category	Value	Obligation	Reference
Environmental management			Any	You <b>must</b> include all known environmental management requirements in tender documentation, including: <ul style="list-style-type: none"> <li>the requirement to prepare and implement an appropriate site-specific <i>Environmental Management Plan</i> prior to work commencing</li> <li>monitoring and auditing requirements</li> <li>any project specific requirements.</li> </ul>	<a href="#">Environmental Management Guidelines for Construction</a>
			Any	You <b>must</b> assess potential contractors' environmental management capability during the tender evaluation process, except where: <ul style="list-style-type: none"> <li>the relative abilities of the potential contractors are known (via existing contracted works), or</li> <li>it is assessed that environmental management will not affect the tender evaluation outcome (such as with low risk projects).</li> </ul>	
			≥\$10 million, or environmentally sensitive contracts	You <b>must</b> require tenderers for contracts ≥\$10 million, or environmentally sensitive contracts of lower values, to have an independently certified <i>Environmental Management System</i> (EMS) that is compliant with AS/NZS ISO 14001:2016-Environmental management systems. The EMS must be independently certified as compliant by the JAS-ANZ (or equivalent).  This includes applicants for prequalification as a tenderer for a range of contracts, and EOs for pre-registration as a tenderer for a particular contract, valued ≥\$10 million or environmentally sensitive projects.  Contractors that have been subject to any environmental prosecutions or penalties in the preceding three years must also demonstrate that any area of non-compliance has been remedied.	
			Any	You <b>may</b> modify the application thresholds in the <a href="#">Environmental Management Guidelines for Construction</a> provided you conduct a detailed analysis of the specific project and/or contract related environmental risks aligned to <a href="#">TPP15-03 Internal Audit and Risk Management Policy</a> .	<a href="#">TPP15-03 Internal Audit and Risk Management Policy</a>



## Tender documentation

Relating to	Status	Category	Value	Obligation	Reference	
Quality management			Any	You <b>must</b> include all known quality management requirements in tender documentation including the following:	<a href="#">Quality Management Guidelines for Construction</a>	
			<b>Value</b>	<b>Type of contract</b>		<ul style="list-style-type: none"> <li>Independently certified quality management system (QMS) that is compliant with AS/NZS ISO 9001:2016 Quality management systems</li> <li>Quality Management Plan (QMP) including Inspection and Test Plans (ITP).</li> </ul>
			≥\$1 million	Construction Project and contract management		
			≥\$250,000	Design and engineering		
			≥\$50,000	Construction-related product supply		
			Other	Below these thresholds, contractors must provide a QMP, ITPs and/or certificates of product conformity as relevant to the type of contract.		
				Any		Where needed, the requirements for consultant QMPs should be adapted to suit the service to be provided.  For project and contract management contractors, you <b>may</b> reduce or remove requirements for a QMS/QMP if the works will be conducted under your agency's QMS and QMP.
				Any		You <b>may</b> choose not to assess quality documentation in the tender process if the relative abilities of the potential contractors are known (e.g. via a prequalification process or existing contracted works), or it will not affect the evaluation outcome (e.g. with low risk projects).
			Any	You <b>may</b> accept alternative quality process controls if there are limited potential contractors with a QMS; a QMS is unnecessary relative to the contract risks; appropriate product test certificates are provided; or, for consultant services, an appropriate QMP is provided.		
			Any	You <b>may</b> modify the application thresholds in the <a href="#">Quality Management Guidelines for Construction</a> provided you conduct a detailed analysis of the specific project and/or contract related quality risks aligned to <a href="#">TPP15-03</a> .	<a href="#">TPP15-03 Internal Audit and Risk Management Policy</a>	
















Relating to	Status	Category	Value	Obligation	Reference	
Additional evaluation criteria		 	Various	For procurements over defined spend thresholds, additional evaluation criteria <b>must</b> be included to address government priorities to support SMEs, employment and business opportunities for Aboriginal people, and apprenticeships.		
Aboriginal participation		 	≥ \$7.5 million	<b>Priority focus</b> <b>Requirement</b>	<a href="#">Aboriginal Procurement Policy</a>	
				Aboriginal employees and businesses		You <b>must</b> : <ul style="list-style-type: none"> <li>include minimum requirements for 1.5% Aboriginal participation in the contract</li> <li>require tenderers to submit an <i>Aboriginal Participation Plan</i> that addresses the participation requirements</li> <li>require tenderers to demonstrate, if applicable, their compliance with Aboriginal participation requirements for previous NSW Government contracts</li> <li>include the final <i>Aboriginal Participation Plan</i> in the successful supplier/s contract requirements.</li> </ul>
		 	≥ \$7.5 million	Aboriginal employees and businesses	You <b>should</b> , whenever feasible: <ul style="list-style-type: none"> <li>provide a length limit for tender responses</li> <li>use plain English and limit the complexity of tender requirements and documents</li> <li>apply an Aboriginal participation non-price evaluation criterion.</li> </ul>	

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## Additional evaluation criteria

Relating to	Status	Category	Value	Obligation		Reference
				Priority focus	Requirement	
 <b>Goods and services</b>			≥ \$3 million	SMEs	You <b>must</b> include a minimum of 10% non-price evaluation criterion allocated to SME participation. You must also include a minimum 10% non-price evaluation criterion that allocated to support for the NSW Government's economic, ethical, environmental and social priorities, consistent with relevant exemptions in the IPAs.	<a href="#">SME and Regional Procurement Policy</a>
			≥ \$3 million	SMEs and local content	You <b>must</b> require suppliers to submit a SME and local participation plan, referencing SME and NSW specific content, consistent with IPA obligations, and report on these commitments quarterly.	
 <b>Construction</b>			< \$10 million	Skills, training and diversity	You, and any contractors you engage, <b>should</b> commit to supporting skills development on construction projects.	<a href="#">PBD 2020-03 Skills, Training and Diversity in Construction</a>
			> \$10 million – \$100 million	Skills, training and diversity	<p>You <b>must</b>:</p> <ul style="list-style-type: none"> <li>embed an apprenticeship target of 20% of the trades workforce on the project</li> <li>include this target in tender documentation and contract requirements, including quarterly reporting</li> <li>provide quarterly reports to Training Services NSW in the Department of Education.</li> </ul> <p>You <b>may</b> also adopt the additional Infrastructure Skills Legacy Program (ISLP) targets that apply to contracts over \$100 million.</p>	

Relating to	Status	Category	Value	Obligation		Reference	
 <b>Construction</b>			> \$100 million	<b>Priority focus</b> Skills, training and diversity	<b>Requirement</b> You <b>must</b> meet all requirements that apply to contracts between \$10 million and \$100 million (see above), plus apply the following minimum ISLP targets for major projects: <ul style="list-style-type: none"> <li>• 20% of the total labour force to be learning workers</li> <li>• double the NSW average for women in trade-related work (2%)</li> <li>• 8% of project workforce aged &lt; 25 years.</li> </ul> You must also report on the employment and training outcomes for people from the local region.	<a href="#">PBD 2020-03 Skills, Training and Diversity in Construction</a>	
				Apprentices and trainees	You <b>must</b> evaluate tenderers for major infrastructure projects on demonstrated ability to work effectively with government and ability to support the government’s skills and apprenticeship targets.		<a href="#">M2014-11 Additional Evaluation Criteria for Projects Valued Over \$100 Million</a>
				HPHR Tier 1	Agencies and State Owned Corporations (SOCs) <b>must</b> apply the default practices in the <a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a> in a manner commensurate with project needs. These practices include: <ul style="list-style-type: none"> <li>• Consider deferring projects where tender results do not yield value for money, rather than continue with processes that cost participants money but are unlikely to yield a satisfactory result.</li> </ul> Where practices are not applied, reasons should be submitted for approval in writing to the Chief Executive or Secretary of the responsible agency.		<a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a>






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Relating to	Status	Category	Value	Obligation	Reference
Contract templates					
 <b>Goods and services, excl. ICT</b>			Any	<p>You <b>may</b> use the Procurement Board's standard templates for:</p> <ul style="list-style-type: none"> <li>• <a href="#">Head (Standing Offer) Agreement</a> –standing offer, including panel, agreement for whole-of-government or agency-wide arrangements</li> <li>• <a href="#">Customer Contract Order Template</a> –individual contracts under a Head Agreement</li> <li>• <a href="#">Agency Specific Contract Terms</a> –one-off contract (i.e. non-standing offer) for goods and services procurement</li> <li>• <a href="#">Approved List</a> –rules for participation in a Supplier List or Prequalification Scheme</li> <li>• <a href="#">Plain English Contract</a> –individual contracts between a prequalified supplier (i.e. supplier on a specified Supplier List) and agency.</li> </ul>	<a href="#">Goods and Services Contract Templates</a>
			Any	You <b>may</b> customise standard form contracts to meet specific needs, although where possible agency contracts should reflect the general principles and approach of commercial terms in standard form contracts.	
			Any	You <b>may</b> need to seek legal advice on changes to the standard form contract.	
 <b>ICT</b>				You <b>must</b> use the ICT Purchasing Framework when procuring ICT goods or services. You must complete a <a href="#">risk assessment</a> to determine if the Core& Contracting Framework can be used for a procurement:	<a href="#">PBD 2021-02 Mandated Use of ICT Purchasing Framework</a>
			≤ \$1 million	• <a href="#">Core&amp; Contracts</a> –low-risk ICT procurements ≤ \$1 million.	
	> \$1 million	• <a href="#">MICTA/ICTA contracting framework</a> –template for high-risk procurements of any value and/or ICT procurements > \$1 million.			
			Any	Agencies may agree non-beneficial variations to the ICT Purchasing Framework documents subject to compliance with the internal reporting and governance framework prescribed by DCS and subject to the excluded variations in <a href="#">PBD 2021-02</a> . Agencies are not required to seek approval for beneficial variations which clearly improve a customer's contractual position.	








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Relating to	Status	Category	Value	Obligation	Reference
 ICT			≤ \$150,000 \$150,001 to \$250,000	<p>Up to \$250,000 you <b>may</b> use purchasing permissions to procure ICT directly from an SME (exemptions apply):</p> <ul style="list-style-type: none"> <li>Up to \$150,000 (ex. GST), agencies may buy directly from an SME (regardless if on the ICT Services Scheme or a mandated ICT contract).</li> <li>From \$150,001 and up to \$250,000 (ex. GST), agencies may buy directly from an SME on the ICT Services Scheme. This is regardless of whole-of-government contracts in place, except the Telecommunication Purchasing Arrangements.</li> </ul> <p>When buying ICT consultancy services you must comply with the <a href="#">ICT Consultancy Framework</a>. Agencies must complete a technical assessment when buying, to ensure solutions are compatible with ICT systems and infrastructure.</p>	<a href="#">ICT/Digital SME Procurement Commitments</a> <a href="#">ICT Consultancy Framework</a>
			> \$3 million	<p>You <b>must</b> comply with the <a href="#">ICT/Digital SME Procurement Commitments</a> and apply a target of 30% of NSW Government's total addressable direct ICT spend to be with SMEs. Agencies with ICT procurements over \$3 million must:</p> <ul style="list-style-type: none"> <li>make suppliers aware of the SME indirect addressable spend target at time of tender.</li> <li>include SME indirect targets in the contract, of at least 25% of the total contract value of addressable spend.</li> <li>monitor suppliers are submitting quarterly reporting against their progress to achieve their SME contract target commitments.</li> </ul> <p>The application of any exclusion must be approved by an agency's Chief Procurement Officer or appropriate delegate. Exclusions are determined by agencies and may include explanations consistent with section 3.3 of the <a href="#">ICT/Digital SME Procurement Commitments</a>.</p>	<a href="#">ICT/Digital SME Procurement Commitments</a>



## Contract requirements

Relating to	Status	Category	Value	Obligation	Reference
 <b>Construction</b>			Any	<p>You <b>may</b> use the construction contract templates on buy.nsw:</p> <ul style="list-style-type: none"> <li>• <a href="#">GC21</a> –construction contracts &gt; \$2 million, or of lower value with complex contractual requirements</li> <li>• <a href="#">Consultancy services</a></li> <li>• <a href="#">Project management services</a></li> <li>• <a href="#">Expression of interest</a> –seeks an indication of interest from potential service providers to undertake specific work</li> <li>• <a href="#">Minor works MW21</a> –construction contracts &lt; \$2 million (ex GST) where the works involve low risk or repetitive construction activities</li> <li>• <a href="#">Mini minor works</a> –construction contracts &lt; \$150,000 (ex GST) with simple terms. May also be used for construction contracts up to \$250,000 (ex GST) where the works involve low risk or repetitive construction activities.</li> </ul>	<a href="#">Construction Contract Templates</a>
			Any	You <b>must</b> use the scheme-specific contract documents when using construction prequalification schemes.	<a href="#">Construction Prequalification Schemes</a>
			Any	You <b>must</b> ensure construction contracts include appropriate references to:	
			<ul style="list-style-type: none"> <li>• <a href="#">NSW Industrial Relations Guidelines: Building and Construction Procurement</a></li> </ul>	<a href="#">NSW Industrial Relations Guidelines</a>	
			<ul style="list-style-type: none"> <li>• compliance with relevant international or Australian standards</li> </ul>	<a href="#">PBD-2016-03</a>	
		<ul style="list-style-type: none"> <li>• sharing and use of financial assessment reports</li> </ul>	<a href="#">PBD 2013-01C</a>		
		<ul style="list-style-type: none"> <li>• WHS requirements, including the requirement to prepare and implement a WHS Management Plan, and the schedule and procedures for monitoring and audit activities</li> </ul>	<a href="#">WHS Management Guidelines</a> <a href="#">WHS Regulation 2017</a>		
		<ul style="list-style-type: none"> <li>• all known environmental management requirements, including the requirement for a site-specific Environmental Management Plan (EMP), and the schedule and procedures for EMP reviews.</li> </ul>	<a href="#">Environmental Management Guidelines for Construction</a>		

Relating to	Status	Category	Value	Obligation	Reference
 <b>Construction</b>			Any	<ul style="list-style-type: none"> <li>quality management requirements, including the preparation of a Quality Management Plan and/or Inspection and Test Plans, and the schedule and procedures for monitoring or audit activities.</li> </ul>	<a href="#">Quality Management Guidelines for Construction</a>
			Any	You <b>should</b> refer to the <a href="#">Procurement Methods Guidelines</a> for guidance on commonly used contract models.	<a href="#">Procurement Methods Guidelines</a>
			HPHR Tier 1	<p>Agencies and State Owned Corporations (SOCs) <b>must</b> apply the default practices in the <a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a> in a manner commensurate with project needs. These practices include:</p> <ul style="list-style-type: none"> <li>Where integration is a key risk, to the extent possible maintain consistency and simplicity of contracts across relevant projects</li> <li>Ensure that risk allocation between client and head contractor is passed down to subcontractors wherever practicable</li> <li>Reward innovation and productivity enhancing measures that save taxpayers money or deliver better outcomes with incentives, including on more traditional forms of contract. Incentives should address areas where performance exceeds minimum requirements of the contract specification, such as managing interfaces with other works, early completion or supporting strong community and stakeholder outcomes</li> <li>Utilise open book and/or target cost mechanisms for elements of projects where a firm price for that element cannot realistically be determined or efficiently priced in a tender process (these elements may include contamination, utility relocations/utility authority approvals). Where this method is applied, the approach should include mechanisms to firm up those elements as the project progresses and provide value for money to taxpayers.</li> </ul> <p>Where it is proposed that a practice is not applied, reasons should be submitted for approval in writing to the Chief Executive or Secretary of the responsible agency.</p>	<a href="#">M2021-10 Procurement for Large, Complex Infrastructure Project</a>

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## Contract requirements

Relating to	Status	Category	Value	Obligation	Reference	
Contract duration				Any	You <b>may</b> determine a suitable duration for the contract depending on the circumstances of the contract and subject to approval by your agency head or delegate.	
				Any	Contract duration should not, generally, be greater than five years including extension options.	
<b>Reporting</b>						
Aboriginal participation				≥ \$7.5 million	You <b>must</b> ensure contracts include supplier commitments and reporting obligations under the Aboriginal Procurement Policy.	<a href="#">Aboriginal Procurement Policy</a>
SME and sustainability				≥ \$3 million	You <b>must</b> ensure suppliers report on their commitments for SME and local content included SME and Local Participation Plan quarterly.	<a href="#">SME and Regional Procurement Policy</a>
Skills, training and diversity				≥ \$10 million	You <b>must</b> ensure applicable contracts include supplier obligations and quarterly reporting requirements on skills, training and diversity targets. Contracts must also include requirements that contractors consider the capacity of subcontractors to contribute to the skills and training target.	<a href="#">PBD 2020-03 Skills, Training and Diversity in Construction</a>
Large business payment times				≥ \$7.5 million	You <b>must</b> require large businesses to report under the head contract per the contractual requirements relating to the <a href="#">Small Business Shorter Payment Terms Policy</a> .	<a href="#">Small Business Shorter Payment Terms Policy</a>



## Contract requirements

Relating to	Status	Category	Value	Obligation	Reference	
<b>Commercial approaches in contracts</b>						
Insurance					You <b>must</b> use the Treasury Managed Fund (TMF) for all government insurance requirements. The TMF provides member agencies with unlimited cover worldwide including workers compensation insurance, general insurance and travel protection.	<a href="#">TC12-12 Mandatory Use of the TMF for All Government Insurance Requirements</a>
Principal arranged insurance				> \$10 million	You <b>must</b> arrange Principal Arranged Insurance (PAI) for construction projects through icare.	<a href="#">TC16-11 Mandatory Principal Arranged Insurance for All Major Capital Works Projects</a>
				< \$10 million	You <b>may</b> decide if PAI is required. PAI must be organised through icare if you decide to insure the project.	
Public liability and professional indemnity				Any	You <b>must</b> , whenever feasible, limit the length of tender responses when seeking more than one quote, and minimise tender and contract requirements (such as insurance levels or technical requirements).	<a href="#">SME and Regional Procurement Policy</a>
				Any	You <b>should</b> minimise insurances and indemnities for all other suppliers, with risk allocated to the party best placed to mitigate or manage those risks.	<a href="#">Commercial Approaches in Contracts</a>
				Any	You <b>should</b> only require professional indemnity insurance if professional services or expert advice are being supplied.	
Insurance requirements				Any	Insurance requirements should be determined for each contract based on the type of procurement arrangement, value, risk profile, category and market profile and other relevant factors.	<a href="#">Commercial Approaches in Contracts</a>
Proportionate liability in construction contracts				Any	You <b>may</b> only contract out of Part 4 of the <i>Civil Liability Act 2002</i> in a construction contract when an assessment clearly demonstrates that it is justified.	<a href="#">PBD 2017-03 Civil Liability Act 2002 Proportionate Liability</a>
				Any	You <b>must</b> submit a report to Public Works Advisory (PWA) whenever you exclude proportionate liability in a construction contract. The report must set out the reasons for excluding proportionate liability.	























Relating to	Status	Category	Value	Obligation	Reference
Indemnities		 	Any	You <b>should</b> cap indemnities required from suppliers, as uncapped liability by a supplier in favour of the state is not considered reasonable. The default position is for indemnities to be capped as a multiple of the per annum contract value.	<a href="#">Commercial Approaches in Contracts</a>
		 	Any	Agencies <b>should not</b> as a general rule give indemnities. If required, the agency's liability should be limited to 1x the contract value (in total).	
		 	Any	Some board-mandated contract templates may have specific indemnity requirements that differ from these settings, due to the nature of the goods or services being procured.	
Guarantees		 	Any	You <b>should</b> limit the use of financial securities, bank guarantees, or performance guarantees to necessary circumstances.	
Intellectual property (IP)		 	Any	<p>You <b>should</b> ensure that whichever party owns intellectual property (IP) at the start of the contract retains that ownership.</p> <p>You <b>should</b> allow suppliers to retain ownership of IP in any product developed under contract, with the agency given a perpetual, transferable, royalty free licence to use the IP.</p> <p>If there is a case for the agency to retain ownership of IP, you <b>may</b> decide whether the supplier is to be granted a licence to use that IP without charge (including the right to commercially exploit the IP), or place restrictions on the use of the IP.</p>	

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## Contract requirements

Relating to	Status	Category	Value	Obligation	Reference
Price refresh mechanisms			Any	You <b>should</b> consider the individual circumstances of the contract, product and/or service to determine the appropriate price adjustment mechanism.	<a href="#">Commercial Approaches in Contracts</a>
Extension options			Any	You <b>may</b> include extension options in contracts, although the total contract term should not generally exceed five years.  Extension options should only be exercised if the contract is meeting the agency's needs and supplier performance is satisfactory.	
			Any	Extension options <b>must</b> only be exercised where it can be demonstrated the contract will continue to deliver value for money.	
Covered procurements				You <b>must not</b> use contract extension options, cancel a procurement, or modify or terminate an awarded contract, in order to avoid the operation of the <a href="#">EPP Direction</a> .	<a href="#">Cl. 11 PBD-2019-05 Enforceable Procurement Provisions</a>
Termination			Any	You <b>may</b> require the right to terminate for convenience but should provide for suppliers to be compensated for out-of-pocket costs reasonably incurred prior to receiving the notice of termination, in the expectation that the agreement or project would continue.	
Dispute resolution			Any	You <b>should</b> require the agency and supplier to seek to resolve disputes in good faith, with mediation the preferred method if this fails. Expert determination <b>should</b> be avoided.	<a href="#">Premier's Memorandum 2016-03 Model Litigant Policy for Civil Litigation</a>
				You should resolve disputes in a way that achieves the objectives of promptness, cost effectiveness, and probity.	<a href="#">Contract Dispute Resolution Guide for Construction</a>

Relating to	Status	Category	Value	Obligation	Reference
Advance notice		 	Any	You <b>should</b> provide as much advance notice as possible of upcoming procurement opportunities. Advance notice can be provided by publishing <i>Annual Procurement Plan</i> <sup>1</sup> , publishing a notice of <i>proposed RFT</i> or other early industry engagement activities.	
			Any	You <b>must</b> provide suppliers with as much notice as possible for upcoming and open procurements.	<a href="#">SME and Regional Procurement Policy</a>
Pre-tender briefings			Any	You <b>must</b> provide pre and post tender briefings when reasonably requested by <b>SMEs</b> and <b>regional suppliers</b> to clarify requirements and provide feedback on unsuccessful bids.	<a href="#">SME and Regional Procurement Policy</a>
		 	Any	You <b>should</b> provide tender briefings for all significant or complex procurements to allow suppliers to better understand the requirements.	
		 	Any	You <b>should</b> provide group pre-tender briefings rather than to individual suppliers, to ensure all suppliers have equal access to tender information.	
Interactive tendering		 	Any	You <b>may</b> use interactive tendering to provide prospective suppliers with information and feedback as part of the procurement. Confidentiality and probity must be maintained, including using a probity adviser to observe and guide the process, whenever interactives are used.	<a href="#">Interactive Tendering Guidelines</a>
Online advertising		 	Any	You <b>must</b> advertise <b>open tenders</b> electronically on <a href="#">NSW eTendering</a> , except where exceptional reasons require the use of print. In these cases, eTendering must still be used to notify the market of the tender.	
		 	Any	You <b>may</b> also publish the request for tender on other platforms as determined by your agency.	
















<sup>1</sup> Annual Procurement Plans are mandatory for accredited agencies.



## Notifying and briefing the market

Relating to	Status	Category	Value	Obligation	Reference
Covered procurements			≥\$680,000 ≥\$9.584 million	You <b>must</b> publish any open approach to market (OAM) for covered procurement on <a href="#">NSW eTendering</a> .	<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>
Procurement documentation			≥\$680,000 ≥\$9.584 million	You <b>must</b> , to the extent practicable, make relevant procurement documentation available for free by electronic means at the same time that you publish the OAM.	<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>
			≥\$680,000 ≥\$9.584 million	The procurement documentation <b>may</b> be made available through <a href="#">NSW eTendering</a> or through some other method, such as your agency's website.	
ICT procurement documentation			>\$3 million	For ICT procurements over \$3 million you <b>must</b> make suppliers aware of the SME indirect addressable spend target at time of tender. NSW Government has committed to a target of 30% of its total addressable ICT spend to be directly spent with SMEs.	<a href="#">ICT/Digital SME Procurement Commitments</a>
Covered procurements Open approach to market			≥\$680,000 ≥\$9.584 million	You <b>must</b> include the information detailed in cl. 14 of the <a href="#">EPP Direction</a> in the OAM on <a href="#">NSW eTendering</a> , including: <ul style="list-style-type: none"> <li>a description of the procurement, including, if appropriate, the nature and quantity of the goods and services</li> <li>an explanation of the procurement process</li> <li>the duration of any contract or the period when goods or services must be provided</li> <li>a summary of any conditions for participation</li> <li>agency contact details, how to obtain procurement documentation and the date for lodging submissions.</li> </ul>	<a href="#">Cl. 14 PBD-2019-05 Enforceable Procurement Provisions</a>
Conditions of participation			≥\$680,000 ≥\$9.584 million	You <b>must</b> include any conditions for participation in the OAM, including any specific documents or certifications.	
Negotiations			≥\$680,000 ≥\$9.584 million	You <b>must</b> indicate in the OAM if you plan to conduct negotiations regarding a procurement.	

## Notifying and briefing the market

Relating to	Status	Category	Value	Obligation	Reference
Multi-stage procurements		 	≥\$680,000 ≥\$9.584 million	<p>You <b>must</b>, if you intend to use a multi-stage process that involves selecting a limited number of suppliers to provide further submissions (e.g. shortlisting suppliers), include in the OAM:</p> <ul style="list-style-type: none"> <li>• a statement that you intend to invite further submissions from a limited number of suppliers,</li> <li>• the criteria you will use to select the suppliers, and</li> <li>• the justification for limiting the number of suppliers who will be invited to lodge further submissions.</li> </ul>	<a href="#">Cl. 14 PBD-2019-05 Enforceable Procurement Provisions</a>
Procurement lists (prequalification schemes)		 	≥\$680,000 ≥\$9.584 million	You <b>must</b> include the above criteria in the notice inviting suppliers to join a procurement list, if only a limited number of suppliers will be invited to provide submissions for any procurements using the list (i.e. if a limited number of suppliers will be selected to respond to procurement opportunities such as an RFQ, RFP or RFT).	<a href="#">Cl. 25 PBD-2019-05 Enforceable Procurement Provisions</a>
		 	≥\$680,000 ≥\$9.584 million	You <b>must</b> include the conditions for participating in a procurement list in the notice inviting applications to be included on that list.	
Tender periods		 	Any	You <b>must</b> ensure tender periods give respondents reasonable time to effectively price and prepare their submissions or bids, consistent with your reasonable needs.	
Covered procurements		 	≥\$680,000 ≥\$9.584 million	<p>You <b>must</b> provide suppliers with sufficient time to prepare and submit a response to any invitation to participate in a procurement, consistent with your agency's reasonable needs.</p> <p>This applies even where some suppliers may be able to respond in a shorter period, and this consideration overrides the permitted minimum timeframes below.</p>	<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>













Key  Mandatory  Recommended  Goods and services  Construction  ICT  Human services  Additional information



## Notifying and briefing the market

Relating to	Status	Category	Value	Obligation	Reference	
Tender periods Covered procurements			≥\$680,000 ≥\$9.584 million	You <b>must</b> provide the following minimum timeframes for covered procurements, bearing in mind the principal requirement to provide suppliers sufficient time to prepare and submit a response. These minimum timeframes also apply to covered procurements using a procurement panel or procurement list.		<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>
				10 calendar days	<ul style="list-style-type: none"> <li>• If you require the goods or services urgently, or</li> <li>• If you are procuring commercial goods or services that are routinely for sale to businesses for non-government purposes, or</li> <li>• If you have published an OAM within the previous 12 months for substantially similar goods or services and stated in that OAM that a further OAM will be published, or</li> <li>• If you have included a notice of the procurement in an annual procurement plan published on <a href="#">NSW eTendering</a> at least 40 days before publishing the OAM.</li> </ul>	
				25 calendar days	In all other circumstances.	
Tender periods Non-covered procurements			Any	You <b>should</b> allow longer timeframes for complex and/or high value tenders, e.g. construction works that involve significant design elements may warrant longer tender periods.		<a href="#">Market Approaches Guide</a>
			> \$100 million	You <b>should</b> consider the timing benchmarks provided by <a href="#">Infrastructure Australia</a> for procurements > \$100 million that involve design and construct, PPPs or alliance delivery models.		















Relating to	Status	Category	Value	Obligation	Reference	
<b>Tender periods</b> Non-covered procurements		 	< \$100 million	The following minimum timeframes are <b>recommended</b> for procurements < \$100 million:	<a href="#">Market Approaches Guide</a>	
				No set period		Where there is a genuine urgent need attached to the procurement, including in response to a critical issue or emergency.
				10 calendar days		<ul style="list-style-type: none"> <li>Where the tender is included in the agency's published procurement plan on <a href="#">NSW eTendering</a> with details of the procurement, the timing of the approach to market and advice on how to obtain tender documentation.</li> <li>Where the goods and services are available through a panel contract, standing offer or prequalification scheme recognised by the NSW Government.</li> <li>Where the approach to the market is part of recurring procurement arrangements undertaken by the agency.</li> </ul>
				25 calendar days		In all other cases where the tender is published on <a href="#">NSW eTendering</a> .
			30 calendar days	In all cases where the tender is not published on <a href="#">NSW eTendering</a> .		
<b>Tender extensions</b>		 	Any	You <b>should</b> extend tender periods only if late addenda or exceptional circumstances impact tenderers' ability to meet the initial deadline.		
		 	Any	You <b>must</b> apply the same tender extension period to all prospective tenderers, including for covered procurements.		
<b>Addenda</b>		 	Any	You <b>should not</b> issue tender addenda within five working days of the closing date. If this is not possible, you should consider extending the tender period by at least five working days.		

Key  Mandatory  Recommended  Goods and services  Construction  ICT  Human services  Additional information



## Notifying and briefing the market

Relating to	Status	Category	Value	Obligation	Reference
Covered procurements			≥\$680,000 ≥\$9.584 million	You <b>may</b> amend or correct mistakes in an OAM or the procurement documentation.	<a href="#">Cl. 20 PBD-2019-05 Enforceable Procurement Provisions</a>
			≥\$680,000 ≥\$9.584 million	You <b>must</b> , if you amend or reissue an OAM or documentation: <ul style="list-style-type: none"> <li>publish the amended OAM on <a href="#">NSW eTendering</a></li> <li>send the amended procurement documents to all suppliers participating in the procurement</li> <li>if you cannot identify all suppliers who may be participating, republish the amended documents.</li> </ul>	
			≥\$680,000 ≥\$9.584 million	You <b>must</b> provide suppliers with reasonable time to modify and re-lodge their submissions.	
Requests for information			≥\$680,000 ≥\$9.584 million	You <b>must</b> promptly reply to any reasonable supplier request for information about a procurement, provided it is not contrary to Australian law or give the supplier any unfair competitive advantage.	<a href="#">Cl. 18(20) and cl. 19 PBD-2019-05 Enforceable Procurement Provisions</a>
Late submissions			Any	You <b>should not</b> accept a late submission, unless the delay is due to an action or failure by the agency or very exceptional circumstances, and no other tenderers are disadvantaged.	
Correction of errors			≥\$680,000 ≥\$9.584 million	For covered procurements, you <b>must</b> provide the same opportunity to all suppliers if you allow a tenderer to correct unintentional errors between the time you open the submissions and awarding the contract.	<a href="#">Cl. 24 PBD-2019-05 Enforceable Procurement Provisions</a>

Relating to	Status	Category	Value	Obligation	Reference
Covered procurements Negotiations		 	≥\$680,000 ≥\$9.584 million	You <b>may</b> negotiate with suppliers during a procurement if: <ul style="list-style-type: none"> <li>• you have evaluated submissions and none will provide best value for money in terms of the evaluation criteria specified, or</li> <li>• the OAM for the procurement indicated you intended to negotiate with suppliers.</li> </ul>	<a href="#">Cl. 21 PBD-2019-05 Enforceable Procurement Provisions</a>
Contract award		 	≥\$680,000 ≥\$9.584 million	You <b>must</b> award a contract to the supplier you have determined: <ul style="list-style-type: none"> <li>• will provide best value for money, in accordance with the evaluation criteria specified in the procurement documentation,</li> <li>• is fully capable of undertaking the contract, and</li> <li>• satisfies the specified conditions for participation.</li> </ul>	<a href="#">Cl. 22 PBD-2019-05 Enforceable Procurement Provisions</a>
		 	≥\$680,000 ≥\$9.584 million	You <b>may</b> decide not to award a contract if: <ul style="list-style-type: none"> <li>• you determine it is not in the public interest, or</li> <li>• no supplier has satisfied the evaluation criteria.</li> </ul> <p>In these circumstances, you may consider undertaking a limited tender in accordance with cl. 15 of the <a href="#">EPP Direction</a>.</p>	
Limited tendering		 	≥\$680,000 ≥\$9.584 million	You <b>must</b> prepare and keep a written report for each contract awarded by <i>limited tendering</i> that includes: <ul style="list-style-type: none"> <li>• the value and type of goods or services</li> <li>• the circumstances and conditions that justified the use of the limited tender.</li> </ul>	<a href="#">Cl. 15(3) PBD-2019-05 Enforceable Procurement Provisions</a>

Key  Mandatory  Recommended  Goods and services  Construction  ICT  Human services  Additional information



## Post-award requirements

Relating to	Status	Category	Value	Obligation	Reference	
Contract disclosure				≥\$150,000 inc. GST	You <b>must</b> publicly disclose all contracts ≥\$150,000 including GST within 45 working days of becoming effective.	<a href="#">Government Information (Public Access) Act 2009</a>
				≥\$150,000 inc. GST	You <b>must</b> publish the contract details in the agency's contract register on <a href="#">NSW eTendering</a> .	
				≥\$150,000 inc. GST	You <b>may</b> publish the contract details in any other location the agency makes its open access information available.	
				≥\$150,000 inc. GST	You <b>must</b> keep the contract information publicly available for at least 20 working days, until the project is complete, or until the goods and services have been provided under the contract.	
				≥\$150,000 inc. GST	Additional disclosure requirements apply in certain circumstances, such as if there has not been an open tender process and/or the terms and conditions of the contract have been directly negotiated with the supplier. Refer to the <a href="#">GIPA Act</a> for details of the contract information to be disclosed for certain types of contracts.	
Aboriginal businesses				Any	You are <b>encouraged</b> to disclose all contracts with Aboriginal businesses, even where these are below the GIPA thresholds. All disclosed contracts will contribute to your cluster targets for contracts with Aboriginal businesses.	<a href="#">Aboriginal Procurement Policy</a>
Aboriginal participation				≥ \$7.5 million	You <b>must</b> include the final <i>Aboriginal Participation Plan</i> in the successful supplier/s contract requirements, including quarterly reporting against the commitments in the Plan.	<a href="#">Aboriginal Procurement Policy</a>



## Post-award requirements

SME and local participation				≥ \$3 million	You <b>must</b> include the final SME and Local Participation Plan in the contract requirements with the successful supplier(s). The contract requirements should also state that the supplier must report on progress quarterly.	<a href="#">SME and Regional Procurement Policy</a>
Debriefing prospective suppliers				Any	You <b>must</b> provide pre and post tender briefings when reasonably requested by SMEs and regional suppliers to clarify requirements and provide feedback on unsuccessful bids.	<a href="#">SME and Regional Procurement Policy</a>
				Any	You <b>should</b> provide post tender briefings for any unsuccessful applicant when reasonably requested.	
Covered procurements				≥\$680,000 ≥\$9.584 million	You <b>must</b> provide debriefs to unsuccessful tenderers on request, outlining the reasons their submission was not successful.	<a href="#">Cl. 28 PBD-2019-05 Enforceable Procurement Provisions</a>
Foreign exchange (FX) risk management					FX risk can arise when an agency purchases, sells or intends to purchase or sell goods and services either directly from/to overseas, or indirectly when goods/services are sourced overseas through domestic providers. This includes where the goods/services are sold in Australian Dollars, but they originate overseas.	<a href="#">TPP21-14 NSW Government Financial Risk Management Policy</a>
				A\$500,000 face value	You <b>must</b> report current and forecast exposures to Treasury and TCorp within 5 business days once an exposure has been identified or when the aggregate amount exceeds the materiality threshold (A\$500,000 face value). You <b>must</b> consult Treasury and TCorp to manage exposures when they change by the threshold amount.	







Commodity price risk					If a contract or procurement agreement involves procuring commodities goods (such as electricity and or steel), it is likely there will be a commodity price risk.	<a href="#">TPP21-14 NSW Government Financial Risk Management Policy</a>
				A\$20 million face value	You <b>must</b> report current and forecast exposures to Treasury and TCorp within 5 business days once an exposure has been identified or when the aggregate amount exceeds the materiality threshold (A\$20,000,000 face value). You <b>must</b> consult Treasury and TCorp to manage exposures when they change by the threshold amount.	
Interest rate risk					Interest rate risk can arise when a change in interest rates leads directly to a change in future cash flows. This includes leasing arrangements which have underlying interest rate exposures.	<a href="#">TPP21-14 NSW Government Financial Risk Management Policy</a>
				A\$20 million face value	You <b>must</b> report current and forecast exposures to Treasury and TCorp within 5 business days once an exposure has been identified or when the aggregate amount exceeds the materiality threshold (A\$20,000,000 face value). You <b>must</b> consult Treasury and TCorp to manage exposures when they change by the threshold amount.	
Modern slavery risk				Any	You <b>must</b> comply with the <i>Public Works and Procurement Act 1912</i> , including requirements to take reasonable steps to ensure that goods and services procured by and for the agency are not the product of modern slavery. This may lead to specific obligations imposed on suppliers for a particular procurement. You <b>must</b> comply with the <i>NSW Modern Slavery Act 2018</i> , including annual reporting requirements for agencies, commencing 1 July 2023 subject to Governor approval, and agency co-operation with the Anti-Slavery Commissioner.	<a href="#">Public Works and Procurement Act 1912</a> <a href="#">NSW Modern Slavery Act 2018</a>
				Any	You <b>should</b> include modern slavery related post award requirements in contracts, particularly where procurements carry a higher risk of modern slavery. Agencies may use the requirements set out in the modern slavery model contract clauses.	



## Post-award requirements

Relating to	Status	Category	Value	Obligation	Reference
<b>Additional requirements for construction contracts</b>					
Work, health and safety			Any	<p>You <b>must</b> require the selected principal construction contractor to provide a compliant <i>WHS Management Plan</i> before work commences. NB the <i>WHS Regulation 2017</i> requires the principal contractor to prepare a <i>WHS Management Plan</i> for any construction works valued over \$250,000.</p> <p>You <b>must</b> review the Plan to ensure it addresses the elements identified in the <a href="#">WHS Management Guidelines</a>.</p>	<a href="#">WHS Management Guidelines</a> <a href="#">WHS Regulation 2017</a>
Environmental management			Any	<p>You <b>must</b> require successful suppliers to prepare and implement an appropriate site-specific <i>Environmental Management Plan</i> prior to work commencing.</p>	<a href="#">Environmental Management Guidelines for Construction</a>
Quality management			Any	<p>You <b>must</b> review the successful supplier's <i>Quality Management Plan, Inspection and Test Plans</i> and/or product certifications prior to work commencing or a product being accepted for use on the project, to ensure they conform with the contractually-specified quality requirements.</p>	<a href="#">Quality Management Guidelines for Construction</a>
Bid cost contributions			> \$100 million	<p>If your agency has decided to offer bid costs to unsuccessful tenderers (refer <a href="#">Section 2:01 Plan</a>), contributions must only be paid where:</p> <ul style="list-style-type: none"> <li>• a bid has been submitted which demonstrates the tenderer has genuinely attempted to fully satisfy the intent of the Request for Tender</li> <li>• the tenderer agrees to make available to the State any project-specific intellectual property rights reasonably requested by the agency.</li> </ul> <p>Contributions of up to 50% of the estimated bid costs may be paid, as included in the Final Business Case. If a decision is made to increase the bid cost contribution after the Final Business Case is approved, the cost of the contribution will need to be met using project contingencies or existing agency resources. Any request for additional funding is subject to Cabinet consideration.</p>	<a href="#">NSW Bid Cost Contributions Policy</a>

Relating to	Status	Category	Value	Obligation	Reference
ICT procurements			Any	You <b>must</b> use the ICT Purchasing Framework for any procurement of ICT goods and services. Agencies must complete a <a href="#">risk assessment</a> to determine if the Core& Contracting Framework may be used: <ul style="list-style-type: none"> <li>• <a href="#">Core&amp; Contracts</a> –low risk and ≤ \$1 million, or</li> <li>• <a href="#">MICTA/ICTA</a> –high risk and/or &gt; \$1 million.</li> </ul>	<a href="#">PBD-2021-02 Mandated Use of ICT Purchasing Framework</a>
Cloud services			Any	You <b>must</b> evaluate cloud-based services when procuring ICT goods and services. The evaluation must be based on cost-benefit analysis and achieving value for money over the life of the investment.	<a href="#">DFSI-2015-04 NSW Government Cloud Policy</a>

Key  Mandatory  Recommended  Goods and services  Construction  ICT  Human services  Additional information

















## Other category-specific requirements

Relating to	Status	Category	Value	Obligation	Reference
Telecommunications			> \$100,000	<p>You <b>must</b>, when procuring telecommunications services with a total contract value &gt; \$100,000:</p> <ul style="list-style-type: none"> <li>• use the <a href="#">Telecommunications Purchasing Arrangements (TPAs)</a></li> <li>• cap the maximum term of contracts (including extension options): <ul style="list-style-type: none"> <li>– 3 years for mobile and fixed voice services</li> <li>– 4 years for data and internet services in metropolitan areas</li> <li>– 5 years for data and internet services in all other areas.</li> </ul> </li> <li>• seek quotes from at least three providers, unless purchasing the lowest price offer through the TPAs</li> <li>• analyse the effect of supplier proposals on overall competition within the marketplace</li> <li>• provide data related to the Procurement and Technical Standards – Working Group (PTS-WG) if requested.</li> </ul>	<a href="#">PBD-2019-02 Telecommunications Procurement</a>  <a href="#">PBD-2020-05 Approved Procurement Arrangements for the ICT Services Scheme</a>
			> \$100,000	You <b>must</b> request an exemption from the PTS-WG if you cannot meet these compulsory requirements or an automatic exemption is not applicable (refer to <a href="#">buy.nsw</a> for exemption details).	
			Any	You <b>should</b> consider separating telecommunications RFPs to encourage a more contestable supply market, e.g. by location (e.g. metro or regional) or by service tower (e.g. voice, data or mobile).	
			Any	You <b>must</b> apply the Link Sharing Principles and Commercial Principles when purchasing any new telecommunications services or building new wide area network (WAN) links.	<a href="#">DFSI-2017-01 Telecommunication Sharing</a>
ICT Consultancy			< \$250,000	You <b>must</b> obtain at least one written quote when procuring from ICT Consultancy suppliers who have agreed to the ICT Consulting Commercial Framework. A minimum of three written quotes is required for all other ICT Consultancy suppliers.	<a href="#">PBD-2020-05 Approved Procurement Arrangements for the ICT Services Scheme</a>
			> \$250,000	You must follow the relevant process under the ICT Services Scheme.	

Relating to	Status	Category	Value	Obligation	Reference
Radio communications			Any	You <b>must</b> use the NSW Procurement Board's standardised <a href="#">Site Licence Agreement Framework</a> when entering into new site licence arrangements with other agencies.	<a href="#">PBD-2015-03 Radio Communication Site Licences</a>
			Any	You <b>must</b> seek approval from the NSW Telco Authority for all proposals to develop new or additional operational communications infrastructure or services.  This includes any expenditure on new radio communications assets and commercial services, and/or for new sites, new towers on a site or upgrades to a site. The Authority must also approve any proposal to be considered by Cabinet's Expenditure Review Committee.	<a href="#">DFSI-2019-01 NSW Government Operational Communications Strategy</a> <a href="#">PBD 2021-04 Approved Procurement Arrangements</a>
			Any	You <b>must</b> use <a href="#">Prequalification Scheme ITS 2573 Operational Telecommunications Services, Equipment and Infrastructure</a> to procure any relevant goods and services, unless exempted by the NSW Telco Authority.	
			Any	You <b>must</b> comply with any technical standards, guidelines or policies issued by the NSW Telco Authority for the procurement and use of operational communications infrastructure, equipment, services and spectrum unless exempted by the Authority.	
			Any	You <b>must not</b> approach the Australian Communications and Media Authority (ACMA) in relation to radio frequency allocation and related matters. The NSW Telco Authority will negotiate with the ACMA on behalf of agencies. Contact the Spectrum Management Office of the Authority at <a href="mailto:telco.spectrum@customerservice.nsw.gov.au">telco.spectrum@customerservice.nsw.gov.au</a> .	<a href="#">DFSI-2019-01 NSW Government Operational Communications Strategy</a>

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## Other category-specific requirements

Relating to	Status	Category	Value	Obligation	Reference
Professional services Standard commercial framework				A <i>standard commercial framework</i> applies to engagement types 1 to 12 of the <a href="#">Performance and Management Services Prequalification Scheme (PMS Scheme)</a> .	<a href="#">PBD 2021-03 Engagement of Professional Services Suppliers</a>
			< \$250,000	You <b>may</b> directly engage a supplier on any of the above engagement types for single engagements < \$250,000 that comply with the <i>standard commercial framework</i> .	
			Any	<p>You <b>must</b> apply additional conditions and governance arrangements for each engagement that is outside the Standard Commercial Framework (SCF), in the following scenarios:</p> <ul style="list-style-type: none"> <li>from a prequalified PMS Scheme supplier in engagement type 1 'Government &amp; Business Strategy' that has not accepted the Standard Commercial Framework (i.e. an OSCF Supplier).</li> <li>from any prequalified PMS Scheme supplier that has accepted the Standard Commercial Framework, but where the engagement proposal is not compliant with any element of the Standard Commercial Framework.</li> </ul> <p>OSCF Suppliers are prequalified and permitted to provide business advisory services under engagement type 1 'Government &amp; Business Strategy' only. Direct engagement value thresholds apply:</p> <ul style="list-style-type: none"> <li>Where the estimated cost of an engagement type 1 'Government &amp; Business Strategy' engagement is less than or equal to \$250,000 (excluding GST), the Agency may directly engage the OSCF Supplier following one (1) written quotation.</li> <li>In limited circumstances, when a flow-on engagement becomes necessary, the total value of the first engagement and related flow on engagement is not to exceed three times the initial contract value, or \$500,000 (excluding GST), whichever is the lesser amount.</li> <li>Where an Agency's financial thresholds are more stringent than the above thresholds of the PMS Scheme, the Agency thresholds take precedence.</li> </ul>	<a href="#">PBD 2021-03 Engagement of Professional Services Suppliers</a>











## Other category-specific requirements

Relating to	Status	Category	Value	Obligation	Reference
<b>Professional services</b> Standard commercial framework			Any	In addition to cluster-specific Procurement delegation approval requirements, engagements of OSCF Suppliers require Secretary approval prior to any contract sign off with the supplier. <ul style="list-style-type: none"> <li>Agencies must keep a record of all engagements approved by the Secretary that do not comply with the Standard Commercial Framework.</li> </ul> OSCF Suppliers must report all their engagements with NSW Government to NSW Procurement. NSW Procurement shall report these engagements at least annually to the Procurement Board. <ul style="list-style-type: none"> <li>Agencies are required to keep internal records of engagements with OSCF suppliers and SCF suppliers that do not comply with any element of Standard Commercial Framework.</li> </ul>	<a href="#">PBD 2021-03 Engagement of Professional Services Suppliers</a>
 <b>Human services</b>			Any	You <b>must</b> use the <a href="#">NGO Registration Scheme</a> as a first step to sourcing information about NGOs which are seeking to, or are contracted to, deliver <i>human services</i> on behalf of NSW government. <p>The Registration Scheme is not a prequalification scheme and should not be used to shortlist applicants for procurement activities.</p>	<a href="#">PBD 2016-04 Accessing Information About Human Services NGOs</a>
			Any	You <b>must</b> use the <a href="#">NSW Human Services Agreement template</a> when procuring <i>human services from NGOs</i> . <p>You <b>must</b> seek approval to amend the template from your agency General Counsel (or external legal counsel) and the Chief Procurement Officer.</p> <p>You <b>must</b> report annually on amendments to the template to the Human Services Category Management Working Group.</p>	<a href="#">PBD 2017-04 Procuring Human Services from NGOs</a>
			Any	You <b>are encouraged</b> to use the <a href="#">Human Services Outcomes Framework</a> when commissioning for the delivery of <i>human services</i> .	<a href="#">Human Services Outcomes Framework</a>

Relating to	Status	Category	Value	Obligation	Reference
Legal services			Any	You <b>must</b> refer core legal work to the Crown Solicitor in accordance with the <a href="#">NSW Government Core Legal Work Guidelines</a> .	<a href="#">M2016-04 NSW Government Core Legal Work Guidelines</a>
			Any	You <b>may</b> engage the Crown Solicitor for legal matters that are not core legal work, although this work will not be funded from the Attorney General's Legal Fund.	
Travel			Any	You <b>must</b> manage official travel undertaken by public officials using public money in accordance with the <a href="#">Travel and Transport Policy</a> .	<a href="#">Travel and Transport Policy</a>
			Any	You <b>should</b> observe the <a href="#">Travel Operational Guidelines</a> .	<a href="#">Travel Operational Guidelines</a>
Fuel			Any	You <b>must</b> use E10 and biodiesel blends where possible, unless there is a clear operational requirement that precludes the use of biofuels.	<a href="#">M2012-08 Use of Biofuels</a>
Fleet			Any	You <b>must</b> follow vehicle telematics principles set out in the <a href="#">Travel and Transport Policy</a> Appendix 2-NSW Government Fleet Telematics Policy. Deviations from these principles will require approval from the Secretary or relevant authorised delegate and consultation with the relevant union/s.	<a href="#">Travel and Transport Policy</a>
			Any	You <b>should</b> observe the <a href="#">Motor Vehicle Operational Guidelines</a> .	<a href="#">Motor Vehicle Operational Guidelines</a>

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Other category-specific requirements
















































Relating to	Status	Category	Value	Obligation	Reference
Resource efficiency		 	Any	<p>You <b>must</b> comply with the <a href="#">Government’s resource efficiency requirements</a> for:</p> <ul style="list-style-type: none"> <li>• owned and leased office buildings and data centres</li> <li>• new electrical appliances including whitegoods, televisions, pool pumps, commercial electrical equipment and air conditioning equipment</li> <li>• ICT hardware, printers, photocopiers and DVD players</li> <li>• new buildings and fitouts</li> <li>• owned or leased light vehicles</li> <li>• use of 6% GreenPower</li> <li>• water using appliances</li> <li>• surface coatings and other VOC emitting products such as adhesives, sealants, carpets and carpet underlays</li> <li>• mobile non-road diesel plant and equipment, whether purchased, leased, or contractor-supplied in new buildings and infrastructure.</li> </ul>	<a href="#">Government Resource Efficiency Policy</a>
			Any	<p>You <b>must</b>, for contractor-supplied plant and equipment in new buildings and infrastructure, including upgrades to existing buildings and infrastructure valued &gt; \$10 million:</p> <ul style="list-style-type: none"> <li>• incorporate a weighting for air emission standards, in conjunction with other environmental considerations, during the tender selection process, and apply a consistent weighting to preference the lowest emission engines</li> <li>• include a requirement for contractors to report on engine conformity with emission standards and the fitting of any exhaust after-treatment devices in procurement contracts.</li> </ul>	
		 	Any	Implementation and reporting on the GREP is voluntary for agencies with fewer than 100 employees.	



## References

Type	Reference	Status	Category	Value	Plan	Source	Manage	
Legislation	<a href="#"><u>Government Information (Public Access) Act 2009</u></a>				≥\$150,000 inc. GST			
Legislation	<a href="#"><u>Modern Slavery Act 2018 (NSW)</u></a>				Any			
Legislation	<a href="#"><u>Public Works and Procurement Act 1912</u></a>				Any			
Legislation	<a href="#"><u>Public Works and Procurement Regulation 2019</u></a>				Any			
Legislation	<a href="#"><u>Work Health and Safety Regulation 2017</u></a>				Any			
Policy	<a href="#"><u>Aboriginal Procurement Policy (APP)</u></a>				< \$250,000 ≥ \$7.5 million			
Policy	<a href="#"><u>NSW Bid Cost Contributions Policy</u></a>				> \$100 million			
Policy	<a href="#"><u>DFSI-2015-04 NSW Government Cloud Policy</u></a>				Any			
Policy	<a href="#"><u>DFSI-2017-01 Telecommunication Sharing and Commercial Principles</u></a>				Any			
Policy	<a href="#"><u>DFSI-2019-01 NSW Operational Communications Strategy</u></a>				Any			
Policy	<a href="#"><u>Environmental Management Guidelines for Construction</u></a>				Any			
Policy	<a href="#"><u>Government Resource Efficiency Policy</u></a>				Any			



Type	Reference	Status	Category		Value	Plan	Source	Manage
Policy	<a href="#">ICT/Digital SME Procurement Commitments</a>				≤ \$150,000 \$150,001 to \$250,000 > \$3 million			
Policy	<a href="#">M2012-08 Use of Biofuels</a>				Any			
Policy	<a href="#">M2014-11 Additional Evaluation Criteria for Major Projects Valued Above \$100M</a>				> \$100,000			
Policy	<a href="#">M2016-03 Model Litigant Policy for Civil Litigation</a>				Any			
Policy	<a href="#">M2016-04 NSW Government Core Legal Work Guidelines</a>				Any			
Policy	<a href="#">M2021-10 Procurement for Large, Complex Infrastructure Projects</a>				HPRH Tier 1			
Policy	<a href="#">NSW Industrial Relations Guidelines: Building and Construction Procurement</a>				Any			
Policy	<a href="#">PBD 2013-01C Financial Assessments</a>				> \$1 million			
Policy	<a href="#">PBD-2015-03 Radio Communications Site Licence Agreement Framework</a>				Any			
Policy	<a href="#">PBD-2016-03 Construction Standards and Conformance</a>				Any			
Policy	<a href="#">PBD 2016-04 NGO Registration Scheme</a>				Any			
Policy	<a href="#">PBD 2017-03 Civil Liability Act 2002 – Proportionate Liability</a>				Any			

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## References

Type	Reference	Status	Category	Value	Plan	Source	Manage	
Policy	<a href="#">PBD 2017-04 Procuring Human Services from NGOs</a>			Any				
Policy	<a href="#">PBD 2017-07 Supplier Conduct</a>				Any			
Policy	<a href="#">PBD-2019-02 Telecommunications Procurement</a>			\$100,000				
Policy	<a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>				≥680,000 ≥\$9.584 million			
Policy	<a href="#">PBD 2020-03 Skills, Training and Diversity in Construction</a>				> \$10 million > \$500 million			
Policy	<a href="#">PBD-2021-02 Mandated Use of ICT Purchasing Framework</a>			Any				
Policy	<a href="#">PBD 2021-03 Engagement of Professional Services Suppliers</a>			Any				
Policy	<a href="#">PBD 2021-04 Approved Procurement Arrangements</a>				Any			
Policy	<a href="#">Quality Management Guidelines for Construction</a>				Any			
Policy	<a href="#">SME and Regional Procurement Policy</a>				< \$150,000 < \$3 million ≥ \$3 million			
Policy	<a href="#">Small Business Shorter Payment Terms Policy</a>				≥ \$7.5 million			
Policy	<a href="#">Supplier Code of Conduct</a>				Any			
Policy	<a href="#">TC12-12 Mandatory use of the TMF for All Government Insurance Requirements</a>				Any			






























Type	Reference	Status	Category		Value	Plan	Source	Manage
Policy	<a href="#">TC16-11 Mandatory Principal Arranged Insurance for All Major Capital Works Projects</a>				> \$10 million			
Policy	<a href="#">TPP15-03 Internal Audit and Risk Management Policy</a>				Any			
Policy	<a href="#">TPP21-14 NSW Government Financial Risk Management Policy</a>				A\$500,000 A\$20 million			
Policy	<a href="#">Travel and Transport Policy</a>				Any			
Policy	<a href="#">Work Health and Safety Management Guidelines</a>				Any			
Guidelines	<a href="#">Commercial Approaches to Key Contract Terms</a>				Any			
Guidelines	<a href="#">Construction Procurement Guidelines</a>				Any			
Guidelines	<a href="#">Contract Dispute Resolution Guide for Construction</a>				Any			
Guidelines	<a href="#">Corruption Prevention, Fairness and Probity</a>				Any			
Guidelines	<a href="#">Direct Dealing Guidelines</a>				Any			
Guidelines	<a href="#">Financial Assessments Reports Central Repository</a>				> \$1 million			
Guidelines	<a href="#">Human Services Outcomes Framework</a>				Any			
Guidelines	<a href="#">Interactive Tendering Guidelines</a>				Any			

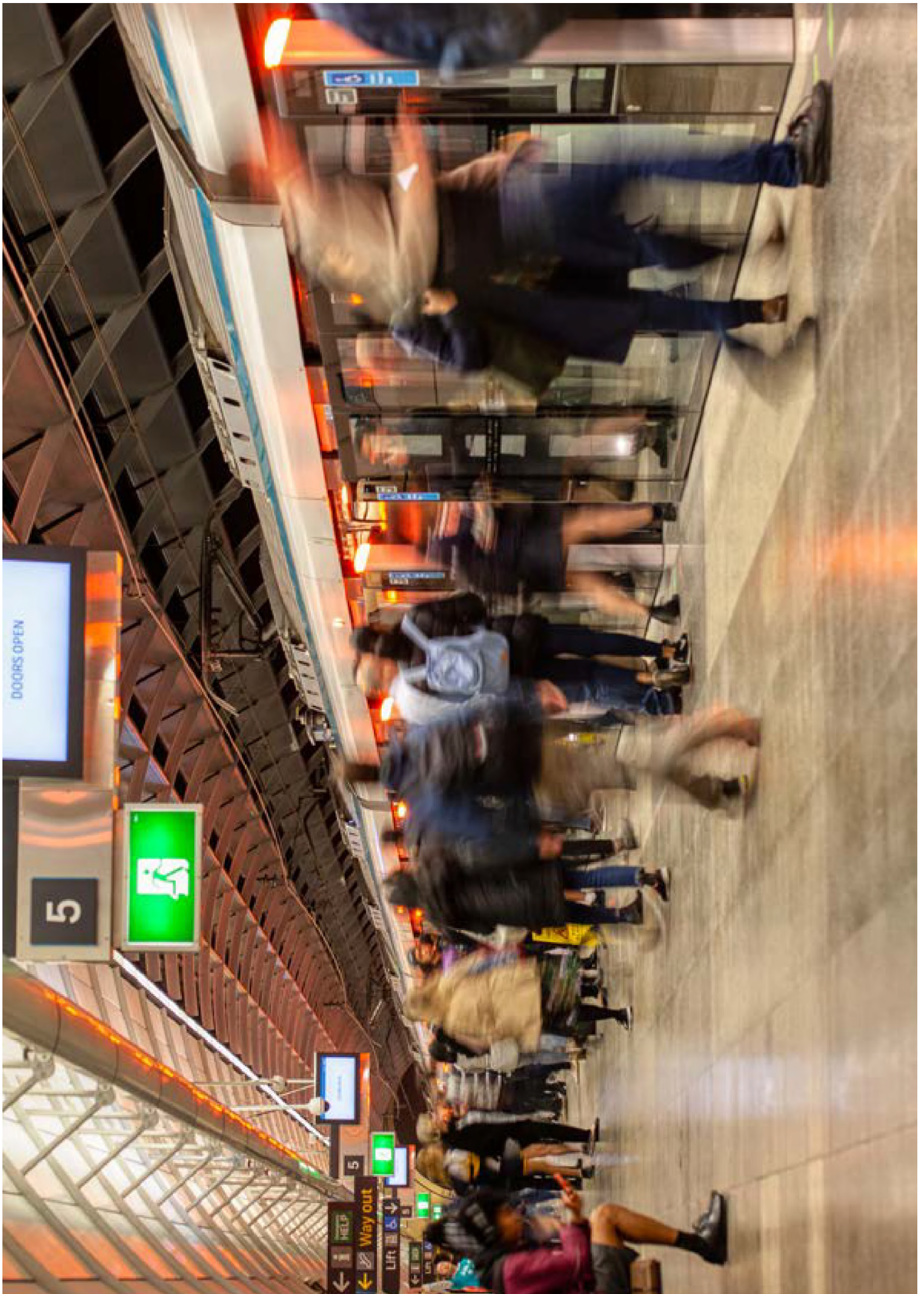
Table 12 References: Source

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## References

Type	Reference	Status	Category		Value	Plan	Source	Manage
Guidelines	<a href="#">Market Approaches Guide</a>				Any			
Guidance	<a href="#">Modern Slavery and Procurement Guidance</a>				Any			
Guidelines	<a href="#">Motor Vehicle Operational Guidelines</a>				Any			
Guidelines	<a href="#">Procurement Methods Guidelines</a>				Any			
Guidelines	<a href="#">Supplier Due Diligence: A Guide for NSW Public Sector Agencies</a>				Any			
Guidelines	<a href="#">Travel Operational Guidelines</a>				Any			
Templates	<a href="#">Construction Contract Templates</a>				Any			
Templates	<a href="#">Goods and Services Contract Templates</a>				Any			
Templates	<a href="#">ICT Purchasing Framework</a>				Any			
Templates	<a href="#">NSW Human Services Agreement</a>				Any			




















# Manage

Manage contracts and develop supplier relationships to deliver the best outcome for your agency and the government.

Contract and supplier management

Relating to	Status	Category	Value	Obligation	Reference
Contract and supplier management			Any	Signing an agreement is not the end of a process, but rather the start of an ongoing relationship with the supplier. Both the contract and supplier relationship need to be managed to deliver the best outcome for the agency.	<a href="#">NSW Procurement's Approach</a>
			Any	<p>You <b>should</b>:</p> <ul style="list-style-type: none"> <li>ensure smooth transition of services, especially if there is a new supplier</li> <li>jointly establish systems and processes with the supplier team to ensure compliance with contract terms and performance requirements, and determine who is responsible for key tasks and activities on the agency and supplier sides</li> <li>define and maintain the right level of management and resources according to the business criticality and complexity of the procurement arrangement</li> <li>manage performance, drive continuous improvement and encourage innovation in coordination with the supplier and key stakeholders</li> <li>track and report benefits to demonstrate how value for money is being delivered.</li> </ul>	
Supplier relationship management			Any	Supplier relationship management (SRM) delivers value over and above the minimum levels of performance covered under contracts by focusing attention on the whole value stream.	<a href="#">Supplier Relationship Management Guidelines</a>
			Any	You <b>may</b> wish to identify strategic suppliers to develop relationships and foster innovation to deliver additional value.	

Relating to	Status	Category	Value	Obligation	Reference
Supplier conduct		 	Any	You <b>must</b> use best endeavours to identify adverse findings against suppliers and report such findings to the Procurement Board.	<a href="#">PBD 2017-07 Supplier Conduct</a>
		 	Any	The <a href="#">Supplier Code of Conduct</a> documents the minimum expectations and behaviours for doing business with NSW Government. Your agency can build on the code to hold suppliers to more stringent requirements where appropriate.	<a href="#">Supplier Code of Conduct</a>
		 	Any	Findings of dishonest, unfair, unconscionable, corrupt or illegal conduct have consequences for individual suppliers, up to exclusion from contracting opportunities with the government.	
		 	Any	You <b>must</b> comply with the <i>Public Works and Procurement Act 1912</i> , including requirements to take reasonable steps to ensure that goods and services procured by and for the agency are not the product of modern slavery. This may lead to specific obligations imposed on suppliers for a particular procurement.  You <b>must</b> comply with the <i>NSW Modern Slavery Act 2018</i> , including annual reporting requirements for agencies, commencing 1 July 2023 subject to Governor approval, and agency co-operation with the Anti-Slavery Commissioner	<a href="#">Public Works and Procurement Act 1912</a> <a href="#">NSW Modern Slavery Act 2018</a>
		 	Any	You <b>should</b> ensure that suppliers are aware of agency expectations concerning supplier conduct in respect to modern slavery risks and human rights. You should embed relevant discussions into procurement processes, including contract management.  Your agency can choose to hold suppliers to additional conduct requirements such as to notify the agency of an actual or suspected occurrence of modern slavery in its operations or supply chains and take reasonable steps to respond to and address the issue where appropriate. Your agency can incorporate the modern slavery model contract clause into contract extensions or variations, upon agreement with the supplier. Agencies may monitor progress against modern slavery and human rights related key performance indicators (KPIs).	<a href="#">Modern Slavery and Procurement Guidance</a>

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## Contract and supplier management

Relating to	Status	Category	Value	Obligation	Reference
Supplier due diligence			Any	You <b>should</b> monitor, on an ongoing basis, supplier compliance with contractual, regulatory and other obligations. The level and frequency of checks will vary depending on the value and risk profile of the contract.	<a href="#">Supplier Due Diligence: A Guide for NSW Public Sector Agencies</a>
			Any	You <b>must</b> comply with the <i>Public Works and Procurement Act 1912</i> , including requirements to take reasonable steps to ensure that goods and services procured by and for the agency are not the product of modern slavery. This may lead to specific obligations imposed on supplier conduct in regard to modern slavery risks for a particular procurement. This may include additional procurement documentation regarding modern slavery risk and the supplier's response to these risks.  You <b>must</b> comply with the <i>NSW Modern Slavery Act 2018</i> , including annual reporting requirements for agencies, commencing 1 July 2023 subject to Governor approval, and agency co-operation with the Anti-Slavery Commissioner. This may include reporting on ongoing due diligence procedures undertaken with regard to modern slavery risks.	<a href="#">Public Works and Procurement Act 1912</a> <a href="#">NSW Modern Slavery Act 2018</a>
			Any	You <b>should</b> implement effective due diligence procedures to ensure that goods and services procured by government agencies are not the product of modern slavery. Agencies can also seek input from suppliers through one or a combination of the following: <ul style="list-style-type: none"> <li>• The modern slavery risk assessment</li> <li>• Responses to the model tender schedule or similar self-assessment questionnaires. An agency may also request supporting documentation.</li> <li>• Audits or site inspections. Agencies can discuss with NSW Procurement any coordinated processes for audits and site inspections.</li> </ul>	<a href="#">Modern Slavery and Procurement Guidance</a>



















## Contract and supplier management

Relating to	Status	Category	Value	Obligation	Reference
Paying suppliers on time Small businesses			< \$10,000	You <b>should</b> pay invoices up to \$10,000 as soon as possible by PCard or equivalent electronic payment method.	<a href="#">Faster Payment Terms Policy</a>
			\$10,000–\$1 million	<b>In-scope agencies must</b> pay registered small businesses (<20 FTEs) within 5 business days of receipt of a correctly rendered invoice, unless an existing contract or standing offer provides for an alternative time.	
			\$10,000–\$1 million	The Office of the Small Business Commissioner (OSBC) monitors and reports on agency payment performance to <i>small businesses</i> . This process has been automated using the NSW Procurement Spend Cube to develop a small business reporting dashboard.	
Annual reporting			Any	Your agency <b>must</b> provide details of its performance in paying accounts, including details of any actions taken to improve performance, in its annual report.	<a href="#">Annual Reports (Departments) Regulation 2015<sup>2</sup></a>
				Your agency <b>must</b> report all instances where interest has become payable due to late payment, and the reason for the delay in making that payment, in its annual report.	
Paying suppliers on time Construction –security of payments			Any	You <b>must</b> ensure construction contractors receive progress payments in compliance with the <a href="#">Security of Payment Act</a> .	<a href="#">Building and Construction Industry Security of Payment Act 1999</a> <a href="#">PBD 2013-01C</a>
			Any	You <b>must</b> , as part of ongoing contract management activities, take steps to verify the claims of head contractors about payments made to subcontractors.	

<sup>2</sup> To be replaced by a Treasurer's Direction or Regulation under the *Government Sector Finance Act 2018*.

Relating to	Status	Category	Value	Obligation	Reference
Aboriginal participation		 	≥ \$7.5 million	<p>You <b>must</b>:</p> <ul style="list-style-type: none"> <li>monitor suppliers' progress to implement Aboriginal Participation Plans, including quarterly reports against the targets</li> <li>conduct a final review of suppliers' performance against their Aboriginal Participation Plans at the completion of the contract</li> <li>direct any remaining Aboriginal participation spend to Training Services NSW within three months of completion of the contract, or earlier if the supplier confirms the Aboriginal participation targets will not be met.</li> </ul>	<p><a href="#">Aboriginal Procurement Policy</a></p> <p>Interim Policy Reporting Tool</p> <p><a href="#">-Construction</a></p> <p><a href="#">-Goods and Services</a></p>
SMEs and local participation			≥ \$3 million	<p>You <b>must</b> monitor progress against the SME and Local Participation Plan to ensure the supplier(s) are working towards the commitments that they have made. The contract manager is also responsible for following up with the supplier if the plan is not being met. When completing the contract, the supplier must submit a final report confirming compliance with the commitments made.</p>	<p><a href="#">SME and Regional Procurement Policy</a></p>
Resource efficiency		 	Any	<p>Your agency <b>must</b> report annually against the policy initiatives in the <a href="#">GREP</a> to the Department of Planning, Industry and Environment, including a statement of compliance with the procurement standards in the policy. The reporting deadline for the previous financial year is the last working day in November each year. Compliance with the GREP is voluntary for agencies with fewer than 100 employees.</p>	<p><a href="#">Government Resource Efficiency Policy</a></p>
Foreign exchange (FX) risk management		 		<p>If the contract or procurement agreement involves goods and/or services sourced from outside Australia, it is likely there will be FX risk.</p>	<p><a href="#">TPP21-14 NSW Government Financial Risk Management Policy</a></p>
		 	A\$500,000 face value	<p>You <b>must</b> report current and forecast exposures to Treasury and TCorp within 5 business days once an exposure has been identified or when the aggregate amount exceeds the materiality threshold (A\$500,000 face value).</p> <p>You <b>must</b> consult Treasury and TCorp to manage exposures when they change by the threshold amount.</p>	







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## Contract and supplier management

Relating to	Status	Category	Value	Obligation	Reference	
Commodity price risk					If the contract or procurement agreement involves procuring goods (such as electricity or steel), it is likely there will be a commodity price risk.	<a href="#">TPP21-14 NSW Government Financial Risk Management Policy</a>
				A\$20 million face value	You <b>must</b> report current and forecast exposures to Treasury and TCorp within 5 business days once an exposure has been identified or when the aggregate amount exceeds the materiality threshold (A\$20,000,000 face value). You <b>must</b> consult Treasury and TCorp to manage exposure when they change by the threshold amount.	
Interest rate risk					If the contract or procurement agreement involves the ongoing exposure of goods and/or services to interest rates, it is likely there will be an interest rate risk. This includes leasing arrangements which have underlying interest rate exposures.	<a href="#">TPP21-14 NSW Government Financial Risk Management Policy</a>
				A\$20 million face value	You <b>must</b> report current and forecast exposures to Treasury and TCorp within 5 business days once an exposure has been identified or when the aggregate amount exceeds the materiality threshold (A\$20,000,000 face value). You must also consult Treasury and TCorp to manage exposures when they change by the threshold amount.	
Extensions				Any	Routinely exercising extension options or rolling-over contracts reduces competition and limits access to new suppliers, products and services. Agencies should consider using extension options on a case by case basis, allowing enough time to conduct a new procurement exercise if the contract is not meeting the agency's needs or delivering value for money.	
				Any	You <b>must</b> only exercise extension options where it can be demonstrated the contract will continue to deliver value for money.	
				Any	You <b>should</b> conduct a strategic assessment of the market prior to rolling-over or extending a contract, including how the extension will impact competition and create (or continue) barriers to new suppliers.	

Additional requirements for goods and services contracts











Relating to	Status	Category	Value	Obligation	Reference
Human services			Any	You <b>must</b> report amendments to the prescribed template NSW Human Services Agreement to the Human Services Category Management Group (CMWG) each year.	<a href="#">PBD 2017-04 Procuring Human Services from NGOs</a>
			Any	You <b>must</b> require NGO service providers to report the: <ul style="list-style-type: none"> <li>• service delivery location (local government area (LGA)) where their services are delivered to the service user</li> <li>• service user location (LGA) where the service user resides.</li> </ul>	
			Any	You <b>may</b> seek an exemption from location reporting requirements from the Procurement Leadership Group.	

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## Additional requirements for construction contracts

Relating to	Status	Category	Value	Obligation	Reference
Skills, training and diversity			> \$10 million	You <b>must</b> ensure contractors report <b>at least quarterly</b> on their achievement against skills, training and diversity targets.	<a href="#">PBD 2020-03 Skills, Training and Diversity in Construction</a>
			> \$10 million	You <b>must</b> report quarterly to Training Services NSW in the Department of Education against agreed skills, training and diversity targets.	
Financial assessments				You <b>must</b> regularly analyse the financial status of contractors throughout the course of construction contracts. At a minimum, financial assessments must be conducted:	<a href="#">PBD 2013-01C Financial Assessments</a>
			<b>Value</b>	<b>Frequency</b>	
			\$1 million – \$10 million	every six months	
	> \$10 million	every three months			
		Any	You <b>must</b> use the <a href="#">Financial Assessments Prequalification Scheme</a> to source financial assessment reports, or request recent reports for specific contractors from the <a href="#">central repository</a> held by NSW Procurement, unless the agency has capability to conduct financial assessments itself.	<a href="#">Financial Assessments Prequalification Scheme</a> <a href="#">Financial Assessments Repository</a>	
Financial assessments			Any	You <b>must</b> address identified risks and recommended actions in financial assessment reports throughout the life of the contract.	<a href="#">Financial Assessments Prequalification Scheme</a> <a href="#">Financial Assessments Repository</a>
Industrial relations			Any	You <b>must</b> ensure contractors comply with the <a href="#">NSW Industrial Relations Guidelines: Building and Construction Procurement</a> and, if applicable, the <i>Workplace Relations Management Plan</i> .	<a href="#">NSW Industrial Relations Guidelines</a>







Relating to	Status	Category	Value	Obligation	Reference
Work, health and safety			Any	You <b>must</b> review contractors' WHS performance throughout the life of the contract, including WHS management monthly reports and investigating any <i>Notifiable WHS incidents</i> . You <b>must</b> also:	<a href="#">WHS Management Guidelines</a>
			<b>Value</b>	<b>Requirement</b>	
			< \$1 million	Review the contractor's implementation of the <i>WHS Management Plan</i>	
	≥\$1 million	Agree and implement an audit schedule of the contractor's <i>WHS Management Plan</i> .			
			≥\$1 million	<p>You <b>should</b> conduct an audit:</p> <ul style="list-style-type: none"> <li>• within three months of the start of site work</li> <li>• at least twice in the life of the project, or as otherwise determined to suit the level of risk during the project, with a minimum of two audits conducted over the life of the contract.</li> </ul> <p>You <b>must</b> ensure any corrective and preventive actions identified during an audit are carried out within agreed timeframes.</p>	
Environmental management			Any	All staff working on the project site <b>must</b> be inducted into the Environmental Management Plan (EMP) and EMP requirements for work on the site.	<a href="#">Environmental Management Guidelines</a>
			Any	You <b>must</b> regularly review the contractor's implementation of the EMP over the life of the project, including on-site evaluations. You may determine the number of reviews and the scope of each review dependent on the size and nature of the contract.	
Quality management			Any	You <b>should</b> conduct regular reviews, audits and/or inspections to monitor contractors' implementation of their <i>Quality Management Systems, Quality Management Plans</i> and/or <i>Inspection and Test Plans</i> , based on the value and risk profile of the contract.	<a href="#">Quality Management Guidelines for Construction</a>

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## Managing the lifecycle of goods and assets

Relating to	Status	Category	Value	Obligation	Reference
Disposal of goods of assets			Any	The <i>Public Works and Procurement Act 1912</i> defines procurement as a process that includes the disposal of goods that are unserviceable and no longer required. Accordingly, any Board Direction or policy that refers to procurement also applies to the conduct of disposals.	<a href="#">Public Works and Procurement Act 1912</a>
Disposal of goods of assets			Any	You <b>must</b> ensure that disposals are approved by the appropriate authority and that due process and disclosure is undertaken including: <ul style="list-style-type: none"> <li>• complying with the agency's authority to conduct the disposal (refer to <a href="#">Authority to Procure</a>)</li> <li>• disposal specifications and requirements are disclosed equally to all suppliers invited to quote, if required</li> <li>• supplier selection evaluation criteria are established prior to receiving quotes</li> <li>• proper processes are followed for managing market requests and for receiving and opening quotes.</li> </ul>	<a href="#">Public Works and Procurement Act 1912</a>
Fleet Management			Any	You <b>should</b> refer to the <a href="#">Motor Vehicle Operational Guidelines</a> for information on the strategic asset management approach to the provision and management of fleet. Fleet management of agency fleets is mandatory and may be undertaken in-house or by an NSW Government-contracted Fleet Management Provider (FMP).	<a href="#">Motor Vehicle Operational Guidelines</a>

Relating to	Status	Category	Value	Obligation	Reference
Circular economy		 	Any	You <b>should</b> consider the product lifecycle when conducting needs analysis and developing product specifications, including <i>circular economy</i> principles, so that reuse, repurposing, recycling and/or disposal of goods or assets is planned into the procurement process.	<a href="#">NSW Circular Economy Policy Statement</a>
		 	Any	You <b>must</b> ensure any disposal or repurposing is consistent with environmental and waste management legislation, regulations and policies.	

**Key**
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## References

Type	Reference	Status	Category	Value	Plan	Source	Manage
Legislation	<a href="#">Annual Reports (Departments) Regulation 2015<sup>3</sup></a>				Any		
Legislation	<a href="#">Building and Construction Industry Security of Payment Act 1999</a>				Any		
Legislation	<a href="#">Modern Slavery Act 2018 (NSW)</a>				Any		
Legislation	<a href="#">Public Works and Procurement Act 1912</a>				Any		
Legislation	<a href="#">Work Health and Safety Regulation 2017</a>				≥ \$250,000		
Policy	<a href="#">Aboriginal Procurement Policy (APP)</a>				< \$250,000 ≥ \$7.5 million		
Policy	<a href="#">Environmental Management Guidelines for Construction</a>				Any		
Policy	<a href="#">Faster Payment Terms Policy</a>				< \$1 million		
Policy	<a href="#">Government Resource Efficiency Policy</a>				Any		
Policy	<a href="#">ICT/Digital SME Procurement Commitments</a>				≤ \$150,000 \$150,001 to \$250,000 > \$3 million		
Policy	<a href="#">NSW Circular Economy Policy Statement</a>				Any		






















<sup>3</sup>To be replaced by a Treasurer's Direction or Regulation under the *Government Sector Finance Act 2018*.



## References

Type	Reference	Status	Category		Value	Plan	Source	Manage
Policy	<a href="#">NSW Industrial Relations Guidelines: Building and Construction Procurement</a>				Any			
Policy	<a href="#">PBD 2013-01C Financial Assessments</a>				> \$1 million			
Policy	<a href="#">PBD-2016-03 Construction Standards and Conformance</a>				Any			
Policy	<a href="#">PBD 2017-04 Procuring Human Services from NGOs</a>				Any			
Policy	<a href="#">PBD 2017-07 Supplier Conduct</a>				Any			
Policy	<a href="#">PBD 2020-03 Skills, Training and Diversity in Construction</a>				> \$10 million > \$500 million			
Policy	<a href="#">Quality Management Guidelines for Construction</a>				Any			
Policy	<a href="#">SME and Regional Procurement Policy</a>				< \$150,000 < \$3 million ≥ \$3 million			
Policy	<a href="#">Small Business Shorter Payment Terms Policy</a>				≥ \$75 million			
Policy	<a href="#">TPP21-14 NSW Government Financial Risk Management Policy</a>				A\$500,000 A\$20 million			
Policy	<a href="#">Work Health and Safety Management Guidelines</a>				Any			
Guidance	<a href="#">Financial Assessments Reports Central Repository</a>				> \$1 million			

References

Type	Reference	Status	Category		Value	Plan	Source	Manage
Guidance	<a href="#">Modern Slavery and Procurement Guidance</a>				Any			
Guidance	<a href="#">Motor Vehicle Operational Guidelines</a>				Any			
Guidance	<a href="#">Supplier Due Diligence: A Guide for NSW Public Sector Agencies</a>				Any			
Guidance	<a href="#">Supplier Relationship Management Guidelines</a>				Any			



## Section 3

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# · GOVERNANCE AND FEEDBACK ·



Governance



Accreditation schemes



Government procurement arrangements



Complaints and feedback



Procurement board directions



# Governance

## The NSW Procurement Board

The NSW Procurement Board is responsible for developing and implementing a government-wide strategic approach to procurement.

The Secretary of The Treasury is the chairperson of the Procurement Board, delegated to the Deputy Secretary, Commercial, Commissioning and Procurement. The board is made up of the cluster Secretaries, or approved deputies.

### Objectives and functions of the Board

The objectives of the Board under section 171 of the *Public Works and Procurement Act 1912* are to:

- develop and implement a Government-wide strategic approach to procurement
- ensure best value for money in the procurement of goods and services by and for government agencies
- improve competition and facilitate access to Government procurement business by the private sector, especially by small and medium enterprises and regional enterprises
- reduce administrative costs for government agencies associated with procurement
- simplify procurement processes while ensuring probity and fairness.

The functions of the Board under section 172 of the Act are to:

- oversee the procurement of goods and services by and for government agencies
- develop and implement procurement policies
- issue directions or policies to government agencies
- monitor compliance by government agencies with the requirements of the Act (including NSW Procurement Board directions and policies)
- investigate and deal with complaints about the procurement activities of government agencies
- develop appropriate procurement and business intelligence systems for use by government agencies
- collect, analyse and publish data and statistics in relation to the procurement of goods and services by and for government agencies
- such other functions as are conferred or imposed on the NSW Procurement Board by or under the principal Act or any other Act.

The Board must also exercise its functions in accordance with any applicable Government-wide procurement policies.

### Accreditation

The Board accredits agencies to conduct procurement for itself or other government agencies. It may also authorise a government agency to carry out specified procurement of goods and services without accreditation.

## Directions and policies of the Board

The Board may issue policies and directions to agencies regarding, but not limited to:

- the methods to be used for procuring goods and services
- contracts for the procurement of specified goods and services
- the kinds of contracts for which tenders are required
- the limits and duration of contracts
- any matters relating to procurement procedures arising from a complaint about the procurement activities of a government agency.

## Obligations of agencies

Agencies are required to conduct their procurement functions in accordance with:

- the policies and directions of the Board
- the terms of its accreditation
- the principles of probity and fairness.

Each agency must ensure it obtains value for money when procuring goods and services.





## Accreditation programs

The Procurement Board has established separate goods and services and construction accreditation programs. The accreditation programs:

- establish minimum standards for managing procurement activities
- effectively manage risk
- promote the delivery of outcomes towards strategic priorities
- drive continuous improvement and capability development across the sector.

### Goods and services accreditation

<b>Level 1 accredited</b>	Agencies <b>may</b> independently conduct procurement activities up to a maximum contract value based on the risk profile of the procurement as follows:	
	Low risk	< \$50 million
	Medium risk	< \$35 million
	High risk	< \$20 million
Concurrence from a Level 2 accredited agency or NSW Procurement is required for a Level 1 accredited agency to conduct procurements above these thresholds.		
<b>Level 2 accredited</b>	Agencies <b>may</b> independently conduct procurement activities in line with approved budgets, financial delegations and procurement delegations. The responsibilities of Level 2 accredited agencies include: <ul style="list-style-type: none"> <li>• taking a leadership role in relation to procurement in the cluster</li> <li>• taking lead buyer status for a category to establish and manage whole-of-government contracts.</li> </ul>	

### Construction accreditation

The Accreditation Program for Construction Procurement addresses the specific capabilities and risks of construction procurement. Accredited agencies have greater autonomy to procure construction services than unaccredited agencies. Accredited agencies also provide assurance services for unaccredited agencies planning construction procurements valued over \$1.3 million.

Activity	Accredited agency	Unaccredited agency
Undertake construction procurement valued $\leq$ \$1.3 million	Yes	Yes
Undertake construction procurement valued $>$ \$1.3 million	Yes	Must comply with the Assurance Process for Construction Procurement



## Responsibilities of accredited agencies



Accredited agencies are responsible for establishing and managing internal procurement systems and governance mechanisms, in compliance with board directions and policies. Accredited agencies **must** also monitor and report trigger events that could impact their ability to meet accreditation requirements.

## Annual self-reporting

Accredited agencies **must provide the following reports** to the Procurement Board by 31 August each year:

- Agency Procurement Plan for the next 12 or 24 months
- Annual Outcomes Report for the previous financial year
- Self-Assessment Attestation for the previous financial year, signed by the agency head
- For construction accredited agencies, any Trigger Event Management Plans from the previous financial year.

## Resources

Category	Reference
 Goods and services	<a href="#">Accreditation Program Requirements</a>
	<a href="#">Agency accreditation status list (goods and services)</a>
 Construction	<a href="#">Accreditation Program Requirements</a>
	<a href="#">Assurance Process for Construction</a>
	<a href="#">Agency accreditation status list (construction)</a>





# Government procurement arrangements

NSW Government procurement arrangements include contracts, prequalification schemes, standing offers and panels, covering a broad array of goods and services including construction.

## Whole-of-government arrangements

### Standing offers and panels

*Standing offers*, including panels, are used by NSW government agencies to purchase goods and services that are required on a recurring basis across the sector. Standing offers are usually established using a tender process.

A *standing offer* is an arrangement setting out the terms and conditions, including a basis for pricing, under which a supplier agrees to supply specific goods and services to an eligible buyer for a specified period.

A *panel arrangement* involves more than one supplier whereby a standing offer is established with each supplier covering the same or similar goods or services, including a basis for pricing, for a specified period.

Standing offers and panels, routinely referred to as *whole of government contracts*, are a closed procurement arrangement where suppliers are approved to provide eligible buyers with a selection of goods and/or services for a fixed period.

The successful suppliers provide goods and services during the contract period, including any contract extensions, and generally no new suppliers are added during the contract period.

Whole-of-government contracts are mandated and must be used by NSW Government agencies to purchase the goods and services they cover (refer [Section 2:01 Plan, Existing arrangements](#)).

Current NSW Government whole-of-government contracts can be viewed on [buy.nsw](http://buy.nsw).

## Prequalification schemes

*Prequalification schemes*, also known as Multi-Use Lists, Approved Lists or Procurement Lists, allow suppliers to apply to qualify for business opportunities with government agencies. The NSW Government's Prequalification Schemes provide a more flexible procurement approach to meet the government's sourcing requirements.

Prequalification schemes provide government buyers with access to lists of resources that meet relevant experience and qualification standards. The schemes aim to reduce red tape and streamline the process for agencies to source and engage external expertise, and for suppliers to register for a range of business opportunities.

NSW government prequalification schemes have the advantage of not 'locking-up' a market, with new suppliers able to register at any time, or at least periodically.

See the list of [all NSW Government prequalification schemes](#).

## Agency-specific procurement arrangements

Agencies may have specific or unique procurement requirements or need to purchase goods or services on a one-off basis. In these cases, agencies establish their own contracts, standing offers or prequalification schemes to meet their specific needs.

While individual agencies establish and manage

these arrangements, they may be made available for other agencies to use via a *piggybacking* clause. *Piggybacking* allows other agencies to use the arrangement, under the existing terms and conditions.

## Government procurement solutions

<a href="#">buy.nsw</a>	<ul style="list-style-type: none"> <li>• <a href="#">buy.nsw</a> is the gateway to NSW Government procurement resources and services</li> <li>• Provides buyer and supplier guidance</li> <li>• Libraries for news, resources, policies, schemes and contracts</li> <li>• Allows <a href="#">online registration</a> to become a buyer or seller of digital products and services.</li> </ul>
<a href="#">buy.nsw supplier hub</a>	<ul style="list-style-type: none"> <li>• The place for NSW Government buyers and suppliers to connect.</li> <li>• Buyers can use supplier hub to find suppliers that meet their needs.</li> </ul>
<a href="#">catalogues.buy.nsw</a>	<ul style="list-style-type: none"> <li>• catalogues.buy.nsw is a secure, click-to-buy platform which enables government users to buy a range of products at government negotiated prices.</li> </ul>
<a href="#">eTendering</a>	<ul style="list-style-type: none"> <li>• Single entry point for NSW Government buyers and suppliers to advertise and respond to tenders</li> <li>• <a href="#">Upcoming, current</a> and <a href="#">closed</a> business opportunities</li> <li>• <a href="#">Government contracts register</a> for awarded contracts ≥ \$150,000 (inc. GST)</li> <li>• <a href="#">Apply for prequalification schemes.</a></li> </ul>
<a href="#">NSW eQuote</a>	<ul style="list-style-type: none"> <li>• Online system used by agencies to seek quotes from prequalified businesses.</li> </ul>

The Procurement Board is undertaking a refresh of the sector's digital procurement capabilities.

## Responsibilities of suppliers

Suppliers to NSW Government need to fulfil a number of requirements in accordance with their agreements, which may include:

- conducting their business relationships in accordance with law and accepted standards of behaviour
- complying where relevant with the NSW Procurement Policy Framework, the [Supplier Code of Conduct](#), the [NSW Industrial Relations Guidelines: Building and Construction Procurement](#) and the contracting agency's Statement of Business Ethics
- ensuring goods or services are delivered as per their contract with the buyer
- ensuring accurate documentation including invoices

- completing reporting requirements in relation to orders and contract spend
- participating in performance management activities with the contracting agency
- updating their contact information, product and pricing information on catalogues.buy.nsw.

Findings of dishonest, unfair, unconscionable, corrupt or otherwise illegal conduct, regardless of whether such conduct occurs in the context of a relationship with the NSW Government, can adversely affect the Government's reputation as a procurer. Such findings can have a range of consequences for individual suppliers, including as serious as exclusion from contracting opportunities with the Government.



## Complaints and feedback

The NSW Procurement Board's responsibilities under the [Public Works and Procurement Act 1912](#) include investigating and dealing with complaints about the procurement activities of agencies.

The [NSW Procurement Board's Complaints Management Guidelines](#) describes the process for managing complaints made about procurement, including setting out the circumstances in which the NSW Procurement Board may investigate complaints. It does not apply to complaints of a criminal or corrupt nature which should be referred to the relevant authorities for investigation.

Agencies are responsible for resolving complaints concerning their procurement actions at the appropriate agency level (usually commencing at the area undertaking the procurement), escalating as necessary and referring to external statutory bodies as appropriate.

Complaints unresolved after this process may be referred by the complainant to the Procurement Board, via the [NSW Procurement Service Centre](#). In this instance copies of all correspondence with the agency concerned and all other relevant material will need to be provided.

The Procurement Board will review the material and information supplied by the complainant and the agency before making any decision to investigate a complaint. Where the board considers the agency has dealt with a complaint in an appropriate manner, it will decline to investigate separately.

If a complainant submits a complaint to the board prior to complaining to the relevant agency or where the agency is still considering the complaint, the board will refer the complainant to the agency concerned.

Agencies which are considered not to have complied with requirements will be required to take corrective action in relation to future procurement action. The board may issue directions and policies regarding corrective action.

### Complaints handling

An effective complaints management process is integral to the principles of probity and fairness. It demonstrates the agency places a high level of importance on conducting procurement in an honest, fair, accountable and transparent manner. Complaints processes can also assist in diagnosing shortcomings in government procurement and provide a means for continuous improvement of procurement systems and standards of service.

### Enforceable procurement provisions

Amendments to the *Public Works and Procurement Act 1912* (PWP Act) came into effect on 29 November 2019. These amendments establish a new complaint process for alleged breaches of PBD 2019-05 Enforceable Procurement Provisions Direction (EPP Direction) relating to international procurement agreements.

An agency needs to identify and deal quickly and effectively with any complaint made under these legislative provisions. The agency will need to:

- suspend all processes involved in the procurement that would adversely affect the complainant's participation in the procurement, unless the agency head certifies that suspending the process is not in the public interest
- investigate the complaint
- take reasonable steps to resolve the complaint
- prepare a written report on the investigation.

A supplier who lodges a written complaint alleging a breach of the EPP Direction relating to international procurement agreements can, after attempting to resolve the matter with the agency, apply to the Supreme Court for an injunction requiring the agency to comply with the EPP Direction. The supplier can also apply to the Supreme Court for a compensation order.

### Role of the NSW Procurement Board

The Board does not have a statutory role in considering complaints about alleged breaches of the EPP Direction. These complaints are a matter for the agency, the supplier and, if proceedings are taken, the Supreme Court.

## Resources

Obligation	Reference	Classification
Guidelines	<a href="#">Applying the Commitments to Effective Complaint Handling – Guidance for Agencies</a> (NSW Ombudsman)	Recommended
	<a href="#">Six Commitments to Effective Complaint Handling</a> (NSW Ombudsman)	Recommended
	<a href="#">Complaint Management Framework</a> (NSW Ombudsman)	Recommended
	<a href="#">Complaints Management Guidelines</a> (Procurement Board)	Recommended
	<a href="#">Complaint Handling Improvement Program: Commitments Implementation Review</a> (NSW Ombudsman)	Recommended
	<a href="#">Effective Complaint Handling Guidelines, 3rd Edition</a> (NSW Ombudsman)	Recommended
	<a href="#">Managing Unreasonable Complainant Conduct</a> (NSW Ombudsman)	Recommended
	<a href="#">Respectful Treatment</a> (NSW Ombudsman)	Recommended
	<a href="#">Tips for Accessible Complaint Handling</a> (NSW Ombudsman)	Recommended





## Procurement board directions

Section 175 of the *Public works and Procurement Act 1912* grants the Procurement Board authority to issue directions to government agencies regarding

the procurement of goods and services of any kind, including construction. A direction may be issued to agencies generally or to a particular agency.

### Resources

Direction	Title	Date commenced	Review date
<a href="#">2013-01C</a>	Financial assessments	13 November 2013	-
<a href="#">2014-04C</a>	Construction procurement prequalification schemes for work valued up to \$1 million	1 October 2014	-
<a href="#">2014-06</a>	Procurement of goods and services on behalf of other government agencies	1 October 2014	-
<a href="#">2014-07</a>	Recognising suppliers to the Australian Government	1 January 2015	N/A
<a href="#">2015-03</a>	Radio communications site licence agreement framework	1 September 2015	1 September 2025
<a href="#">2016-03</a>	Construction standards and conformance	6 July 2016	6 July 2019
<a href="#">2016-04</a>	Accessing information about non-government organisations delivering human services	6 July 2016	5 July 2019
<a href="#">2017-03</a>	2017-03 <i>Civil Liability Act 2002</i> proportionate liability	1 November 2017	-
<a href="#">2017-04</a>	Procuring human services from NGOs	13 September 2017	13 September 2019
<a href="#">2017-07</a>	Conduct by suppliers	22 November 2017	22 November 2022
<a href="#">2019-02</a>	Telecommunications procurement	29 April 2019	29 April 2024
<a href="#">2019-03</a>	Access to government construction procurement opportunities by SMEs	1 May 2019	1 May 2024
<a href="#">2019-05</a>	Enforceable procurement provisions	29 November 2019	13 September 2024
<a href="#">2020-01</a>	Support for bushfire-affected communities	24 January 2020	28 January 2021
<a href="#">2020-03</a>	Skills, training and diversity in construction	1 July 2020	1 March 2023
<a href="#">2020-05</a>	Approved Procurement Arrangements for the ICT Services Scheme	2 September 2020	28 February 2023
<a href="#">2021-01</a>	Support for flood affected communities	16 April 2021	15 April 2023
<a href="#">2021-02</a>	Mandated use of ICT purchasing framework	1 July 2021	28 February 2023
<a href="#">2021-03</a>	Engagement of professional services suppliers	8 September 2021	8 September 2022
<a href="#">2021-04</a>	Approved procurement arrangements	23 November 2021	22 November 2024



## Section 4

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# · GLOSSARY ·



**Aboriginal business**, for the purpose of the NSW Aboriginal Procurement Policy, refers to one that has at least 50 per cent Aboriginal ownership and that is recognised through an appropriate organisation, such as Supply Nation or the NSW Indigenous Chamber of Commerce (NSWICC).

**Aboriginal Participation Plan** describes a supplier's commitments under the Aboriginal Procurement Policy, and how it will meet those commitments.

**Aboriginal Participation Strategy** describes how an agency is working with Aboriginal businesses to identify and develop business and employment opportunities and set measurable targets for Aboriginal participation, through goods and services procurement activities.

**Agency** refers to a government agency as defined under [s.162 of the Public Works and Procurement Act 1912](#) and includes a government sector agency (within the meaning of the [Government Sector Employment Act 2013](#)), a NSW government agency, and any other public authority that is constituted by or under an act or that exercises public functions. It excludes state owned corporations and local councils.

**Agency head** is the person who is the chief executive officer, or who exercises the functions of chief executive officer, of a government agency.

**Annual Procurement Plan** means a planning document that captures all types of procurement initiatives planned by the procurement function, including sourcing, contract management and category management activities. An abridged version is published on [NSW eTendering](#) covering planned procurements that may result in an open tender and major or strategic initiatives that may generate procurement.

**Arrangement** is a description of a contract, standing offer, scheme, or any other form of agreement between a government agency/s and supplier/s, whether or not the arrangement creates a legal relationship between the parties. There are various models of supplier arrangements in place, including:

- contracts between an agency and a supplier
- standing offer agreements between agencies and suppliers, which establish the legal arrangements for contracts relating to the purchase of goods or services
- registration lists and prequalification schemes, under which agencies then enter into contracts.

While these models create different legal relationships between agencies and suppliers, this framework refers to these as 'arrangements' for the sake of simplicity.

**Australian disability enterprises (ADEs)** are generally not for profit organisations providing supported

employment opportunities to people with disability, also known as *disability employment organisations*.

**Capital expenditure** is expenditure on acquisition, maintenance or improvement of non-current (i.e. if the financial benefit extends beyond the current financial year) fixed assets, such as buildings, equipment or land.

**Capital project** is a project primarily comprised of fixed assets such as infrastructure, equipment, property developments or operational technology.

**Circular Economy** is an economy that values resources by keeping products and materials in use for as long as possible.

**Competitive neutrality** is the principle that government business activities should not enjoy net competitive advantages over their private sector competitors due to their public sector ownership. Competitive neutrality removes potential market distortions and promotes an efficient allocation of resources between public and private businesses.

**Conditions for participation** are minimum conditions that suppliers must demonstrate compliance with, in order to participate in a procurement process or be included on a procurement list.

**Construction services** means services relating to the construction of buildings or works, including:

- pre-erection works,
- construction work,
- repairs, alterations and restorations.

**Covered procurement** is a procurement that is covered by [PBD-2019-05 Enforceable Procurement Provisions](#).

**Direct dealing** is exclusive dealings between a government agency and non-government sector body over a commercial proposition or proposal. It may include a limited tender conducted in accordance with the [PBD-2019-05 Enforceable Procurement Provisions](#) and the [Public Works and Procurement Act 1912](#).

**Disability employment organisation** is an entity that has a principal purpose to provide employment to persons with a disability.

**Enforceable Procurement Provision** is defined in section 162 of the [Public Works and Procurement Act 1912](#) and means a provision of a board direction or policy (or a provision of a document referred to in a board direction or policy) that is expressed to be an enforceable procurement provision by the direction or policy.

**Environmental Management Plan (EMP)** is a site-specific plan that identifies environmental aspects and significant impacts of a construction project, and how contractors will manage environmental performance and conformity with the environmental conditions of the contract.

**Environmental Management System (EMS)**

comprises the elements of an organisation's overall management system that ensure environmental aspects of its activities, products and services, and their significant impacts, are identified and systematically managed.

**Expression of Interest (EOI)** is the process of seeking the interest of service providers capable of undertaking specific works or services, to provide information on that capability or a detailed proposal to undertake work. It is usually the first stage of a multi-stage tender process.

**Goods and services** mean any type of right, interest or thing, both physical and intangible, which is legally capable of being owned (goods); and work performed by individuals or a group of individuals for others (services). In this framework, *goods and services* excludes any item or activity defined as *construction services*, unless otherwise specified.

**Hedging** is a form of risk management strategy used to limit or offset the probability of loss from fluctuations in prices (e.g. currencies or commodities).

**High Profile High Risk (HPHR):** As set out in the [Infrastructure Investor Assurance Framework](#), this is a tier-based project rating. Tier 1, High Profile/ High Risk, encompasses projects assessed as the highest risk and profile potential based on the project's estimated total cost and qualitative risk profile criteria.

**Human services** mean the programs, facilities or services provided to meet the health, welfare and social needs of individuals, families and communities. This may include, for example, education, health, and community services provided across NSW, or as defined by the Human Services Data Hub Taxonomy.

**Information and Communications Technology (ICT)** is a subset of goods and services consisting of information and telecommunications technology, platforms, software, hardware and services.

**Inspection and Test Plans (ITPs)** record all inspection and testing requirements relevant to a specific process to ensure quality standards are met. ITPs document the procedure to be undertaken and the evidence to be provided (including reviews and verification points) to verify that a work process/product or activity conforms to the specified requirements.

**International Procurement Agreement (IPA)** is defined in section 162 of the [Public Works and Procurement Act 1912](#) and means an international agreement that applies to procurements by Australian Governments and covers procurements by NSW agencies.

**Limited tender** means a procurement (other than through a procurement list) that involves an agency directly inviting one or more suppliers of its choice to make a submission. Where only one

supplier is approached it is sometimes termed a direct negotiation. There are restrictions on the use of limited tendering for covered procurements.

**Local Business** is a business of any size:

- with a registered business address in the LGA, or
- that can demonstrate that it has substantial operations including a local workforce in the LGA

in which a project, program of work or other procurement is to be conducted.

**Local content** for the SME and Local Participation Plan is defined as goods produced, services provided, and labour supplied in NSW.

**Local government area (LGA)** is the area governed by a single local government authority, e.g. a council.

**Measures** include any law, regulation, policy, procedure, requirement or practice.

**Medium business** is a business with 20-199 FTEs.

**Modern slavery** is defined in the [Modern Slavery Act 2018 \(NSW\)](#). Modern slavery includes conduct involving the use of forms of slavery, servitude and/or forced labour to exploit children or other persons and modern slavery offences as defined in the Act. Modern slavery offences include and are not limited to human trafficking, debt bondage, forced marriage, and the production, dissemination or possession of child abuse materials.

**Non-government organisations (NGOs)** mean a non-profit organisation that is independent from government. A non-profit organisation is one which 'is not operating for the profit or gain of its individual members, whether these gains would have been direct or indirect'.

**Notifiable WHS incident** is an incident involving the death of a person, or serious injury or illness of a person or a dangerous incident, (as defined in the WHS Act 2011) that must be notified to SafeWork NSW.

**Open approach to market (OAM)** is an invitation (such as a notice or post) to participate in a procurement that is publicly published on [NSW eTendering](#).

**Open tender** is a publicly advertised tender that is open to any interested supplier. Open tenders can include multi-stage procurements where the first stage is an open approach to market.

**Panel** see procurement panel.

**Piggybacking** is where one agency has established an arrangement and has made the arrangement available to other agencies.

**Preference** refers to any law, regulation, policy, procedure, requirement or practice that allows favourable treatment of specified groups of suppliers, e.g. SMEs.

**Prequalification Scheme** see procurement list.

**Principal contractor** is a contractor that contracts with an agency as the client and is appointed as principal contractor for nominated work, meaning they are authorised to have management or control of the workplace and discharge the duties of a principal contractor under the WHS Regulation 2017.

**Probity** is uprightness, honesty, proper and ethical conduct and propriety in dealings, and can be defined as complete and confirmed integrity, uprightness and fairness in a particular process.

**Probity advisers** act as part of a procurement/sale project team and work contemporaneously with project managers. The principal role of a probity adviser is to provide probity advice and solutions throughout the transaction.

**Probity auditors** work independently of a project team and are engaged to verify that processes followed during a procurement/sale are consistent with government regulations and best practice principles, primarily after the fact.

**Procurement** refers to a process that begins with the basic 'make or buy' decision, and then spans the 'whole life' of supplier/construction arrangements. It includes the definition of business needs, designing and implementing arrangements, monitoring and managing contract and supplier performance, and reviewing outcomes to assess the effectiveness of arrangements.

**Procurement documentation** is provided to suppliers to enable them to understand and assess a procuring agency's requirements and prepare appropriate and responsive submissions. It may include the terms and conditions of the procurement, along with conditions for participation, specifications for the goods and services to be provided, and evaluation criteria.

**Procurement list** also known as a prequalification scheme, multi-use list or approved list, is a list of suitable suppliers intended to be used more than once for procurements by an agency or agencies. The suppliers are required to meet relevant experience and qualification standards to be engaged for specified business opportunities.

**Procurement panel** is a panel of suppliers for procurements by an agency or agencies who, following successful tenders, have entered into contracts for inclusion on the panel. A standing offer is established with each supplier covering the same or similar goods or services, with a basis for pricing and for a specified period.

**Proposed RFT** is an early notification to the market of an upcoming business opportunity or tender but is not a guarantee that the RFT will proceed.

**Purchasing** is the process of buying or purchasing from an existing procurement arrangement or directly from a supplier.

**Quality Management Plan** is a project or contract-specific plan that specifies the appropriate quality management policies, processes and standards to ensure the project, contract and/or products conform with requirements and to manage quality risks.

**Quality Management System** provides a structure, including documentation and processes, which enables the delivery of products and services to be controlled and managed to consistently meet the specified requirements.

**Recurrent expenditure** is expenditure which does not result in the creation or acquisition of fixed assets (new or second-hand). It consists mainly of expenditure on wages, salaries and supplements, purchases of goods and services and consumption of fixed capital (depreciation).

**Regional NSW** includes all areas within NSW, outside the Newcastle, Sydney and Wollongong metropolitan areas. A [list of regional LGAs](#) is available on [buy.nsw](#).

**Regional Supplier** is a business of any size:

- with a registered business address in Regional NSW, or;
- that can demonstrate it has substantial operations including a local workforce in Regional NSW.

**Request for Proposal (RFP)** is a request to the market to provide preliminary proposals or ideas for a business solution. A second stage may involve short listed tenderers being invited to tender for the contract or, where a best solution is sought, negotiation with the preferred service provider on the final requirements and price.

**Request for Tender (RFT)** means an invitation, by advertisement or directly, to respond to sourcing requirements by lodging a tender response. It covers all forms of tendering, including an invitation or request for quotation (RFQ) or proposal (RFP), offers, EOI, pre-registration for RFQ or RFP.

**Selective tender** means a selective procurement method whereby the procuring entity invites only qualified suppliers to submit a tender. Suppliers may be qualified via a procurement list; an EOI, RFP or similar process; or due to some other qualification, accreditation, license or provision.

**Small business** is a business with 1-19 FTEs, including sole traders and start-ups.

**Small or medium enterprise (SME)** refers to an Australian or New Zealand based enterprise with fewer than 200 full time equivalent (FTE) employees.

**Small and medium enterprise (SME) and Sustainability Criteria** are minimum non-price evaluation criteria of 10 per cent allocated to SME participation and 10 per cent allocated to support for the NSW Government's economic,

ethical, environmental and social priorities.

**Small and medium enterprise (SME) and Local Participation Plan** describes a supplier's commitments for SME and local content under the SME and Regional Procurement Policy, and how it will meet those commitments.

**Social enterprise** is an entity that is led by an economic, social, cultural, or environmental mission consistent with a public or community benefit and is recognised by an appropriate organisation such as Social Traders.

**Submission** means a formally submitted response made by a supplier to any invitation (however described) to participate in a procurement, but does not include an application to be included on a procurement list. Common terms for a submission include tender, quote or proposal.

**Standard Commercial Framework** is a framework to engage business advisory services that provides standard definitions and capped rates for engagement and role types, a discount structure, capped expenses and a target resource mix for engagements.

**Standing Offer** is an arrangement setting out the terms and conditions, including a basis for pricing, under which a supplier agrees to supply specific goods and services, including construction services, to an eligible buyer for a specified period.

**Supplier** is an entity or person that provides or could provide goods or services to an agency.

**Sustainable procurement** is a process whereby organisations meet their needs for products, services, works and utilities in a way that achieves value for money on a whole-of-life basis in terms of generating benefits not only for the organisation, but also to society and the economy, while minimising damage to the environment.

**Tenderer** is an entity or person that has responded to an RFT or other approach to market.

**Unsolicited proposal** is an approach to government from a proponent over a commercial proposition, where the government has not requested the proposal. This may include proposals to build and/or finance infrastructure, provide goods or services or undertake a major commercial transaction.

**Value** is the genuine, estimated value over the proposed term of an acquisition (not a value per annum). Unless specified otherwise, value is exclusive of GST. If an agency undertakes more than one procurement activity with the same supplier for the same goods and services within a reasonable period, the value of all the procurements should be added together.

**Whole-of-government arrangement** means any procurement arrangement, including whole-of-government contracts and prequalification schemes, under which an agency provides for the purchase of goods or services, including construction, by that agency, all other NSW government agencies and eligible buyers.

**Whole-of-government contract** means a standing offer or panel arrangement under which an agency provides for the purchase of goods or services, including construction, by that agency, all other NSW government agencies and eligible buyers.

**WHS Management Plan (WHSMP)** sets out the specific work, health and safety resources, consultation and risk management processes, responsibilities, procedures and practices, for a particular construction project/ contract.

**WHS Management System (WHSMS)** is the overall management system, including organisational structure, planning activities, responsibilities, practices, procedures, processes and resources, for developing, implementing, achieving, reviewing and maintaining the supplier's WHS policy, and so managing WHS risks.

# Document control

## Document approval

Approved by the Procurement Board: 20 February 2019

Administrative updates approved by NSWCPPO: 3 February 2021

## Document version control

Version	Status	Date	Prepared by	Comments
1.0	Final	20 February 2019	Emma Cooper	Initial version approved by Procurement Board
1.1	Final	1 July 2019	Emma Cooper	<p>Administrative and approved policy updates. Includes board directions and policies approved after Procurement Board approval and prior to commencement date of 1 July 2019:</p> <ul style="list-style-type: none"> <li>• PBD-2019-01 Engagement of Professional Services Suppliers, issued 26 March 2019</li> <li>• PBD-2019-02 Telecommunications Procurement, issued 29 April 2019</li> <li>• PBD-2019-03 Access to Government Construction Procurement Opportunities by SMEs, issued 1 May 2019</li> <li>• PBD-2019-04 Approved Procurement Arrangements, issued 1 July 2019</li> <li>• Government Resource Efficiency Policy, revised 21 February 2019</li> <li>• Circular Economy Policy Statement, released 25 February 2019</li> <li>• TPP19-03 Recurrent Expenditure Assurance Framework, issued 31 January 2019.</li> <li>• Replace references to Procurement (Enforceable Procurement Provisions) Direction 2019 with PBD-2017-06 International Procurement Agreements, as new Direction not yet in effect.</li> <li>• Adds Construction Industry Leadership Forum (CILF) Notes, approved by Procurement Board 5 June 2019.</li> </ul>

Version	Status	Date	Prepared by	Comments
1.2	Final	1 October 2019	Emma Cooper	<p>Incorporated policy updates and omissions identified after release of version 1.1:</p> <ul style="list-style-type: none"> <li>• PBD-2019-05 Enforceable Procurement Provisions, released 16 September 2019, effective date 29 November 2019</li> <li>• Public Works and Procurement Regulation 2019, replacing 2014 Regulation that was remade 1 September 2019</li> <li>• DFSI-2019-01 NSW Government Operational Communications Strategy, released 15 July 2019.</li> </ul> <p>Added:</p> <ul style="list-style-type: none"> <li>• Bid Cost Contributions Policy for construction projects valued over \$100 million, released December 2018</li> <li>• Construction and demolition waste management requirements per the <i>Protection of the Environment Operations Act 1997</i>, Standards for Managing Construction Waste in NSW, and Construction and Demolition Waste Management Toolkit</li> <li>• TC12-12 Mandatory use of the TMF for all Government insurance requirements, released 3 May 2012</li> <li>• TC16-11 Mandatory principal arranged insurance for all major capital works projects, released 15 August 2016.</li> </ul>
1.3	Final	3 December 2019	Emma Cooper	<p>Incorporate requirements of <a href="#">PBD-2019-05 Enforceable Procurement Provisions</a>:</p> <ul style="list-style-type: none"> <li>• Replaced all references to the withdrawn PBD-2017-05 International Procurement Agreements with PBD-2019-05</li> <li>• Updated: <ul style="list-style-type: none"> <li>– Section 1:02 Fair and Open Competition, p. 10</li> <li>– Section 2:01 Plan: Creating a new procurement arrangement, pp. 43-45</li> <li>– Section 2:02 Source: Tender documents, pp. 53-56</li> <li>– Section 2:02 Source: Notifying and briefing the market, pp. 70-73, 75</li> <li>– Section 2:02 Source: Negotiation and contract award, pp. 76.</li> </ul> </li> </ul>

Version	Status	Date	Prepared by	Comments
1.4	Final	16 March 2020	Emma Cooper	<ul style="list-style-type: none"> <li>• Updated requirements and references to new editions of the construction guidelines released December 2019, Sections 2:02 Source and 2:03 Manage: <ul style="list-style-type: none"> <li>- WHS Management Guideline, pp. 60, 67, 80 and 100</li> <li>- Environmental Management Guideline, pp. 61, 67, 81 and 100</li> <li>- Quality Management Guideline, pp. 62, 67, 81 and 100.</li> </ul> </li> <li>• Procurement Board Direction 2020-01 Support for bushfire affected communities added to list of board directions, p. 114.</li> <li>• Updated payment times for small business on pages 16 and 95 to reflect the requirement to pay invoices from registered small businesses within five business days as of 1 January 2020, in accordance with the Faster Payment Times Policy.</li> <li>• Added references to Interactive tendering guidelines released February 2020: <ul style="list-style-type: none"> <li>- Section 1:04 Innovation, p. 21</li> <li>- Section 2:01 Plan: Creating a new procurement arrangement, p.46</li> <li>- Section 2:02 Source: Notifying and briefing the market, p. 72.</li> </ul> </li> <li>• Added references to the Supplier Code of Conduct released February 2020: <ul style="list-style-type: none"> <li>- Section 1:02 Fair and open competition, p. 11</li> <li>- Section 2:02 Source, Tender documentation, p. 56</li> <li>- Section 2:03 Manage: Contract and supplier management, p.95.</li> </ul> </li> </ul>
1.5	Final	1 July 2020	Emma Cooper	<ul style="list-style-type: none"> <li>• The new NSW government procurement website, buy.nsw, went live in April 2020. References and links have been updated to the new site.</li> <li>• PBD 2020-01 Support for bushfire affected communities was amended 4 May 2020 to include support for flood-affected communities. Requirements have been added to: <ul style="list-style-type: none"> <li>- Section 2:01 Plan: Selecting a procurement method, p. 39.</li> </ul> </li> <li>• PBD 2020-02 Use of Procure IT Framework and increase of the threshold in Core&amp; Contracts came into effect 1 June 2020, replacing PBD 2018-02. References have been amended throughout the document.</li> </ul>

Version	Status	Date	Prepared by	Comments
1.5 (cont.)	Final	1 July 2020	Emma Cooper	<ul style="list-style-type: none"> <li>• PBD 2020-03 Skills, training and diversity in construction came into effect 1 July 2020, replacing PBD 2017-05 Construction training and skills development. Updated: <ul style="list-style-type: none"> <li>– Section 1:05 Economic development, social outcomes and sustainability, p. 26</li> <li>– Section 2:01 Plan: Creating a new procurement arrangement, p. 48</li> <li>– Section 2:02 Source: Additional evaluation criteria, pp. 65-66</li> <li>– Section 2:02 Source: Contract requirements, p. 70</li> <li>– Section 2:03 Manage: Additional requirements for construction contracts, p. 100.</li> </ul> </li> <li>• Amended references to the "SME or Regional First" initiative in the <i>SME and Regional Procurement Policy</i> to reflect changes made January 2020 that provide additional support for drought-impacted regional businesses: <ul style="list-style-type: none"> <li>– Section 2:01 Plan: Selecting a procurement method, p. 41.</li> </ul> </li> <li>• Added information on engaging social enterprises: <ul style="list-style-type: none"> <li>– Section 1:05 Economic development, social outcomes and sustainability, p. 25</li> <li>– Section 2:02 Source: Additional evaluation criteria, p. 64</li> <li>– Glossary, p. 121.</li> </ul> </li> <li>• Updated references and links to the revised <i>Infrastructure Investor Assurance Framework</i> released February 2020 by Infrastructure NSW.</li> <li>• Added references to ICAC guideline, <i>Supplier due diligence: a guide for NSW public sector agencies</i> released June 2020: <ul style="list-style-type: none"> <li>– Section 1:02 Fair and open competition, p. 11</li> <li>– Section 2:02 Source: Tender documentation, p. 57</li> <li>– Section 2:03 Manage: Contract and supplier management, p. 96.</li> </ul> </li> <li>• The Department of Customer Service archived DFSI Circular 2015-02 Efficient Electronic Payment Methods on 30 March 2020. Requirements relating to supplier payments (p. 15 and p. 96) have been removed.</li> </ul>
1.6	Final	1 October 2020	Emma Cooper	<ul style="list-style-type: none"> <li>• Revised Accreditation Program for Construction Procurement came into effect on 1 October 2020. Construction accreditation and assurance processes have been updated: <ul style="list-style-type: none"> <li>– Section 2:01 Plan: Accreditation and authority to procure and Agency procurement planning, pp. 35-36</li> <li>– Section 3:02 Governance and feedback: Accreditation programs, pp. 108-109.</li> </ul> </li> </ul>



Version	Status	Date	Prepared by	Comments
1.6 (con't)	Final	1 October 2020	Emma Cooper	<ul style="list-style-type: none"> <li>• Covered procurement thresholds in PBD 2019-05 Enforceable Procurement Provisions amended to \$680,000 for goods and services procurement, and \$9.584 million for construction procurement. References have been updated throughout the Framework.</li> <li>• PBD 2020-04 Approved Procurement Arrangements replaced PBD 2019-04. The concurrence threshold for unaccredited agencies (goods and services procurement only) has increased from \$650,000 to \$680,000: <ul style="list-style-type: none"> <li>– Section 2:01 Plan: Accreditation and authority to procure, p. 35.</li> </ul> </li> </ul>
1.7	Final	1 February 2021	Emma Cooper	<ul style="list-style-type: none"> <li>• Revised Aboriginal Procurement Policy came into effect on 1 January 2021. Updated: <ul style="list-style-type: none"> <li>– Section 1:05: Economic, social and environmental outcomes, p. 25</li> <li>– Section 2:01 Plan: Selecting a procurement method, pp. 39-41</li> <li>– Section 2:01 Plan: Agency procurement planning, p. 36</li> <li>– Section 2:02 Source: Tender Documentation, p. 55</li> <li>– Section 2:02 Source: Additional evaluation criteria, p. 62</li> <li>– Section 2:02 Source: Contract requirements, p. 68</li> <li>– Section 2:02 Source: Post-award requirements, p. 78</li> <li>– Section 2:03 Manage: Contractor and Supplier Management, p. 94</li> </ul> </li> <li>• PBD-2020-05 Approved Procurement Arrangements for the ICT Services Scheme came into effect on 2 September 2020. Updated: <ul style="list-style-type: none"> <li>– Section 2:01 Plan: Selecting a procurement method. p. 41</li> <li>– Section 2:02 Source: Other category-specific requirements, pp. 82-83.</li> </ul> </li> <li>• PBD-2014-03C Agency Accreditation Scheme for Construction-threshold for unaccredited work and PBD-2015-02 Agency accreditation scheme arrangements have been superseded by the revised Accreditation Program for Construction Procurement. The Procurement Board has approved the directions to be withdrawn. They have been removed from the Board Directions list on p. 111.</li> <li>• The nsw.buy Supplier hub was launched, providing a place for NSW Government buyers and suppliers to connect. The list of government procurement solutions has been updated on p. 108.</li> <li>• catalogues.buy.nsw was launched and provides a secure, click-to-buy platform for government users. It replaces the NSW eCatalogue. References have been updated on p. 108.</li> </ul>

Version	Status	Date	Prepared by	Comments
1.8	Final	30 July 2021	Jess Johnson	<ul style="list-style-type: none"> <li>• Added references to the NSW Government Telematics Policy</li> <li>• Added references to the Motor Vehicle Operational Guidelines</li> <li>• Added references to the PBD 2021-01 Support for Flood Affected Communities issued 16 April 2021</li> <li>• Added information on the Premier's Memorandum M2021-10 Procurement for Large, Complex Infrastructure Projects</li> <li>• Added references to the Small Business Shorter Payment Term Policy, commenced 1 July 2021</li> <li>• Added references to the Direct Dealing Guidelines, published on buy.nsw.</li> <li>• Added references to the Procurement Methods Guidelines, published on www.infrastructure.nsw.gov.au</li> <li>• Added references to PBD 2021-02 Mandated use of ICT Purchasing Framework. This Direction came into effect 1 July 2021 (with transitional provisions to 1 Sept 2021), replacing PBD-2020-02 Use of Procure IT Framework and Increase of the Threshold in Core&amp; Contracts. Updated: <ul style="list-style-type: none"> <li>- Section 1:03 Objectives, p. 14</li> <li>- Section 2:02 Source: Contract requirements, p. 76</li> <li>- Section 2:02 Source: Other category specific requirements, p. 95</li> <li>- Section 3:05 Governance and feedback, p. 126.</li> </ul> </li> <li>• Removed references to PBD-2020-02, replaced by PBD 2021-02, p. 126.</li> <li>• Added information on the revised Small and Medium Enterprise (SME) and Regional Procurement Policy commenced 1 July 2021. Updated: <ul style="list-style-type: none"> <li>- Section 1:03 Objectives, p. 14-16</li> <li>- Section 1:05 Economic, social, and environmental outcomes, p. 28</li> <li>- Section 2:01 Plan: Selecting a procurement method, p. 43-44</li> <li>- Section 2:02 Source: Tender documentation, p. 59</li> <li>- Section 2:02 Source: Contract requirements, p. 73, 79-80</li> <li>- Section 2:02 Source: Notifying and briefing the market, p. 83</li> <li>- Section 2:02 Source: Post award requirements, p. 91</li> <li>- Section 2:03 Manage: Contractor and supplier management, p. 108</li> <li>- Glossary definitions updated: Small and medium enterprise (SME) sustainability criteria and local participation plan, p. 132.</li> </ul> </li> </ul>

Version	Status	Date	Prepared by	Comments
1.9	Final	30 March 2022	Jess Johnson	<ul style="list-style-type: none"> <li>• Added references to the amendments to PBD 2021-01 Support for Flood-Affected Communities that came into effect March 2022: <ul style="list-style-type: none"> <li>- Section 2:01: Plan, p. 50</li> <li>- Procurement Board Directions, p. 150</li> </ul> </li> <li>• Added references to the requirements and recommendations related to modern slavery. Amendments to the <i>Public Works and Procurement Act 1912</i> set an obligation for agencies to take reasonable steps to ensure that goods and services procured by and for government agencies are not the product of modern slavery. The NSW <i>Modern Slavery Act 2018</i>, commenced 1 Jan 2022, also sets out requirements regarding modern slavery. Modern slavery and procurement guidance is now available on <a href="http://buy.nsw.gov.au">buy.nsw.gov.au</a>: <ul style="list-style-type: none"> <li>- Section 1:02: Objectives, p. 11-12</li> <li>- Section 1:05: Economic, social, and environmental outcomes, p. 31, 34</li> <li>- Section 2:01: Plan, p. 47-48, 60-</li> <li>- Section 2:02 Source, p. 76-82, 110</li> <li>- Section 2:03 Manage, p. 127-128</li> <li>- Glossary, p. 154</li> </ul> </li> <li>• Added references to the PBD 2021-03 Engagement of professional services suppliers. This direction superseded PBD-2019-01 Engagement of professional services suppliers and relevant references were updated : <ul style="list-style-type: none"> <li>- Section 2:02 Source, p. 116-117</li> <li>- Procurement Board Directions p. 150</li> </ul> </li> <li>• Added references to the PBD 2021-04 Approved procurement arrangements, applicable from January 2022. This direction superseded PBD 2020-04 Approved procurement arrangements. Updated: <ul style="list-style-type: none"> <li>- Section 2:01 Plan, p. 44, 52, 57-58</li> <li>- Section 2:02 Source, p. 85, 115</li> </ul> </li> <li>• Added references to the ICT/Digital SME Procurement Commitments updated in July 2021: <ul style="list-style-type: none"> <li>- Section 1:03: Objectives, p. 20</li> <li>- Section 1:05: Economic, social and environmental outcomes, p. 32-33</li> <li>- Section 2:01 Plan, p. 53, 56</li> <li>- Section 2:02 Source, p. 94, 102</li> <li>- Section 2:03 Manage, p. 130</li> </ul> </li> </ul>

Version	Status	Date	Prepared by	Comments
1.9	Final	30 March 2022	Jess Johnson	<ul style="list-style-type: none"> <li>Amended the reference to the construction contract resources and templates including General Construction (GC21), Minor Works (MW21), and Mini Minor Works (MMW) p. 95</li> <li>Added references to the TPP21-14: NSW Government Financial Risk Management Policy, applicable from January 2022. This TPP superseded TPP18-03 NSW Government Foreign Exchange Risk Policy. Updated: <ul style="list-style-type: none"> <li>Section 2:01 Plan, p. 46-47</li> <li>Section 2:02 Source, p. 109-110</li> <li>Section 2:03 Manage, p. 130, 131</li> </ul> </li> <li>The Office Furniture Scheme has been replaced with the Office Education Furniture Contract 771. Updated Section 2:01 Plan, p. 55.</li> <li>Several construction procurement guides have moved to a webpage format and are available on buy.nsw. Relevant links were updated</li> <li>Complex Market Engagement Methods guidance has moved to a webpage format and is now titled Non-traditional and Complex Market Approaches, available on buy.nsw.</li> <li>Removed references to TPP18-03 NSW Government Foreign Exchange Risk Policy</li> <li>Amended the definition of Aboriginal Business to more closely align to the definition set out in the Aboriginal Procurement Policy.</li> </ul>

### Review Date

This policy is updated on a quarterly schedule to include new and amended policies.

The policy will be formally reviewed in July 2021.

It may be reviewed earlier in response to post-implementation feedback from agencies, the Procurement Leadership Group, the Construction Leadership Group and the Procurement Board.



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