

NSW Government **Procurement Policy Framework**



March 2024

Procurement Policy Framework

What's covered in this document

Foundation legislation and policies 6

Section 1 **· OBJECTIVES ·** 8

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 ·** 40

Plan, Source, Manage process

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



01 Plan



02 Source



03 Manage

Section 3 **· GOVERNANCE AND FEEDBACK ·** 141

Find out more

about the structures supporting NSW Government procurement.



01 Governance



02 Accreditation programs



03 Government procurement arrangements



04 Complaints and feedback



05 Procurement board directions

Section 4 **· GLOSSARY ·** 152

Document control 157

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 28 March 2024

- 1 The amendments to recommended thresholds for construction consultancy and project management services contracts were updated on 15 July 2022. The new recommended thresholds (excluding GST) are: Minor construction consultancy services standard form is to be used for simple consultancy contracts up to \$50,000, Construction consultancy services standard form is a more extensive version and should be used for engagements over \$50,000, and Project management services standard form can be used for all values.
 - Section 1, Objectives, p. 18
- 2 The revised NSW Public Private Partnership (PPP) Policy and Guidelines TPG22-21 came into effect on 1 October 2022, mandating agencies to consider using a PPP procurement approach where capital value is \$200m or more (or high profile/high risk projects). Agencies must contact NSW Treasury during their early project development phase (i.e. during strategic business case development) and meet minimum governance requirements as described in the policy. The revised policy provides holistic guidance on PPP from planning to operations and was updated to incorporate lessons learned from current PPP projects, reflect updates to accounting standards and to ensure compliance with the *Government Sector Finance Act*.
 - Section 1, Objectives, pg. 26.
 - Section 2, Plan, pgs. 45, 64 and 68.
 - Section 2, Source p. 75
- 3 PBD 2022-02: Engagement of Infrastructure Advisory Service Suppliers commenced on 1 November 2022. It is recommended that agencies use the framework as guidance when procuring infrastructure advisory services, including when using the following schemes SCM1191, SCM10611, SCM005, SCM0801. Agencies must use the standardised Infrastructure Advisory Services (IAS) daily resourcing pricing templates when engaging suppliers. The top 50 IAS suppliers (by spend) to government are required to report all engagements to NSW Treasury on a quarterly basis. Agencies must incorporate this reporting requirement in contracts with the top 50 IAS suppliers.
 - Section 2, Source, p.98
 - Glossary, p. 155
 - Section 3, Governance and Feedback, p. 149
- 4 PBD-2022-03 Support for flood affected communities replaces PBD 2022-01 from 21 November 2022. The new PBD extends the application of the original direction to cover flood events in November 2022 and any flood event to 31 March 2023. Buyers must use local suppliers where possible for repair, rebuilding, remediation or enhancement works arising out of or in relation

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

to or following those floods. 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, Plan, pgs. 48, 49 and 68.

- 5 Prequalification Scheme SCM0053 Operational Telecommunications Services, Equipment and Infrastructure replaced ITS2573 Operational Telecommunications Services, Equipment and Infrastructure on 1 August 2023. SCM0053 must be used to procure any relevant goods and services unless exempt by the NSW Telco Authority.
 - Section 2, Source, pgs. 73, 113 and 114.
- 6 PBD 2023-01 Skills, training, and diversity in construction replaced PBD-2020-03 on 2 August 2023. The new direction applies to all new construction projects from 1 July 2023 and became mandatory from 1 September 2023. Key changes

include the following new requirements for contracts over \$10 million: must report the number of women in trade roles and the number of women in non-traditional roles; and new targets for the Infrastructure Skills Legacy Program (ISLP) applied to new contracts from 1 July 2023.

- Section 1, Objectives, pgs. 33, 34 and 36..
 - Section 2, Plan, pgs. 65 and 68.
 - Section 2, Source, pgs. 89, 90, 96, and 121.
 - Section 2, Manage, pgs. 132 and 137.
- 7 PBD-2023-03 Procurement opportunities for small (and medium) businesses commenced on 7 December 2023 enhancing existing measures for SMEs. The new direction updates the threshold for direct negotiation with small and medium businesses from \$150,000 to \$250,000 (excluding GST). The Direction also requires small and medium businesses only be asked to provide insurance details or a certificate of insurance at the time of contract award. The Direction does not apply to construction contracts. onstruction contract resources and templates including General Construction (GC21), Minor Works (MW21), and Mini Minor Works (MMW) were amended:
 - Section 2, Plan, pgs. 51 and 69.
 - 8 PBD-2023-04 Mandated registration of all NSW Government suppliers on the buy.nsw Supplier Hub commenced on 21 December 2023. All businesses where total engagement exceeds the GIPA disclosure threshold of \$150,000 must be registered on the buy.NSW Supplier Hub. Buyers must confirm supplier registration on the buy.nsw Supplier Hub prior to issuing select/ closed market approaches, or on closure of open market approaches.
 - Section 2, Source, p.74.
 - Section 3, Governance and feedback, p. 150
 - 9 PBD-2023-05 Engagement of professional service suppliers commenced on 21 December 2023 and clarified the difference between consultants and non-consultant professional services and requires agencies to report consultant engagement data to the NSW Procurement Board from January 2024.
 - Section 3, Governance and feedback, p. 149.
 - Glossary, p. 153.
 - 10 PBD-2023-06 Engagement of professional services suppliers through the Performance and Management Services Scheme, commenced on 21 December 2023. The Direction created new arrangements for the engagement of professional services, including consultants, through the Performance and Management Services (P&MS) Scheme SCM0005.
 - Section 2, Source, p. 115 and 117.
 - Section 3, Governance and feedback, p. 149.
 - 11 Amendment to use of another agency's contracts, panels or prequalification schemes multi-agency access (piggyback clauses) updated to exclude covered procurements under Enforceable Procurement Provisions ending 3 years after the commencement.
 - Section 2, Plan, p.58.
 - 12 PBD-2014-07 Recognising suppliers to the Australian Government was archived.
 - Section 2, Source, p.58.
 - Section 3, Governance and feedback, p. 150.
 - 13 PBD-2014-07 Recognising suppliers to the Australian Government was archived.
 - Section 2, Source, p.58.
 - Section 3, Governance and feedback, p. 150
 - 14 The following PBDs were superseded. 2020-03 Skills, training and diversity was superseded by 2023-01. 2021-01 was superseded by Support for flood affected communities by 2022-03.
 - Section 3, Governance and feedback, p. 150
 - 15 The NSW Anti-slavery Commissioner released Guidance on Reasonable Steps to manage modern slavery risks in operations and supply-chains, effective from 1 January 2024. The guidance was issued under the Commissioner's statutory monitoring, consultation, public awareness and advice functions and replaces former modern slavery procurement guidance on buy.nsw. The guidance provides new model tender schedules, contract clauses, an inherent risk identification tool to help identify the inherent risk for the product they are buying and an annual reporting template. It also introduces new reporting requirements from 1 July 2024 on Heightened Modern Slavery Due Diligence contracts.
 - Section 1, Objectives, pgs 12, 13, 15 and 33.
 - Section 2, Plan, pgs. 47, 59 and 70.
 - Section 2, Source, pgs 76, 77, 79, 80, 81, 109, 123, 126
 - Section 2, Manage, pgs. 127 and 137.

- 16 TPG22-04 NSW Government Business Case Guidelines replaced TPP18-06 NSW Government Business Case Guidelines in February 2023.
 - Section 2, Plan p. 44.
- 17 TPG23-08 NSW Government Guide to Cost Benefit Analysis replaced TPP17-03 NSW Government Guide to Cost Benefit Analysis in February 2023 and includes guidance on carbon emissions.
 - Section 1, Objective, p. 9.
- 18 Updates to Aboriginal Procurement Policy to include reference to the reporting.buy.nsw portal and inclusion of Aboriginal businesses that are recognised by the Office of the Registrar of Indigenous Corporations.
 - Section 2, Manage, p. 130.
 - Glossary, p. 153.
- 19 The Infrastructure Investor Assurance Framework was updated in December 2023.
 - Section 2, Plan, p. 46.
 - Section 2, p. 69.
 - Section 4, Glossary, pgs. 154 and 160.
- 20 TPP20-08 Internal Audit and Risk Management Policy for the General Government Sector replaced TPP15-03 Internal Audit and Risk Management Policy for the NSW Public Sector effective 1 January 2021.
 - Section 2, Source, pgs. 86, 87, 88, 123.
- 21 DCS 2022-02 NSW Government Operational Communications Strategy replaced DFSI-2019-01 NSW Government Operational Communications Strategy.
 - Section 2, Source, pgs. 115 and 120..
- 22 PBD 2014-06 Procurement of goods and services on behalf of other government agencies was archived.
 - Section 3, Governance and feedback, p. 150
- 23 PBD 2014-07 Recognising suppliers to the Australian Government was archived.
 - Section 2, Plan, pgs. 57.
 - Section 3, Governance and feedback, p.150.
- 24 2016-04 Accessing information about non-government organisations delivering human services was archived.
 - Section 1, Objectives p. 28, 29
 - Section 2, Source, p. 117, 122.
- 25 2017-04 Procuring human services from NGOs was archived.
 - Section 1 Objectives, p. 17, 22, 29
 - Section 2, Source, p. 117
 - Section 3, Manage, p. 132, 137
- 26 TPP22-12 NSW Gateway Policy replaced TPP17-01 on 28 March 2022.
 - Section 2, Plan, p.45 and p.68.
- 27 PBD 2023-02-Interim approval process for engagement contracts with PwC was issued and archived in 2023.

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.

7

References

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

Table 1 References: Foundation legislation and policy

Section 1

• 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	Public Works and Procurement Act 1912				Any			
Legislation	Government Sector Finance Act 2018				Any			
Policy	TPP22-04 Submission of business cases				Risk based			
Policy	TPG23-08 NSW Government Guide to Cost Benefit Analysis				Risk based			
Guidance	Value for Money				Any			
Guidance	Market Approaches Guide				Any			
Guidance	Benefits Realisation Framework				Any			

Table 2 References: Value for money



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 must 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. SME and Regional Procurement Policy).	Promoting Competition
			≥\$680,000	You must not 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> .	PBD-2019-05 Enforceable Procurement Provisions
			≥\$9,584 million		
			Any	You should 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 must ensure procurement is fair, ethical, transparent and probity rich and ensure that probity is routinely considered in procurement decisions.	Independent Commission Against Corruption Act 1988
			Any	You must safeguard confidential supplier information and treat tenders and business information fairly, impartially, and securely.	
			Any	You should not use probity as a 'road-block' or to ignore innovative procurement arrangements with suppliers.	

11

Relating to	Status	Category	Value	Obligation	Reference
Supplier conduct			Any	You must 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.	PBD-2017-07 Conduct by Suppliers
			Any	The Supplier Code of Conduct 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.	Supplier Code of Conduct
			Any	You must 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 must 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.	Public Works and Procurement Act 1912 Modern Slavery Act 2018 (NSW)
			Any	You should 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.	NSW Anti-slavery Commissioner's Guidance on Reasonable Steps

Relating to	Status	Category	Value	Obligation	Reference
Supplier due diligence		 	Any	You should 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.	Supplier Due Diligence: A Guide for NSW Public Sector Agencies
Supplier due diligence Modern slavery risks		 	Any	You must 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 must 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.	Public Works and Procurement Act 1912 Modern Slavery Act 2018 (NSW)
		 	Any	You should implement effective due diligence procedures aligned to the GRS to ensure that goods and services procured by government agencies are not the product of modern slavery.	NSW Anti-slavery Commissioner's Guidance on Reasonable Steps
Transparency		 	Any	You must keep appropriate records of procurement planning, management and decision making.	State Records Act 1998
		 	≥\$150,000 (inc GST)	You must 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.	Government Information (Public Access) Act 2009 (GIPA Act)
		 	Any	You should 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.	



References

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

Type	Reference	Status	Category		Value	Plan	Source	Manage
Guidance	Corruption Prevention, Fairness and Probity				Any			
Guidance	Corruption Risks in NSW Government Procurement – Recommendations to Government				Any			
Guidance	Corruption Risks in NSW Government Procurement – Suppliers’ Perception of Corruption				Any			
Guidance	Corruption risks in NSW Government Procurement – The Management Challenge				Any			
Guidance	Direct Dealing Guidelines				Any			
Guidance	Direct Negotiations: Guidelines for Managing Risks				Any			
Guidance	Free Trade Agreements				≥\$680,000 ≥\$9,584 million			
Guidance	Funding NGO Delivery of Human Services in NSW: A Period of Transition				Any			
Guidance	Complaint Management Guidelines				Any			
Guidance	Identifying and Managing Conflicts of Interest in the Public Sector				Any			
Guidance	Managing IT Contractors, Improving IT Outcomes				Any			
Guidance	NSW Anti-slavery Commissioner’s Guidance on Reasonable Steps				Any			
Guidance	Promoting Competition				Any			

Table 4 References: Fair and open competition

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

References

Type	Reference	Status	Category		Value	Plan	Source	Manage
Guidance	Supplier Due Diligence: A Guide for NSW Public Sector Agencies				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 must advertise open tenders electronically on NSW eTendering . 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.	www.tenders.nsw.gov.au PBD-2019-05 Enforceable Procurement Provisions
			Any	You should provide as much notice as possible of upcoming procurement opportunities.	
			Any	You must ensure tender periods give respondents reasonable time to effectively price and prepare their submissions or bids.	
			Any	You must provide suppliers with as much notice as possible of upcoming and open procurements.	SME and Regional Procurement Policy
Contracts and prequalification schemes			Any	Mandated contracts must be used for ICT (PBD-2021-02 Mandated use of ICT Purchasing Framework).	PBD-2021-02 Mandated use of ICT Purchasing Framework
			Any	Procurements using whole-of-government arrangements, e.g. standing offers and prequalification schemes, must use the designated customer contract for those arrangements.	

Relating to	Status	Category	Value	Obligation	Reference
Contracts and prequalification schemes			Any	Agencies should 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 should use plain English and limit contract length and complexity.	
			Any	You must , 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).	SME and Regional Procurement Policy
			Any	You should apply the Procurement Board's recommended commercial approaches to key contract terms except where individual circumstances and/or value for money considerations require otherwise.	Commercial Approaches in Contracts
			Any	You should minimise insurances and indemnities imposed on suppliers, with risk allocated to the party best placed to mitigate or manage those risks.	
			Any	You should 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.	
			<\$50,000	You should use the minor construction consultancy services standard form for simple consultancy contracts up to \$50,000.	
				You should use the construction consultancy services standard form for engagements over \$50,000.	
			Any	You should use the project management services standard form for construction project management services.	



Relating to	Status	Category	Value	Obligation	Reference
			Any	You should review the Motor Vehicle Operational Guidelines , 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.	Motor Vehicle Operational Guidelines
Contracts and prequalification schemes			HPHR Tier 1	Agencies and State Owned Corporations (SOCs) must apply the default practices in the M2021-10 Procurement for Large, Complex Infrastructure Projects in a manner commensurate with project needs. These practices include: <ul style="list-style-type: none"> 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). 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.	M2021-10 Procurement for Large, Complex Infrastructure Projects

Relating to	Status	Category	Value	Obligation	Reference
Supplier payments			Any	You must 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.	Faster Payment Terms Policy
			≥ \$7.5 million	You must require large businesses with NSW Government contracts valued at \$7.5 million or above to pay small business subcontractors within 20 business days.	Small Business Shorter Payment Terms Policy
			Any	You should pay suppliers within contractual timeframes, noting your agency must report on payment performance in its annual report.	
Purchasing exemptions			Any	You may 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. Refer Section 2: 01 Plan, Exemptions for details.	SME and Regional Procurement Policy Aboriginal Procurement Policy Public Works and Procurement Regulation 2019 ICT/Digital SME Procurement Commitments

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

Section 1: Objectives

References

Type	Reference	Status	Category	Value	Plan	Source	Manage
Legislation	Building and Construction Industry Security of Payment Act 1999			Any			
Legislation	Public Works and Procurement Regulation 2019			Any			
Policy	Aboriginal Procurement Policy			< \$250,000 ≥ \$7.5 million			
Policy	NSW Bid Cost Contributions Policy			> \$100 million			
Policy	Faster Payment Terms Policy			< \$1 million			
Policy	ICT/Digital SME Procurement Commitments			≤ \$150,000 \$150,001 to \$250,000 > \$3 million			
Policy	M2021-10 Procurement for Large, Complex Infrastructure Projects			HPHR Tier 1			
Policy	PBD 2017-03 Civil Liability Act 2002 and Proportionate Liability			Any			
Policy	PBD-2021-02 Mandated Use of ICT Purchasing Framework			Any			
Policy	PBD-2019-05 Enforceable Procurement Provisions			≥\$680,000 ≥\$9,584 million			
Policy	Small Business Shorter Payment Terms Policy			≥ \$7.5 million			



References

Type	Reference	Status	Category	Value	Plan	Source	Manage
Policy	SME and Regional Procurement Policy			< \$150,000 < \$3 million ≥ \$3 million			
Guidance	Approaching the Supplier Market			Any			
Guidance	Commercial Approaches in Contracts			Any			
Guidance	NSW Treasury – Business in NSW			Any			
Guidance	Industry Engagement			Any			
Templates	ICT Purchasing Framework			Any			
Templates	NSW Human Services Agreement			Any			
Templates	Goods and Services Contract Templates			Any			
Templates	Construction Contract Templates			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 may test the capability of new solutions to meet your current or emerging business needs through innovative collaborations or outcomes-based trials.	PBD-2019-03 Construction Procurement Opportunities for SMEs
			Any		Digital.nsw accelerator
Engaging with industry		 	Any	You should 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.	Industry Engagement

24

Relating to	Status	Category	Value	Obligation	Reference
Engaging with industry		 	Any	You may consider complex market engagements to pursue innovative procurement outcomes, subject to complying with legislative and policy requirements including the EPP Direction .	Non-traditional and Complex Market Approaches
		 	Any	You must 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 Glossary 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.	C2017-05 Unsolicited Proposals Unsolicited Proposals: Guide for Submission and Assessment
		 	Any	You may consider a commissioning and contestability approach to pursue innovative, customer centric approaches to service delivery.	TPP 16-05 Commissioning and Contestability Policy
		 	Any	You should refer to the Direct Dealing Guidelines for complex market engagement where a competitive tender is not possible or appropriate.	Direct Dealing Guidelines
			Any	You should refer to the Procurement Methods Guidelines for guidance on commonly used contract models for infrastructure delivery, including early contractor involvement and engagement.	Procurement Methods Guidelines

Relating to	Status	Category	Value	Obligation	Reference
Engaging with industry			HPHR Tier 1	<p>Agencies and State Owned Corporations (SOCs) must apply the default practices in the M2021-10 Procurement for Large, Complex Infrastructure Projects in a manner commensurate with project needs. These practices include:</p> <ul style="list-style-type: none"> • 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 • 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 • 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 • 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. <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>	M2021-10 Procurement for Large, Complex Infrastructure Projects
			>\$200 million (or high-profile / high-risk)	<p>Agencies must consider a private public partnership for using a PPP procurement approach where capital value is \$200m or more (or high profile / high risk projects). Agencies must contact NSW Treasury during their early project development phase (i.e. during strategic business case development) and meet minimum governance requirements as described in the policy.</p>	TPG22-21 NSW Public Private Partnerships Policy and Guidelines

Relating to	Status	Category	Value	Obligation	Reference
Interactive tendering		 	Any	You may 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.	Interactive Tendering Guidelines
Construction			Any	You should 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.	Construction Industry Leadership Forum (CILF) Practice Notes
			HPHR Tier 1	Agencies and State Owned Corporations (SOCs) must apply the default practices in the M2021-10 Procurement for Large, Complex Infrastructure Projects in a manner commensurate with project needs. These practices include: <ul style="list-style-type: none"> 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. 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.	M2021-10 Procurement for Large, Complex Infrastructure Projects
			Any	You should refer to the Procurement Methods Guidelines for guidance on commonly used contract models for infrastructure delivery, including early contractor involvement and engagement.	Procurement Methods Guidelines



References

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

28

References

Type	Reference	Status	Category		Value	Plan	Source	Manage
Guidance	Market Approaches Guide				Any			
Guidance	NSW Government Action Plan: A ten point commitment to the construction sector				Any			
Guidance	Procurement Methods Guidelines				Any			
Guidance	Supplier Relationship Management Guidelines				Any			

Table 8 References: Innovation



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 must 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.	SME and Regional Procurement Policy
Small businesses			Any	You must 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.	ICT/Digital SME Procurement Commitments
			> \$3 million	For ICT procurements over \$3 million you must : <ul style="list-style-type: none"> • make suppliers aware of the SME indirect addressable spend target at time of tender • include SME indirect targets in the contract, of at least 25% of the total contract value of addressable spend • monitor suppliers are submitting quarterly reporting against their progress to achieve their SME contract target commitments. 	
			≤ \$150,000 \$150,001 to \$250,000	Up to \$250,000 you may use purchasing permissions to procure ICT directly from an SME (exemptions apply): <ul style="list-style-type: none"> • 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). • 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. <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>	



Relating to	Status	Category	Value	Obligation	Reference
Small businesses			≥ \$7.5 million	You must 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.	Small Business Shorter Payment Terms Policy
Employment of Aboriginal people			< \$250,000 ≥ \$7.5 million	You must 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.	Aboriginal Procurement Policy
Employment of people with a disability			Any	You may 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.	Public Works and Procurement Regulation 2019 (PWP Regulation)
Social enterprises			Any	You are encouraged 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 SME and Regional Procurement Policy , ICT/Digital SME Procurement Commitments , Aboriginal Procurement Policy or PWP Regulation .	SME and Regional Procurement Policy ICT/Digital SME Procurement Commitments Public Works and Procurement Regulation 2019 (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.	Aboriginal Procurement Policy

32

Relating to	Status	Category	Value	Obligation	Reference
Modern slavery			Any	You must 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 must 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.	Public Works and Procurement Act 1912 NSW Modern Slavery Act 2018
			Any	You should consider the NSW Anti-slavery Commissioner's guidance and 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.	NSW Anti-slavery Commissioner's Guidance on Reasonable Steps
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.	PBD 2023-01 Skills, Training and Diversity in Construction
			\$10 million – \$100 million	You must require : <ul style="list-style-type: none"> 20% of the trades workforce on the project to be apprentices, with the target included in tender documentation, contracts, and quarterly reporting requirements suppliers to comply with the Aboriginal participation requirements of the Aboriginal Procurement Policy suppliers to provide quarterly reports to Training Services NSW in the Department of Education against agreed targets. From 1 July 2023, you must also <ul style="list-style-type: none"> report on number of women in trade roles report on the number of women in non-traditional roles. You may also adopt the additional Infrastructure Skills Legacy Program (ISLP) targets that apply to contracts over \$100 million (see below).	Aboriginal Procurement Policy




















Relating to	Status	Category	Value	Obligation	Reference
Skills, training and diversity in construction			> \$100 million	For major construction projects over \$100 million, you must also require: <ul style="list-style-type: none"> • 20% of the total labour force to be learning workers • 20% of the total labour force to be apprentices • double the number of women in trade-related work (up from the NSW average of 1% to 2%) • 8% of total project workforce to be aged less than 25 years • report the employment and training outcomes for people from the local region (as defined in the contract). 	PBD 2023-01 Skills, Training and Diversity in Construction Aboriginal Procurement Policy
Resource efficiency and waste reduction		 	Any	You must comply with the Government Resource Efficiency Policy (GREP) 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.	NSW Government Resource Efficiency Policy (GREP)
Resource efficiency and waste reduction		 	Any	You should 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 GREP for information on recognised standards and certification programs for recycled content and sustainable sources.	M2012-08 Use of Biofuels NSW Circular Economy Policy Statement
			Any	You must use E10 and biodiesel blends where possible, unless there is a clear operational requirement that precludes the use of biofuels.	
		 	Any	You should 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

Relating to	Status	Category	Value	Obligation	Reference
Construction and demolition waste management			Any	<p>To the extent they relate to construction procurement:</p> <ul style="list-style-type: none"> You must comply with the Protection of the Environment Operations Act 1997. If you are disposing of construction waste, the construction and demolition waste facility must comply with the Standards for Managing Construction Waste in NSW. 	<p>Protection of the Environment Operations Act 1997</p> <p>Standards for Managing Construction Waste in NSW</p>
			Any	You should 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.	Construction and Demolition Waste: A Management Toolkit
			Any	Unlawful waste disposal or fraudulent behaviour by contractors and subcontractor creates the potential for significant reputation damage, financial penalty and criminal conviction.	



References

Type	Reference	Status	Category	Value	Plan	Source	Manage
Legislation	Modern Slavery Act 2018 (NSW)			Any			
Legislation	Protection of the Environment Operations Act 1997			Any			
Legislation	Public Works and Procurement Act 1912			Any			
Legislation	Public Works and Procurement Regulation 2019			Any			
Policy	Aboriginal Procurement Policy			< \$250,000 ≥ \$7.5 million			
Policy	ICT/Digital SME Procurement Commitments			≤ \$150,000 \$150,001 to \$250,000 > \$3 million			
Policy	M2012-08 Use of Biofuels			Any			
Policy	NSW Government Resource Efficiency Policy			Any			
Policy	PBD 2019-03 Access to Government Construction Opportunities by SMEs			< \$1 million			
Policy	PBD 2023-01 Skills, Training and Diversity in Construction			> \$10 million			
Policy	SME and Regional Procurement Policy			< \$150,000 < \$3 million ≥ \$3 million			

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

Table 10 References: Economic, social and sustainable outcomes



Section 2

• 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

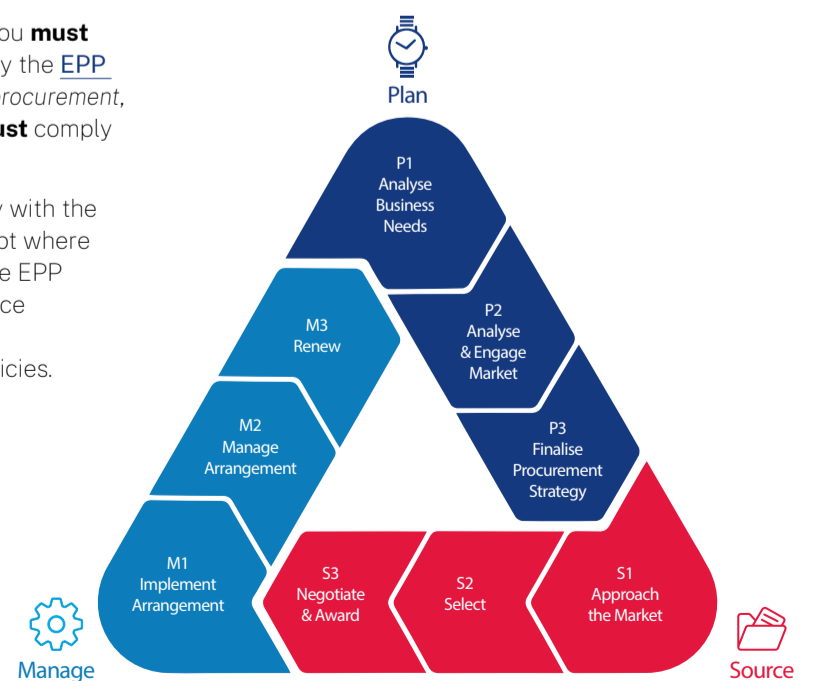
Agency procurement functions will have specific policies and procedures that need to be followed. Agency procurement manuals provide guidance on the specific agency approach to engaging with the market and managing procurement activities.

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.





Plan

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 must procure according to the terms of the agency's accreditation by the Procurement Board.	List of Accredited Agencies
			≥ \$680,000	You must comply with Enforceable Procurement Provisions Direction (EPP Direction) 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.	PBD-2019-05 Enforceable Procurement Provisions
			≥ \$9.584 million		
			Any	You must use whole-of-government contracts and specified prequalification schemes (see existing arrangements below) to purchase relevant goods or services, except where exemptions apply (see exemptions below).	
			Any	You must not split orders to avoid procurement threshold levels and/or governance requirements.	
Accredited agencies			Any	You must 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



Accreditation and authority to procure

Relating to	Status	Category	Value	Obligation	Reference
Goods and services: Level 1 accredited agencies			> \$20 million > \$35 million > \$50 million	You may 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 Section 3 Governance: 02 Accreditation for definition of level 1 and level 2 accreditation).	Accreditation Program for Goods and Services Procurement
Goods and services: Unaccredited agencies				You must follow the following processes to procure goods and services (non-construction) that are not covered under a whole-of-government arrangement:	PBD 2021-04 Approved Procurement Arrangements PBD-2019-05 Enforceable Procurement Provisions
			Value	Process	
			< \$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"> Obtain at least three written quotations, or Conduct an appropriate procurement process approved by the agency head or an accredited agency within the cluster. 	
≥ \$680,000	<ul style="list-style-type: none"> Determine if the procurement is a covered procurement under PBD-2019-05 EPP Direction and comply if required and Conduct a procurement process endorsed by an accredited agency within the cluster (preferred) or NSW Procurement. 				
				You must 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.	

43

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

Agency procurement planning

Relating to	Status	Category	Value	Obligation	Reference
Annual Procurement Plans			Any	Accredited agencies must 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.	Accreditation Program for Goods and Services Procurement Accreditation Program for Construction Procurement
			Any	Unaccredited agencies are encouraged to publish an <i>Annual Procurement Plan</i> on eTendering.	
Aboriginal Participation Strategy			Any	All clusters or agencies must publish an <i>Aboriginal Participation Strategy</i> that describes how your agency will meet its obligations under the Aboriginal Procurement Policy .	Aboriginal Procurement Policy
Category plans			Any	Agencies should develop category management plans that analyse the category market, emerging trends, risks and impact on competition.	Promoting Competition
Business case			Significant proposals	You must prepare a business case to submit to Treasury for significant capital, recurrent and ICT investment proposals.	TPP22-04 Submission of business cases

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

44



Agency procurement planning

Relating to	Status	Category	Value	Obligation	Reference	
Business case			>\$200 million (or high-profile / high-risk)	You must consider using a public private partnership where capital exceeds \$200m or if high-profile or high-risk as defined in the guidelines. You must contact NSW Treasury as early as possible during project development phase (i.e. during strategic business case development) and meet minimum governance requirement as described in the policy.	TPG22-21 NSW Public Private Partnership Policy and Guidelines	
Gateway review				You must register capital, ICT and major recurrent projects with the relevant Gateway Coordination Agency (GCA):	NSW Gateway Policy	
			Value	Project type		Gateway Coordination Agency
		> \$10 million	Capital	Infrastructure NSW	Infrastructure Investor Assurance Framework	
		> \$10 million	ICT	Department of Customer Service	ICT Assurance Framework	
			≥\$100M over 4 years, or ≥\$50 million pa	Major recurrent	Treasury	Recurrent Expenditure Assurance Framework

45



Agency procurement planning

Relating to	Status	Category	Value	Obligation	Reference	
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.	TPP21-14 NSW Government Financial Risk Management Policy
				A\$500,000 face value	You must 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 must 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.	
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.	TPP21-14 NSW Government Financial Risk Management Policy
				A\$20 million face value	You must 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 must 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.	

46

Relating to	Status	Category	Value	Obligation	Reference	
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.	TPP21-14 NSW Government Financial Risk Management Policy
				A\$20 million face value	You must 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 must 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 should consider the NSW Anti-slavery Commissioner's guidance during planning your procurement. You should 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: · the scope of modern slavery concerns that will be considered during the procurement process · the standard required from suppliers · how the agency will manage the risk of modern slavery in the procurement process · roles and responsibilities for the modern slavery component of the procurement. 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.	Public Works and Procurement Act 1912 NSW Modern Slavery Act 2018 NSW Anti-slavery Commissioner's Guidance on Reasonable Steps

Selecting a procurement method

Relating to	Status	Category	Value	Obligation	Reference	
Emergency procurements				Any	You must 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.	Public Works and Procurement Regulation 2019 Covid-19 Emergency Procurement Direct Dealing Guidelines

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

47



Selecting a procurement method










Relating to	Status	Category	Value	Obligation	Reference	
Emergency procurements				Any	You must report every emergency authorisation to the Procurement Board as soon as possible via nswbuy@treasury.nsw.gov.au .	Public Works and Procurement Regulation 2019 Covid-19 Emergency Procurement Direct Dealing Guidelines
				Any	You do not have to comply with Procurement Board policies or directions, including the EPP Direction, or the terms of accreditation, for emergency procurements. You are encouraged to achieve value for money and comply with this Policy Framework where possible.	
				Any	You should 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 EPP Direction takes precedence over all other policies that apply to covered procurements, including internal agency policies.	PBD-2019-05 Enforceable Procurement Provisions
Bushfire or flood recovery works				Any	You must give first preference to an appropriate Local Business 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 between January 2020 and March 2020 and March 2021 to 31 March 2023. If you cannot identify an appropriate Local Business , you may allocate the work to another Regional Supplier . Where no suitable Local Business or Regional Supplier is available, then you may use another suitable supplier. You are exempt from complying with the EPP Direction for these procurements. Definitions for Local Business and Regional Supplier are provided in the glossary.	PBD 2020-01: Support for Bushfire Affected Communities PBD 2022-03 Support for flood affected communities
				Any	You should , wherever possible, contractually require your head contractors to first consider Local Businesses to deliver associated goods or services for fire or flood remediation works.	

48



















Relating to	Status	Category	Value	Obligation	Reference	
Bushfire or flood recovery works				Any	<p>You must 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 between March 2021 to 31 March 2023. 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.</p> <p>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.</p>	PBD 2022-03 Support for flood affected communities
				Any	You should ensure that you maintain information about procurements covered by PBD 2021-01 and the outcomes achieved in supporting local businesses. This information will assist the Procurement Board to evaluate the effectiveness of this Direction.	





Relating to	Status	Category	Value	Obligation	Reference
Procurement approved by Cabinet or ERC		 	≥\$680,000 ≥\$9.584 million	You must assess whether the procurement is covered by the EPP Direction and, if applicable, comply with all requirements.	PBD-2019-05 Enforceable Procurement Provisions
		 	Any	You do not 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 must 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.	

Selecting a procurement method

Relating to	Status	Category	Value	Obligation	Reference	
Exemptions		 		You must check if your agency's specific requirements limit use of these exemptions due to safety, security or infrastructure considerations.		
		 		You may 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.		
			Value	Supplier type	Process	
		 	≤ \$10,000	Any	You may 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.	PBD 2021-04 Approved Procurement Arrangements
			< \$50,000	Small business	You may directly purchase from a small business (< 20 FTEs).	PBD-2019-03 Construction Procurement Opportunities for SMEs
			< \$150,000	Regional business	You may negotiate directly with a regional supplier.	SME and Regional Procurement Policy
		 	< \$250,000	Aboriginal business	You may directly purchase from an Aboriginal business.	Aboriginal Procurement Policy
				Small and medium business	You may negotiate directly with and engage small (and medium) businesses, including where there are mandated arrangements in place.	PBD 2023-03 Procurement Opportunities for small (and medium) businesses








51

Relating to	Status	Category	Value	Obligation	Reference
			< \$1 million	SMEs, for innovative trials If your agency is accredited, you may directly negotiate with an SME supplier to do proof-of-concept testing or outcomes-based trials.	PBD 2019 03 Access to Government Construction Procurement Opportunities by SMEs

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







52

Selecting a procurement method





Relating to	Status	Category	Value	Obligation	Reference	
Preferences				Hint: The following preferences are compliant with the EPP Direction as they fall under the Schedule 2 or 3 exemption provisions and/or are under the thresholds for <i>covered procurements</i> .		
		 		You may preference SMEs and Aboriginal businesses as per the table below, although you must ensure value for money.		
Goods and services			Value	Supplier type	Process	
			< \$250,000	Aboriginal business	You should whenever feasible first consider purchasing from an Aboriginal business .	Aboriginal Procurement Policy
			< \$3 million	SMEs	You must 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.	SME and Regional Procurement Policy
				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.		
			≥ \$75 million	Small businesses	You must require large businesses with NSW Government contracts valued at \$75 million or above to pay small business subcontractors within 20 business days.	Small Business Shorter Payment Terms Policy

53

Selecting a procurement method

Relating to	Status	Category	Value	Process	Reference
Construction			< \$1 million	<p>You must make reasonable efforts to obtain a quote from SMEs when using the following prequalification schemes:</p> <ul style="list-style-type: none"> • SCM1191 Construction Consultant Services • SCM0256 General Construction Works <p>unless an SME cannot reasonably provide a competitive quote.</p>	PBD-2019-03 Access to Government Construction Procurement Opportunities by SMEs
			< \$250,000	<p>You may directly negotiate with an Aboriginal business.</p> <p>You should whenever feasible first consider purchasing from an Aboriginal business.</p>	Aboriginal Procurement Policy
ICT			< \$3 million	<p>You must comply with the ICT/Digital SME Procurement Commitments 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"> • make suppliers aware of the SME indirect addressable spend target at time of tender. • include SME indirect targets in the contract, of at least 25% of the total contract value of addressable spend. • monitor suppliers are submitting quarterly reporting against their progress to achieve their SME contract target commitments. <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 ICT/Digital SME Procurement Commitments.</p>	ICT/Digital SME Procurement Commitments




54

Relating to	Status	Category	Value	Process	Reference
ICT			≤ \$150,000 \$150,001 to \$250,000	<p>Up to \$250,000 you may use purchasing permissions to procure ICT directly from an SME (exemptions apply):</p> <ul style="list-style-type: none"> • 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). • 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. <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>	ICT/Digital SME Procurement Commitments ICT Consultancy Framework
Existing arrangements			HPHR Tier 1	<p>Agencies and State Owned Corporations (SOCs) must apply the default practices in the M2021-10 Procurement for Large, Complex Infrastructure Projects in a manner commensurate with project needs. These practices include:</p> <ul style="list-style-type: none"> • 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. 	M2021-10 Procurement for Large, Complex Infrastructure Projects

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

55

Creating a new procurement arrangement

Relating to	Status	Category	Value	Obligation	Reference
Existing arrangements		 		<p>You must use the following whole-of-government prequalification schemes where applicable:</p> <ul style="list-style-type: none"> • Contingent Workforce • Financial Assessment Services Scheme unless the agency undertakes its own financial assessments. • ICT Services • Motor Vehicle Acquisition • Operational Telecommunications Equipment, Infrastructure and Services Scheme • General Construction Works up to \$1 million Scheme except <ul style="list-style-type: none"> – 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. <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"> • All procurements that are exceptions must meet the probity and fairness requirements defined in s.176(1)(c) and s.176(2) of the Public Works and Procurement Act 1912, and ensure value for money is achieved (applying Section 1 of the Government Procurement Policy Framework as appropriate) • The cluster Secretary or delegate must approve all exceptions, and the agency must notify the owners of the arrangement in advance. • All procurements that are exceptions must be reported to the PLG at the next scheduled meeting. • Note: the transitional provision in clause 29 of the EPP Direction (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. 	PBD-2021-04 Approved Procurement Arrangements PBD-2020-05 Approved Procurement Arrangements for the ICT Services Scheme PBD-2013-01C Financial Assessments PBD-2014-04C Construction Procurement Prequalification Schemes for Work Valued to \$1 Million Public Works and Procurement Act 1912 PBD-2019-05 Enforceable Procurement Provisions

56



Selecting a procurement method

Relating to	Status	Category	Value	Obligation	Reference	
Existing arrangements				Any	You must use whole-of government-contracts to purchase applicable goods or services, including construction, except where the exemptions listed above 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.	PBD 2021-04 Approved Procurement Arrangements
				Any	You are encouraged to use the other whole-of-government prequalification schemes.	Whole-of-Government Prequalification Schemes
				Any	You must check if your agency requires you to use any agency-specific standing offers, panel contracts or other arrangements.	
				Any	You should check if your agency has any pre-existing contracts, panels or prequalification schemes in place that meet your needs.	
				Any	You may use another agency's contracts, panels or prequalification schemes through a <i>piggybacking</i> clause, except for covered procurements under the Enforceable Procurement Provisions.	Multi-Agency Access (piggyback) Clauses
Existing arrangements				Any	You should follow the Motor Vehicle Operational Guidelines 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.	Motor Vehicle Operational Guidelines



Selecting a procurement method

Relating to	Status	Category	Value	Obligation	Reference
Covered procurements			≥\$680,000 ≥\$9.584 million	You may use procurement panels and procurement lists (prequalification schemes) for <i>covered procurements</i> , provided they were established in accordance with the EPP Direction . You may also continue to use panels established prior to the EPP Direction coming into effect on 29 November 2019.	PBD-2019-05 Enforceable Procurement Provisions

Creating a new procurement arrangement

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





Creating a new procurement arrangement

Relating to	Status	Category	Value	Obligation	Reference
Engaging the market			Any	You should refer to the Procurement Methods Guidelines for guidance on commonly used contract models.	Procurement Methods Guidelines
			Any	You must 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 must 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.	Public Works and Procurement Act 1912 NSW Modern Slavery Act 2018
			Any	You should 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"> • assess the level of market maturity in responding to modern slavery risks • ensure that agency and suppliers' understanding of modern slavery risks are aligned • remain up to date on any modern slavery risks not previously known. 	Modern Slavery and Procurement Guidance
Construction			Any	You should 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.	Construction Industry Leadership Forum (CILF) Practice Notes









59

Relating to	Status	Category	Value	Obligation	Reference
Construction			HPHR Tier 1	Agencies and State Owned Corporations (SOCs) must apply the default practices in the M2021-10 Procurement for Large, Complex Infrastructure Projects in a manner commensurate with project needs. These practices include: <ul style="list-style-type: none"> • 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 • 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 • 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 • 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 	M2021-10 Procurement for Large, Complex Infrastructure Projects

Creating a new procurement arrangement

Relating to	Status	Category	Value	Obligation	Reference
Construction			HPRH Tier 1	<ul style="list-style-type: none"> 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 Ensure that risk allocation between client and head contractor is passed down to subcontractors wherever practicable Where integration is a key risk, and to the extent possible, maintain consistency and simplicity of contracts across the relevant projects 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 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 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 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 	M2021-10 Procurement for Large, Complex Infrastructure Projects











61

Relating to	Status	Category	Value	Obligation	Reference
Construction			HPRH Tier 1	<ul style="list-style-type: none"> 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 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 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. <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>	M2021-10 Procurement for Large, Complex Infrastructure Projects
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.	PBD-2019-05 Enforceable Procurement Provisions
			≥\$680,000 ≥\$9.584 million	You must assess if the procurement is covered by the EPP Direction , and comply with the direction if you determine it is a covered procurement.	
Estimating the contract value			≥\$680,000 ≥\$9.584 million	You must 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.	PBD-2019-05 Enforceable Procurement Provisions

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

62

Creating a new procurement arrangement

Relating to	Status	Category	Value	Obligation	Reference
Open approach to market			≥\$680,000 ≥\$9.584 million	<p>You must issue an <i>open approach to market</i> (OAM) published on NSW eTendering except:</p> <ul style="list-style-type: none"> in specific circumstances when <i>limited tendering</i> may be used when using a <i>procurement panel</i> or <i>procurement list</i> (including a prequalification scheme) established in accordance with the EPP Direction. <p>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.</p>	
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.	PBD-2019-05 Enforceable Procurement Provisions
				You must only use <i>limited tendering</i> in the circumstances listed in cl. 15 of the EPP Direction , such as reasons of extreme urgency or an absence of competition due to technical reasons.	
				You must 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 EPP Direction does not apply 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 do not have to comply with the EPP Direction if your procurement commenced before the 29 November 2019, provided the contract is awarded within three years.	PBD-2019-05 Enforceable Procurement Provisions

63



Creating a new procurement arrangement

Relating to	Status	Category	Value	Obligation	Reference
Innovation and non-traditional approaches to procurement			Any	You should consider innovative and non-traditional approaches to procurement, subject to meeting legislative and policy requirements including the EPP Direction , such as: <ul style="list-style-type: none"> • commissioning and contestability • Public Private Partnerships. 	Commissioning and Contestability Policy TPP22-21 NSW Public Private Partnerships Guidelines National Public Private Partnerships Policy and Guidelines
Unsolicited proposals			Any	The government may 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 Glossary).	Unsolicited Proposal Process Direct Dealing Guidelines
			Any	<i>Unsolicited proposals</i> must be forwarded to the Department of Premier and Cabinet for assessment. <i>Unsolicited proposals</i> must not 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 may use a complex market engagement method, such as direct negotiations (i.e. <i>limited tendering</i> with one supplier) or managed services contracts.	Non-traditional and Complex Market Approaches Direct Dealing Guidelines
				Any	You must , when considering a <i>complex market engagement</i> : <ul style="list-style-type: none"> ensure the procurement process complies with the EPP Direction, if it is a <i>covered procurement</i> ensure the procurement strategy justifies the procurement method, including a comprehensive analysis of the market that demonstrates it is the most suitable approach 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 conduct a risk assessment, including addressing the procurement process risks arising from the procurement method. 	
Complex market engagement methods				Any	The officer approving the complex market engagement method must be satisfied that the agency will satisfy its legislative and policy obligations in relation to the procurement.	Non-traditional and Complex Market Approaches
				Any	In order to direct deal, justification for direct dealing should be obtained from an appropriate agency senior executive, the relevant portfolio Minister or Cabinet.	Direct Dealing Guidelines
Interactive tendering				Any	You may 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.	Interactive Tendering Guidelines
Skills, training and diversity in construction				> \$10 million	You must 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.	PBD 2023-01 Skills, Training and Diversity in Construction



Relating to	Status	Category	Value	Obligation	Reference
Resource efficiency and the circular economy			Any	You should 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.	NSW Circular Economy Policy Statement Government Resource Efficiency Policy
Bid cost contributions			> \$100 million	Agencies may 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.	NSW Bid Cost Contributions Policy



References

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

67

Type	Reference	Status	Category	Value	Plan	Source	Manage
Policy	Infrastructure Investor Assurance Framework			> \$10 million			
Policy	National Public Private Partnerships Policy and Guidelines			Any			
Policy	NSW Circular Economy Policy Statement			Any			
Policy	NSW Gateway Policy			> \$10 million			
Policy	NSW Public Private Partnerships Guidelines (TPP22-21)			Any			
Policy	M2021-10 Procurement for Large, Complex Infrastructure Projects			HPRH Tier 1			
Policy	PBD-2013-01C Financial Assessments			> \$1 million			
Policy	PBD-2014-04C Construction Procurement Prequalification Schemes for Work Valued to \$1 million			< \$1 million			
Policy	PBD 2019-03 Access to Construction Contracting Opportunities by SMEs			< \$1 million			
Policy	PBD-2019-05 Enforceable Procurement Provisions			≥\$680,000 ≥\$9.584 million			
Policy	PBD 2023-01 Skills, Training and Diversity in Construction			> \$10 million			
Policy	PBD-2020-05 Approved Procurement Arrangements for the ICT Services Scheme			Any			
Policy	PBD 2022-03 Support for flood affected communities			Any			

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

References

Type	Reference	Status	Category	Value	Plan	Source	Manage
Policy	PBD 2021-04 Approved Procurement Arrangements			Any			
Policy	PBD 2023-03 Procurement opportunities for small (and medium) businesses			>\$150 k			
Policy	SME and Regional Procurement Policy			< \$150,000 < \$3 million ≥ \$3 million			
Policy	Small Business Shorter Payment Terms Policy			≥ \$75 million			
Policy	TPP02-01 Policy Statement on the Application of Competitive Neutrality			Any			
Policy	TPP16-05 Commissioning and Contestability Policy			Any			
Policy	TPP18-06 NSW Government Business Case Guidelines			Significant			
Policy	TPP19-03 Recurrent Expenditure Assurance Framework			≥\$50 million pa ≥\$100 million over 4 years			
Policy	TPP21-14 NSW Government Financial Risk Management Policy			A\$500,000 A\$20 million			
Guidance	Commissioning and Contestability Practice Guide			Any			
Guidance	Construction Industry Leadership Forum (CILF) Practice Notes			Any			
Guidance	Direct Dealing Guidelines			Any			

Type	Reference	Status	Category	Value	Plan	Source	Manage
Guideline	Interactive Tendering Guidelines			Any			
Guidance	Market Approaches Guide			Any			
Guidance	NSW Anti-slavery Commissioner's Guidance on Reasonable Steps			Any			
Guidance	Motor Vehicle Operational Guidelines			Any			
Guidance	Non-traditional and Complex Market Approaches			Any			
Guidance	Procurement Methods Guidelines			Any			
Guidance	Promoting Competition			Any			

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





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 must ensure procurement procedures are in place that safeguard fair, transparent and ethical practices.	Refer to agency's policies and procedures
			Any	You must 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 must follow the agency's procedures to manage conflicts of interest, both real and perceived.	
Direct dealing probity			Any	When engaging in direct dealing, you should have appropriate processes in place to ensure fundamental principles of probity and the ICAC's guidelines, Direct Negotiations: Guidelines for Managing Risks (PDF) , are complied with.	Direct Dealing Guidelines ICAC Direct Negotiations Guidelines
Probity advisers and auditors			Any	You may engage a <i>probity adviser</i> or <i>auditor</i> , although this should be the exception rather than the rule for standard procurement activities.	Engaging Probity Advisers and Auditors
			Any	Agencies should 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, retain accountability for procurement decisions and following probity-rich management practices even if a probity adviser/auditor is engaged.	

72





Relating to	Status	Category	Value	Obligation	Reference
Probity advisers and auditors			Any	You must , when engaging probity advisers or auditors: <ul style="list-style-type: none"> 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 not engage auditors that are already engaged in other work within the agency except where the audits are linked or there are other mitigating circumstances 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. 	Engaging Probity Advisers and Auditor
			Any	Agencies may 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.	
			>\$200 million (or high-risk / high-profile)	You must appoint a probity advisor or auditor for any Public Private Partnership and have in place comprehensive Probity Plan.	TPG22-21 NSW Public Private Partnership Policy and Guidelines

Supplier registration







Relating to	Status	Category	Value	Obligation	Reference
Tender length and complexity			>\$150,000	You must confirm suppliers are registered on the buy.nsw Supplier Hub where the total engagement exceeds the GIPA contract disclosure threshold. This should be done: <ul style="list-style-type: none"> Prior to issuing a select/closed market approach; or On closure of open market approaches to market. 	PBD-2023-04 Mandated registration of all NSW government suppliers on the buy.nsw Supplier Hub

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

Tender documentation

Relating to	Status	Category	Value	Obligation	Reference
Tender length and complexity			Any	You must 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).	SME and Regional Procurement Policy
Tender length and complexity			HPHR Tier 1	<p>Agencies and State Owned Corporations (SOCs) must apply the default practices in the M2021-10 Procurement for Large, Complex Infrastructure Projects in a manner commensurate with project needs. These practices include:</p> <ul style="list-style-type: none"> 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 Where integration is a key risk, and to the extent possible, maintain consistency and simplicity of contracts across the relevant projects 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 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. <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>	M2021-10 Procurement for Large, Complex Infrastructure Projects

74

Relating to	Status	Category	Value	Obligation	Reference
Direct dealing Procurement documentation		 	Any	<p>Regardless of the stages involved in a direct deal process, you should 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"> provisions regarding how the Government and counterparty communicate how discussion/negotiation meetings are held requirements around the provision of information and confidentiality prohibitions on lobbying during the direct deal process. <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>	Direct Dealing Guidelines
Modern slavery Procurement documentation		 	Any	<p>You must 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 must 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>	Public Works and Procurement Act 1912 NSW Modern Slavery Act 2018



Tender documentation

Relating to	Status	Category	Value	Obligation	Reference
Procurement documentation			Any	You should use the NSW Anti-slavery Commissioner's IRIT to assess the level of risk. You should apply appropriate due diligence, including model tender schedules, based on the Commissioner's Guidance. You should consider guidance on evaluation.	NSW Anti-slavery Commissioner's Guidance on Reasonable Steps
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 NSW eTendering (refer Notifying and Briefing the Market 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.	PBD-2019-05 Enforceable Procurement Provisions
			≥\$680,000 ≥\$9.584 million	Procurement documentation must include: <ul style="list-style-type: none"> the nature, scope and the quantity of the required goods or services any technical specifications or requirements any conditions for participation in the procurement (see below) the evaluation criteria and, if applicable, their relative importance any dates for the delivery of goods or services any other terms or conditions relevant to the evaluation of submissions. 	Cl. 18 PBD-2019-05 Enforceable Procurement Provisions
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.	Cl. 16 PBD-2019-05 Enforceable Procurement Provisions

76

Relating to	Status	Category	Value	Obligation	Reference
			≥\$680,000 ≥\$9.584 million	You must 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 must not : <ul style="list-style-type: none"> discriminate against any supplier due to its degree of foreign affiliation, ownership, location or the origin of its goods and services require suppliers to have prior experience in Australia require suppliers to have prior contracts with a government agency in Australia. 	
Modern slavery Conditions for participation			Any	You must 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 must 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.	Public Works and Procurement Act 1912 NSW Modern Slavery Act 2018
			Any	You may include in the request for tender, conditions of participation relating to modern slavery risk mitigation, remediation and due diligence.	NSW Anti-slavery Commissioner's Guidance on Reasonable Steps
Covered procurements Conditions for participation			≥\$680,000 ≥\$9.584 million	You must include any conditions for participation in the procurement documentation and provide a summary in the OAM for a procurement.	Cl. 16 PBD-2019-05 Enforceable Procurement Provisions
			≥\$680,000 ≥\$9.584 million	You must : <ul style="list-style-type: none"> 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 base your assessment solely on the conditions for participation that you have specified in the procurement documentation. 	

Tender documentation

Relating to	Status	Category	Value	Obligation	Reference
Specifications			≥\$680,000 ≥\$9,584 million	You must set out specifications: <ul style="list-style-type: none"> as performance and functional requirements using international standards, except where they would not meet your requirements in generic terms. 	Cl. 17 PBD-2019-05 Enforceable Procurement Provisions
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 should be considered, if relevant, when assessing value for money: <ul style="list-style-type: none"> the financial and non-financial costs and benefits of the procurement the quality and quantity of the goods or services whether the goods or services are fit for purpose the supplier's relevant experience and performance history the environmental sustainability of the goods or services the whole of life costs of the goods or services. 	Cl. 3(2) PBD-2019-05 Enforceable Procurement Provisions
			≥\$680,000 ≥\$9,584 million	You must disclose evaluation criteria in the procurement documentation, and, if applicable, indicate their relative importance.	Cl. 18 PBD-2019-05 Enforceable Procurement Provisions
			≥\$680,000 ≥\$9,584 million	You must ensure any decision to award the contract is in accordance with the evaluation criteria disclosed in the procurement documentation.	Cl. 22 PBD-2019-05 Enforceable Procurement Provisions
			Any	You must 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 must 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.	Public Works and Procurement Act 1912 NSW Modern Slavery Act 2018

Relating to	Status	Category	Value	Obligation	Reference
Evaluation criteria			Any	You should consider the NSW Anti-slavery Commissioner's guidance. You should request suppliers complete the model tender schedules.	NSW Anti-slavery Commissioner's Guidance on Reasonable Steps
Covered procurements Exempt measures and preferences			≥\$680,000 ≥\$9,584 million	The <i>exempt measures and preferences</i> listed in Schedule 3 of the <i>EPP Direction</i> 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.	Sch. 3 PBD-2019-05 Enforceable Procurement Provisions
Supplier conduct			Any	You must , in all tenders or sourcing documents, ensure prospective tenderers or suppliers are made aware of the requirement to: <ul style="list-style-type: none"> comply where relevant with the NSW Procurement Policy Framework, the Supplier Code of Conduct and the NSW Industrial Relations Guidelines: Building and Construction Procurement, provide information concerning any findings of dishonest, unfair, unconscionable, corrupt or illegal conduct against the tenderer, its directors or management. 	PBD 2017-07 Supplier Conduct
			Any	The Supplier Code of Conduct 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.	Supplier Code of Conduct

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

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.	
			≥ \$75 million	If the estimated contract value is \$75 million or above, you should use the model tender and contract clauses for small business payment terms.	Small Business Shorter Payment Terms Policy
			Any	You must 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 must 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.	Public Works and Procurement Act 1912 NSW Modern Slavery Act 2018
			Any	You should consider the NSW Anti-slavery Commissioner's guidance and contract clauses depending on risk level. You should 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).	NSW Anti-slavery Commissioner's Guidance on Reasonable Steps

Relating to	Status	Category	Value	Obligation	Reference
Supplier due diligence			Any	You should conduct supplier due diligence checks, in line with the value, nature and risk profile of the procurement and resulting contract.	Supplier Due Diligence: A Guide for NSW Public Sector Agencies
			Any	You must 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. You must 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.	Public Works and Procurement Act 1912 NSW Modern Slavery Act 2018
			Any	You should consider the NSW Anti-slavery Commissioner's guidance to implement effective due diligence procedures to ensure that goods and services procured by government agencies are not the product of modern slavery.	NSW Anti-slavery Commissioner's Guidance on Reasonable Steps

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

Relating to	Status	Category	Value	Obligation	Reference
Supplier conduct Excluding suppliers from covered procurements				You may exclude a supplier from a covered procurement if you have a reasonable belief that the supplier: <ul style="list-style-type: none"> is bankrupt or insolvent has made one or more false declarations has provided significant or persistently deficient performance under a prior contract has been found to have engaged in corrupt conduct within the last 10 years has failed to pay taxes has been convicted of an offence punishable by imprisonment of more than 2 years, or a fine of over \$200,000 has been found guilty of professional misconduct or unprofessional conduct in a jurisdiction in Australia. 	Cl. 12 PBD-2019-05 Enforceable Procurement Provisions














Additional requirements for construction contracts

Supplier conduct			Any	You must include the mandatory evaluation criteria on adverse actual or reputational risks arising from supplier conduct in all EOLs and RFTs for construction projects. The criteria wording is provided in PBD 2017-07.	PBD 2017-07 Supplier Conduct
Industrial relations			Any	You must clearly set out the requirements of the NSW Industrial Relations Guidelines: Building and Construction Procurement in all EOLs, tenders and contractual documents for construction projects.	NSW Industrial Relations Guidelines: Building and Construction Procurement
			≥\$10 million ≥ \$5 million	You must 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"> ≥\$10 million, or ≥ \$5 million and at least 50% of the total construction project value. 	











Relating to	Status	Category	Value	Obligation	Reference
Standards			Any	<p>You must:</p> <ul style="list-style-type: none"> ensure construction materials and processes are fit for purpose, including compliance with relevant standards identify and document the intended purpose or purposes when procuring construction goods or services, including the anticipated uses and period of use assess risks arising from non-conforming or non-compliant building products and construction materials. <p>You must 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>	PBD-2016-03 Construction Standards and Conformance
Standards			Any	You must 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 PBD 2016-03 .	PBD-2016-03 Construction Standards and Conformance
			Any	You must ensure contractors comply with relevant standards, including where relevant third-party independent certification.	
			≥\$10 million	You are encouraged 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 must ensure that tender and relevant contract documentation includes appropriate references to the sharing and use of financial assessment reports.	PBD 2013-01C Financial Assessments
			> \$1 million	You must 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"> • six months for contracts valued \$1 million –\$10 million • three months old for contracts valued > \$10 million. 	
Covered procurements		 		You must 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.	Cl. 16(5) PBD-2019-05 Enforceable Procurement Provisions
			Any	You must use the Financial Assessments Prequalification Scheme to procure financial assessment reports, unless your agency has capability to prepare financial assessment reports itself.	Financial Assessments Prequalification Scheme PBD 2021-04 Approved Procurement Arrangements
			Any	You must 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 central repository and agencies can request access to reports for specific contractors. The report date is provided to allow agencies to comply with the timeframes above.	Financial Assessments Repository

84

Relating to	Status	Category	Value	Obligation	Reference
Work, health and safety				You must include all relevant work, health and safety (WHS) requirements in tender documentation, including: <ul style="list-style-type: none"> • the requirement to prepare and implement an acceptable <i>WHS Management Plan</i> (WHSMP) • any known safety risks relating to the site where the construction work will be carried out • the safe design report and asbestos register, if applicable • monitoring and auditing requirements. 	Work Health and Safety Management Guidelines WHS Regulation 2017
			< \$1 million	You must require tenderers to provide evidence of: <ul style="list-style-type: none"> • capability to develop and implement a WHSMP • previous satisfactory WHS management performance. 	
			≥\$1 million, or lower if you determine there is a significant risk	You must require tenderers to provide evidence of: <ul style="list-style-type: none"> • 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) • previous satisfactory WHS management performance. <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	You may 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 NSW Treasury Internal Audit and Risk Management Policy .	TPP 20-08-Internal Audit and Risk Management Policy for the General government Sector

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

Tender documentation

Relating to	Status	Category	Value	Obligation	Reference
Environmental management			Any	You must include all known environmental management requirements in tender documentation, including: <ul style="list-style-type: none"> • the requirement to prepare and implement an appropriate site-specific <i>Environmental Management Plan</i> prior to work commencing • monitoring and auditing requirements • any project specific requirements. 	Environmental Management Guidelines for Construction
			Any	You must assess potential contractors' environmental management capability during the tender evaluation process, except where: <ul style="list-style-type: none"> • the relative abilities of the potential contractors are known (via existing contracted works), or • it is assessed that environmental management will not affect the tender evaluation outcome (such as with low risk projects). 	
			≥\$10 million, or environmentally sensitive contracts	You must 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). <p>This includes applicants for prequalification as a tenderer for a range of contracts, and EOLs for pre-qualification as a tenderer for a particular contract, valued ≥\$10 million or environmentally sensitive projects.</p> <p>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.</p>	
			Any	You may modify the application thresholds in the Environmental Management Guidelines for Construction provided you conduct a detailed analysis of the specific project and/or contract related environmental risks aligned to TPP15-03 Internal Audit and Risk Management Policy .	TPP 20-08-Internal Audit and Risk Management Policy for the General government Sector









Tender documentation

Relating to	Status	Category	Value	Obligation	Reference	
Quality management			Any	You must include all known quality management requirements in tender documentation including the following:	Quality Management Guidelines for Construction	
			Value	Type of contract		Quality documentation requirements
			≥\$1 million	Construction Project and contract management		<ul style="list-style-type: none"> Independently certified quality management system (QMS) that is compliant with AS/NZS ISO 9001:2016 Quality management systems Quality Management Plan (QMP) including Inspection and Test Plans (ITP).
			≥\$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 may reduce or remove requirements for a QMS/QMP if the works will be conducted under your agency's QMS and QMP.		
			Any	You may 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 may 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 may modify the application thresholds in the Quality Management Guidelines for Construction provided you conduct a detailed analysis of the specific project and/or contract related quality risks aligned to TPP15-03 .	TPP 20-08-Internal Audit and Risk Management Policy for the General government Sector		




87

Relating to	Status	Category	Value	Obligation	Reference				
Additional evaluation criteria			Various	For procurements over defined spend thresholds, additional evaluation criteria must be included to address government priorities to support SMEs, employment and business opportunities for Aboriginal people, and apprenticeships.					
Aboriginal participation			≥ \$7.5 million	<table border="1"> <thead> <tr> <th>Priority focus</th> <th>Requirement</th> </tr> </thead> <tbody> <tr> <td>Aboriginal employees and businesses</td> <td> You must: <ul style="list-style-type: none"> include minimum requirements for 1.5% Aboriginal participation in the contract require tenderers to submit an <i>Aboriginal Participation Plan</i> that addresses the participation requirements require tenderers to demonstrate, if applicable, their compliance with Aboriginal participation requirements for previous NSW Government contracts include the final <i>Aboriginal Participation Plan</i> in the successful supplier/s contract requirements. </td> </tr> </tbody> </table>	Priority focus	Requirement	Aboriginal employees and businesses	You must : <ul style="list-style-type: none"> include minimum requirements for 1.5% Aboriginal participation in the contract require tenderers to submit an <i>Aboriginal Participation Plan</i> that addresses the participation requirements require tenderers to demonstrate, if applicable, their compliance with Aboriginal participation requirements for previous NSW Government contracts include the final <i>Aboriginal Participation Plan</i> in the successful supplier/s contract requirements. 	Aboriginal Procurement Policy
	Priority focus	Requirement							
Aboriginal employees and businesses	You must : <ul style="list-style-type: none"> include minimum requirements for 1.5% Aboriginal participation in the contract require tenderers to submit an <i>Aboriginal Participation Plan</i> that addresses the participation requirements require tenderers to demonstrate, if applicable, their compliance with Aboriginal participation requirements for previous NSW Government contracts include the final <i>Aboriginal Participation Plan</i> in the successful supplier/s contract requirements. 								
		≥ \$7.5 million	Aboriginal employees and businesses You should , whenever feasible: <ul style="list-style-type: none"> provide a length limit for tender responses use plain English and limit the complexity of tender requirements and documents apply an Aboriginal participation non-price evaluation criterion. 						













Additional evaluation criteria

Relating to	Status	Category	Value	Obligation		Reference
				Priority focus	Requirement	
 Goods and services			≥ \$3 million	SMEs	You must 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.	SME and Regional Procurement Policy
				SMEs and local content	You must 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.	
 Construction			< \$10 million	Skills, training and diversity	You, and any contractors you engage, should commit to supporting skills development on construction projects.	PBD 2023-01 Skills, Training and Diversity in Construction
			> \$10 million – \$100 million	Skills, training and diversity	You must : <ul style="list-style-type: none"> embed an apprenticeship target of 20% of the trades workforce on the project include this target in tender documentation and contract requirements, including quarterly reporting provide quarterly reports to Training Services NSW in the Department of Education. You may also adopt the additional Infrastructure Skills Legacy Program (ISLP) targets that apply to contracts over \$100 million.	

89






Relating to	Status	Category	Value	Obligation		Reference
				Priority focus	Requirement	
 Construction			> \$100 million	Skills, training and diversity	You must 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"> 20% of the total labour force to be learning workers 20% of the total labour force to be apprentices double the NSW average for women in trade-related work (2%) 8% of project workforce aged < 25 years. You must also report on the employment and training outcomes for people from the local region.	PBD 2023-01 Skills, Training and Diversity in Construction
			> \$100 million	Apprentices and trainees	You must 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.	
			HPHR Tier 1	Agencies and State Owned Corporations (SOCs) must apply the default practices in the M2021-10 Procurement for Large, Complex Infrastructure Projects in a manner commensurate with project needs. These practices include: <ul style="list-style-type: none"> 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. Where practices are not applied, reasons should be submitted for approval in writing to the Chief Executive or Secretary of the responsible agency.	M2021-10 Procurement for Large, Complex Infrastructure Projects	



Relating to	Status	Category	Value	Obligation	Reference
Contract templates					
 Goods and services, excl. ICT			Any	<p>You may use the Procurement Board's standard templates for:</p> <ul style="list-style-type: none"> • <u>Head (Standing Offer) Agreement</u>—standing offer, including panel, agreement for whole-of-government or agency-wide arrangements • <u>Customer Contract Order Template</u>—individual contracts under a Head Agreement • <u>Agency Specific Contract Terms</u>—one-off contract (i.e. non-standing offer) for goods and services procurement • <u>Approved List</u>—rules for participation in a Supplier List or Prequalification Scheme • <u>Plain English Contract</u>—individual contracts between a prequalified supplier (i.e. supplier on a specified Supplier List) and agency. 	Goods and Services Contract Templates
			Any	You may 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 may need to seek legal advice on changes to the standard form contract.	
 ICT				You must use the ICT Purchasing Framework when procuring ICT goods or services. You must complete a <u>risk assessment</u> to determine if the Core& Contracting Framework can be used for a procurement:	PBD 2021-02 Mandated Use of ICT Purchasing Framework
			≤ \$1 million	• <u>Core& Contracts</u> —low-risk ICT procurements ≤ \$1 million.	
			> \$1 million	• <u>MICTA/ICTA contracting framework</u> —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 <u>PBD 2021-02</u> . Agencies are not required to seek approval for beneficial variations which clearly improve a customer's contractual position.	

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



Relating to	Status	Category	Value	Obligation	Reference
 ICT			≤ \$150,000 \$150,001 to \$250,000	<p>Up to \$250,000 you may use purchasing permissions to procure ICT directly from an SME (exemptions apply):</p> <ul style="list-style-type: none"> 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). 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. <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>	ICT/Digital SME Procurement Commitments ICT Consultancy Framework
			> \$3 million	<p>You must comply with the ICT/Digital SME Procurement Commitments 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"> make suppliers aware of the SME indirect addressable spend target at time of tender. include SME indirect targets in the contract, of at least 25% of the total contract value of addressable spend. monitor suppliers are submitting quarterly reporting against their progress to achieve their SME contract target commitments. <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 ICT/Digital SME Procurement Commitments.</p>	ICT/Digital SME Procurement Commitments



Contract requirements

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

94























Relating to	Status	Category	Value	Obligation	Reference
 Construction			Any	<ul style="list-style-type: none"> • 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. 	Quality Management Guidelines for Construction
			Any	You should refer to the Procurement Methods Guidelines for guidance on commonly used contract models.	Procurement Methods Guidelines
			HPHR Tier 1	<p>Agencies and State Owned Corporations (SOCs) must apply the default practices in the M2021-10 Procurement for Large, Complex Infrastructure Projects in a manner commensurate with project needs. These practices include:</p> <ul style="list-style-type: none"> • Where integration is a key risk, to the extent possible maintain consistency and simplicity of contracts across relevant projects • Ensure that risk allocation between client and head contractor is passed down to subcontractors wherever practicable • 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 • 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. <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>	M2021-10 Procurement for Large, Complex Infrastructure Project


















Contract requirements

Relating to	Status	Category	Value	Obligation	Reference
Contract duration			Any	You may 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.	
Reporting					
Aboriginal participation			≥ \$7.5 million	You must ensure contracts include supplier commitments and reporting obligations under the Aboriginal Procurement Policy.	Aboriginal Procurement Policy
SME and sustainability			≥ \$3 million	You must ensure suppliers report on their commitments for SME and local content included SME and Local Participation Plan quarterly.	SME and Regional Procurement Policy
Skills, training and diversity			≥ \$10 million	You must 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.	PBD 2023-01 Skills, Training and Diversity in Construction
Large business payment times			≥ \$7.5 million	You must require large businesses to report under the head contract per the contractual requirements relating to the Small Business Shorter Payment Terms Policy .	Small Business Shorter Payment Terms Policy
Infrastructure Advisory Standard Commercial			Any	You must ensure contracts with the Top 50 Infrastructure Advisory Services suppliers include reporting obligations for the suppliers to report their engagement details to NSW Treasury each quarter.	PBD 2022-02 Engagement of Infrastructure Advisory Services suppliers

Contract requirements

Relating to	Status	Category	Value	Obligation	Reference
Commercial approaches in contracts					
Insurance		 		You must 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.	TC12-12 Mandatory Use of the TMF for All Government Insurance Requirements
Principal arranged insurance			> \$10 million	You must arrange Principal Arranged Insurance (PAI) for construction projects through icare.	TC16-11 Mandatory Principal Arranged Insurance for All Major Capital Works Projects
			< \$10 million	You may 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 must , 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).	SME and Regional Procurement Policy
		 	Any	You should minimise insurances and indemnities for all other suppliers, with risk allocated to the party best placed to mitigate or manage those risks.	Commercial Approaches in Contracts
		 	Any	You should 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.	Commercial Approaches in Contracts
Proportionate liability in construction contracts			Any	You may 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.	PBD 2017-03 Civil Liability Act 2002 Proportionate Liability
			Any	You must 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.	

97

Relating to	Status	Category	Value	Obligation	Reference
Indemnities		 	Any	You should 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.	Commercial Approaches in Contracts
		 	Any	Agencies should not 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 should limit the use of financial securities, bank guarantees, or performance guarantees to necessary circumstances.	
Intellectual property (IP)		 	Any	<p>You should ensure that whichever party owns intellectual property (IP) at the start of the contract retains that ownership.</p> <p>You should 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 may 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>	

Contract requirements

Relating to	Status	Category	Value	Obligation	Reference
Price refresh mechanisms			Any	You should consider the individual circumstances of the contract, product and/or service to determine the appropriate price adjustment mechanism.	Commercial Approaches in Contracts
Extension options			Any	You may 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 must only be exercised where it can be demonstrated the contract will continue to deliver value for money.	
Covered procurements				You must not use contract extension options, cancel a procurement, or modify or terminate an awarded contract, in order to avoid the operation of the EPP Direction .	Cl. 11 PBD-2019-05 Enforceable Procurement Provisions
Termination			Any	You may 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 should require the agency and supplier to seek to resolve disputes in good faith, with mediation the preferred method if this fails. Expert determination should be avoided.	Premier's Memorandum 2016-03 Model Litigant Policy for Civil Litigation
				You should resolve disputes in a way that achieves the objectives of promptness, cost effectiveness, and probity.	Contract Dispute Resolution Guide for Construction

Relating to	Status	Category	Value	Obligation	Reference
Advance notice			Any	You should provide as much advance notice as possible of upcoming procurement opportunities. Advance notice can be provided by publishing <i>Annual Procurement Plan</i> ¹ , publishing a notice of <i>proposed RFT</i> or other early industry engagement activities.	SME and Regional Procurement Policy
			Any	You must provide suppliers with as much notice as possible for upcoming and open procurements.	
Pre-tender briefings			Any	You must provide pre and post tender briefings when reasonably requested by SMEs and regional suppliers to clarify requirements and provide feedback on unsuccessful bids.	SME and Regional Procurement Policy
			Any	You should provide tender briefings for all significant or complex procurements to allow suppliers to better understand the requirements.	
			Any	You should provide group pre-tender briefings rather than to individual suppliers, to ensure all suppliers have equal access to tender information.	
Interactive tendering			Any	You may 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.	Interactive Tendering Guidelines
Online advertising			Any	You must advertise open tenders electronically on NSW eTendering , 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 may also publish the request for tender on other platforms as determined by your agency.	

¹Annual 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 must publish any open approach to market (OAM) for covered procurement on NSW eTendering .	PBD-2019-05 Enforceable Procurement Provisions
Procurement documentation			≥\$680,000 ≥\$9.584 million	You must , to the extent practicable, make relevant procurement documentation available for free by electronic means at the same time that you publish the OAM.	PBD-2019-05 Enforceable Procurement Provisions
			≥\$680,000 ≥\$9.584 million	The procurement documentation may be made available through NSW eTendering or through some other method, such as your agency's website.	
ICT procurement documentation			>\$3 million	For ICT procurements over \$3 million you must 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.	ICT/Digital SME Procurement Commitments
Covered procurements Open approach to market			≥\$680,000 ≥\$9.584 million	You must include the information detailed in cl. 14 of the EPP Direction in the OAM on NSW eTendering , including: <ul style="list-style-type: none"> a description of the procurement, including, if appropriate, the nature and quantity of the goods and services an explanation of the procurement process the duration of any contract or the period when goods or services must be provided a summary of any conditions for participation agency contact details, how to obtain procurement documentation and the date for lodging submissions. 	Cl. 14 PBD-2019-05 Enforceable Procurement Provisions
Conditions of participation			≥\$680,000 ≥\$9.584 million	You must include any conditions for participation in the OAM, including any specific documents or certifications.	
Negotiations			≥\$680,000 ≥\$9.584 million	You must indicate in the OAM if you plan to conduct negotiations regarding a procurement.	

101











Notifying and briefing the market

Relating to	Status	Category	Value	Obligation	Reference
Multi-stage procurements			≥\$680,000 ≥\$9.584 million	You must , 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: <ul style="list-style-type: none"> a statement that you intend to invite further submissions from a limited number of suppliers, the criteria you will use to select the suppliers, and the justification for limiting the number of suppliers who will be invited to lodge further submissions. 	Cl. 14 PBD-2019-05 Enforceable Procurement Provisions
Procurement lists (prequalification schemes)			≥\$680,000 ≥\$9.584 million	You must 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).	Cl. 25 PBD-2019-05 Enforceable Procurement Provisions
			≥\$680,000 ≥\$9.584 million	You must include the conditions for participating in a procurement list in the notice inviting applications to be included on that list.	
Tender periods			Any	You must 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	You must 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. This applies even where some suppliers may be able to respond in a shorter period, and this consideration overrides the permitted minimum timeframes below.	PBD-2019-05 Enforceable Procurement Provisions



















Notifying and briefing the market

Relating to	Status	Category	Value	Obligation	Reference	
Tender periods Covered procurements		 	≥\$680,000 ≥\$9.584 million	You must 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.	PBD-2019-05 Enforceable Procurement Provisions	
				10 calendar days		<ul style="list-style-type: none"> If you require the goods or services urgently, or If you are procuring commercial goods or services that are routinely for sale to businesses for non-government purposes, or 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 If you have included a notice of the procurement in an annual procurement plan published on NSW eTendering at least 40 days before publishing the OAM.
				25 calendar days		In all other circumstances.
Tender periods Non-covered procurements		 	Any	You should allow longer timeframes for complex and/or high value tenders, e.g. construction works that involve significant design elements may warrant longer tender periods.	Market Approaches Guide	
						> \$100 million













103

Relating to	Status	Category	Value	Obligation	Reference	
Tender periods Non-covered procurements		 	< \$100 million	The following minimum timeframes are recommended for procurements < \$100 million:	Market Approaches Guide	
				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"> Where the tender is included in the agency's published procurement plan on NSW eTendering with details of the procurement, the timing of the approach to market and advice on how to obtain tender documentation. Where the goods and services are available through a panel contract, standing offer or prequalification scheme recognised by the NSW Government. Where the approach to the market is part of recurring procurement arrangements undertaken by the agency.
				25 calendar days		In all other cases where the tender is published on NSW eTendering .
Tender extensions	 	 	Any	You should extend tender periods only if late addenda or exceptional circumstances impact tenderers' ability to meet the initial deadline.		
				You must apply the same tender extension period to all prospective tenderers, including for covered procurements.		
Addenda		 	Any	You should not 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.		

Notifying and briefing the market






















Relating to	Status	Category	Value	Obligation	Reference
Covered procurements		 	≥\$680,000 ≥\$9.584 million	You may amend or correct mistakes in an OAM or the procurement documentation.	Cl. 20 PBD-2019-05 Enforceable Procurement Provisions
		 	≥\$680,000 ≥\$9.584 million	You must , if you amend or reissue an OAM or documentation: <ul style="list-style-type: none"> publish the amended OAM on NSW eTendering send the amended procurement documents to all suppliers participating in the procurement if you cannot identify all suppliers who may be participating, republish the amended documents. 	
		 	≥\$680,000 ≥\$9.584 million	You must provide suppliers with reasonable time to modify and re-lodge their submissions.	
Requests for information		 	≥\$680,000 ≥\$9.584 million	You must 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.	Cl. 18(20) and cl. 19 PBD-2019-05 Enforceable Procurement Provisions
Late submissions		 	Any	You should not 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 must 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.	Cl. 24 PBD-2019-05 Enforceable Procurement Provisions

105

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

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 must publicly disclose all contracts ≥\$150,000 including GST within 45 working days of becoming effective.	Government Information (Public Access) Act 2009
		 	≥\$150,000 inc. GST	You must publish the contract details in the agency's contract register on NSW eTendering .	
		 	≥\$150,000 inc. GST	You may publish the contract details in any other location the agency makes its open access information available.	
		 	≥\$150,000 inc. GST	You must 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 GIPA Act for details of the contract information to be disclosed for certain types of contracts.	
Aboriginal businesses		 	Any	You are encouraged 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.	Aboriginal Procurement Policy
Aboriginal participation		 	≥ \$7.5 million	You must include the final <i>Aboriginal Participation Plan</i> in the successful supplier/s contract requirements, including quarterly reporting against the commitments in the Plan.	Aboriginal Procurement Policy











Post-award requirements

SME and local participation				≥ \$3 million	You must 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.	SME and Regional Procurement Policy
Debriefing prospective suppliers				Any	You must provide pre and post tender briefings when reasonably requested by SMEs and regional suppliers to clarify requirements and provide feedback on unsuccessful bids.	SME and Regional Procurement Policy
				Any	You should provide post tender briefings for any unsuccessful applicant when reasonably requested.	
Covered procurements				≥\$680,000 ≥\$9.584 million	You must provide debriefs to unsuccessful tenderers on request, outlining the reasons their submission was not successful.	Cl. 28 PBD-2019-05 Enforceable Procurement Provisions
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.	TPP21-14 NSW Government Financial Risk Management Policy
				A\$500,000 face value	You must 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 must 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.	TPP21-14 NSW Government Financial Risk Management Policy
				A\$20 million face value	<p>You must 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).</p> <p>You must consult Treasury and TCorp to manage exposures when they change by the threshold amount.</p>	
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.	TPP21-14 NSW Government Financial Risk Management Policy
				A\$20 million face value	<p>You must 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).</p> <p>You must consult Treasury and TCorp to manage exposures when they change by the threshold amount.</p>	
Modern slavery risk				Any	<p>You must 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 must 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>	Public Works and Procurement Act 1912 NSW Modern Slavery Act 2018
				Any	You should consider the NSW Anti-slavery Commissioner's guidance when including modern slavery related post award requirements in contracts, particularly where procurements carry a higher risk of modern slavery.	

Post-award requirements











Relating to	Status	Category	Value	Obligation	Reference
Additional requirements for construction contracts					
Work, health and safety			Any	You must 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. You must review the Plan to ensure it addresses the elements identified in the WHS Management Guidelines .	WHS Management Guidelines WHS Regulation 2017
Environmental management			Any	You must require successful suppliers to prepare and implement an appropriate site-specific <i>Environmental Management Plan</i> prior to work commencing.	Environmental Management Guidelines for Construction
Quality management			Any	You must 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.	Quality Management Guidelines for Construction
Bid cost contributions			> \$100 million	If your agency has decided to offer bid costs to unsuccessful tenderers (refer Section 2:01 Plan), contributions must only be paid where: <ul style="list-style-type: none"> a bid has been submitted which demonstrates the tenderer has genuinely attempted to fully satisfy the intent of the Request for Tender the tenderer agrees to make available to the State any project-specific intellectual property rights reasonably requested by the agency. 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.	NSW Bid Cost Contributions Policy

110











Relating to	Status	Category	Value	Obligation	Reference
ICT procurements			Any	You must use the ICT Purchasing Framework for any procurement of ICT goods and services. Agencies must complete a risk assessment to determine if the Core& Contracting Framework may be used: <ul style="list-style-type: none"> Core& Contracts—low risk and ≤ \$1 million, or MICTA/ICTA—high risk and/or > \$1 million. 	PBD-2021-02 Mandated Use of ICT Purchasing Framework
Cloud services			Any	You must 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.	DFSI-2015-04 NSW Government Cloud Policy



Other category-specific requirements







Relating to	Status	Category	Value	Obligation	Reference
Telecommunications			> \$100,000	You must , when procuring telecommunications services with a total contract value > \$100,000: <ul style="list-style-type: none"> use the Telecommunications Purchasing Arrangements (TPAs) cap the maximum term of contracts (including extension options): <ul style="list-style-type: none"> 3 years for mobile and fixed voice services 4 years for data and internet services in metropolitan areas 5 years for data and internet services in all other areas. seek quotes from at least three providers, unless purchasing the lowest price offer through the TPAs analyse the effect of supplier proposals on overall competition within the marketplace provide data related to the Procurement and Technical Standards-Working Group (PTS-WG) if requested. 	DCS 2022-02- NSW Government Operational Communications Strategy PBD-2020-05 Approved Procurement Arrangements for the ICT Services Scheme
			> \$100,000	You must request an exemption from the PTS-WG if you cannot meet these compulsory requirements or an automatic exemption is not applicable (refer to buy.nsw for exemption details).	
			Any	You should 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 must apply the Link Sharing Principles and Commercial Principles when purchasing any new telecommunications services or building new wide area network (WAN) links.	
ICT Consultancy			< \$250,000	You must 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.	PBD-2020-05 Approved Procurement Arrangements for the ICT Services Scheme
			> \$250,000	You must follow the relevant process under the ICT Services Scheme.	

113

Relating to	Status	Category	Value	Obligation	Reference
Radio communications			Any	You must use the NSW Procurement Board's standardised Site Licence Agreement Framework when entering into new site licence arrangements with other agencies.	PBD-2015-03 Radio Communication Site Licences
			Any	You must 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.	DCS-2022-02 NSW Government Operational Communications Strategy PBD 2021-04 Approved Procurement Arrangements
			Any	You must use Prequalification Scheme SCM0053 Operational Telecommunications Services, Equipment and Infrastructure (ITS2573) to procure any relevant goods and services, unless exempted by the NSW Telco Authority.	
			Any	You must 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 must not 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 telco.spectrum@customerservice.nsw.gov.au .	DCS-2022-02 NSW Government Operational Communications Strategy

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

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 Performance and Management Services Prequalification Scheme (PMS Scheme) . Suppliers must accept the Standard Commercial Framework to be prequalified for engagement types 1 to 12 of the Scheme, unless approved as an outside the Standard Commercial Framework Supplier.	PBD 2023-06 Engagement of Professional Services Suppliers through the Performance and Management Services scheme
			< \$250,000	You may 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> .	
				You must report consultant engagement data to the Procurement Board through the principal department of an affiliated group of agencies. It is recommended that non-consultant professional services engagement data is also reported.	PBD-2023-05 Engagement of professional services suppliers



Other category-specific requirements

Relating to	Status	Category	Value	Obligation	Reference
			Any	<p>You must 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"> from a prequalified PMS Scheme supplier in engagement type 1 'Government & Business Strategy' that has not accepted the Standard Commercial Framework (i.e. an OSCF Supplier). 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. <p>OSCF Suppliers are prequalified and permitted to provide business advisory services under engagement type 1 'Government & Business Strategy' only. Direct engagement value thresholds apply:</p> <ul style="list-style-type: none"> Where the estimated cost of an engagement type 1 'Government & 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. 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. Where an Agency's financial thresholds are more stringent than the above thresholds of the PMS Scheme, the Agency thresholds take precedence. 	PBD 2021-03 Engagement of Professional Services Suppliers
Professional services Standard commercial framework			Any	<p>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.</p> <ul style="list-style-type: none"> 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. 	PBD 2021-03 Engagement of Professional Services Suppliers

116

Relating to	Status	Category	Value	Obligation	Reference
 Human services			Any	You are encouraged to use the Human Services Outcomes Framework when commissioning for the delivery of <i>human services</i> .	Human Services Outcomes Framework
Legal services			Any	You must refer core legal work to the Crown Solicitor in accordance with the NSW Government Core Legal Work Guidelines .	M2016-04 NSW Government Core Legal Work Guidelines
			Any	You may 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 must manage official travel undertaken by public officials using public money in accordance with the Travel and Transport Policy .	Travel and Transport Policy
			Any	You should observe the Travel Operational Guidelines .	Travel Operational Guidelines
Fuel			Any	You must use E10 and biodiesel blends where possible, unless there is a clear operational requirement that precludes the use of biofuels.	M2012-08 Use of Biofuels
Fleet			Any	You must follow vehicle telematics principles set out in the Travel and Transport Policy 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.	Travel and Transport Policy
			Any	You should observe the Motor Vehicle Operational Guidelines .	Motor Vehicle Operational Guidelines



Other category-specific requirements

Relating to	Status	Category	Value	Obligation	Reference
Resource efficiency			Any	<p>You must comply with the Government's resource efficiency requirements for:</p> <ul style="list-style-type: none"> • owned and leased office buildings and data centres • new electrical appliances including whitegoods, televisions, pool pumps, commercial electrical equipment and air conditioning equipment • ICT hardware, printers, photocopiers and DVD players • new buildings and fitouts • owned or leased light vehicles • use of 6% GreenPower • water using appliances • surface coatings and other VOC emitting products such as adhesives, sealants, carpets and carpet underlays • mobile non-road diesel plant and equipment, whether purchased, leased, or contractor-supplied in new buildings and infrastructure. 	Government Resource Efficiency Policy
			Any	<p>You must, for contractor-supplied plant and equipment in new buildings and infrastructure, including upgrades to existing buildings and infrastructure valued > \$10 million:</p> <ul style="list-style-type: none"> • 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 • 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. 	
			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	Government Information (Public Access) Act 2009				≥\$150,000 inc. GST		
Legislation	Modern Slavery Act 2018 (NSW)				Any		
Legislation	Public Works and Procurement Act 1912				Any		
Legislation	Public Works and Procurement Regulation 2019				Any		
Legislation	Work Health and Safety Regulation 2017				Any		
Policy	Aboriginal Procurement Policy (APP)				< \$250,000 ≥ \$7.5 million		
Policy	NSW Bid Cost Contributions Policy				> \$100 million		
Policy	DFSI-2015-04 NSW Government Cloud Policy				Any		
Policy	DFSI-2017-01 Telecommunication Sharing and Commercial Principles				Any		
Policy	DCS-2022-02 NSW Government Operational Communications Strategy				Any		
Policy	Environmental Management Guidelines for Construction				Any		
Policy	Government Resource Efficiency Policy				Any		

119

Type	Reference	Status	Category	Value	Plan	Source	Manage
Policy	ICT/Digital SME Procurement Commitments				≤ \$150,000 \$150,001 to \$250,000 > \$3 million		
Policy	M2012-08 Use of Biofuels				Any		
Policy	M2014-11 Additional Evaluation Criteria for Major Projects Valued Above \$100M				> \$100,000		
Policy	M2016-03 Model Litigant Policy for Civil Litigation				Any		
Policy	M2016-04 NSW Government Core Legal Work Guidelines				Any		
Policy	M2021-10 Procurement for Large, Complex Infrastructure Projects				HPHR Tier 1		
Policy	NSW Industrial Relations Guidelines: Building and Construction Procurement				Any		
Policy	PBD 2013-01C Financial Assessments				> \$1 million		
Policy	PBD-2015-03 Radio Communications Site Licence Agreement Framework				Any		
Policy	PBD-2016-03 Construction Standards and Conformance				Any		
Policy	PBD 2017-03 Civil Liability Act 2002 – Proportionate Liability				Any		
Policy	PBD 2017-07 Supplier Conduct				Any		

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

References

Type	Reference	Status	Category	Value	Plan	Source	Manage
Policy	PBD-2019-02 Telecommunications Procurement			\$100,000			
Policy	PBD-2019-05 Enforceable Procurement Provisions			≥680,000 ≥\$9.584 million			
Policy	PBD 2023-01 Skills, Training and Diversity in Construction			> \$10 million > \$500 million			
Policy	PBD-2021-02 Mandated Use of ICT Purchasing Framework			Any			
Policy	PBD 2021-03 Engagement of Professional Services Suppliers			Any			
Policy	PBD 2021-04 Approved Procurement Arrangements			Any			
Policy	Quality Management Guidelines for Construction			Any			
Policy	SME and Regional Procurement Policy			< \$150,000 < \$3 million ≥ \$3 million			
Policy	Small Business Shorter Payment Terms Policy			≥ \$7.5 million			
Policy	Supplier Code of Conduct			Any			
Policy	TC12-12 Mandatory use of the TMF for All Government Insurance Requirements			Any			
Policy	TC16-11 Mandatory Principal Arranged Insurance for All Major Capital Works Projects			> \$10 million			

121

Type	Reference	Status	Category	Value	Plan	Source	Manage
Policy	TPP 20-08-Internal Audit and Risk Management Policy for the General government Sector			Any			
Policy	TPP21-14 NSW Government Financial Risk Management Policy			A\$500,000 A\$20 million			
Policy	Travel and Transport Policy			Any			
Policy	Work Health and Safety Management Guidelines			Any			
Guidelines	Commercial Approaches to Key Contract Terms			Any			
Guidelines	Construction Procurement Guidelines			Any			
Guidelines	Contract Dispute Resolution Guide for Construction			Any			
Guidelines	Corruption Prevention, Fairness and Probity			Any			
Guidelines	Direct Dealing Guidelines			Any			
Guidelines	Financial Assessments Reports Central Repository			> \$1 million			
Guidelines	Human Services Outcomes Framework			Any			
Guidelines	Interactive Tendering Guidelines			Any			
Guidelines	Market Approaches Guide			Any			

Table 12 References: Source

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



References

Type	Reference	Status	Category		Value	Plan	Source	Manage
Guidance	NSW Anti-slavery Commissioner's Guidance on Reasonable Steps				Any			
Guidelines	Motor Vehicle Operational Guidelines				Any			
Guidelines	Procurement Methods Guidelines				Any			
Guidelines	Supplier Due Diligence: A Guide for NSW Public Sector Agencies				Any			
Guidelines	Travel Operational Guidelines				Any			
Templates	Construction Contract Templates				Any			
Templates	Goods and Services Contract Templates				Any			
Templates	ICT Purchasing Framework				Any			
Templates	NSW Human Services Agreement				Any			



DOORS OPEN

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← HELP
← Way out

Lift ↕ ↓

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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.	NSW Procurement's Approach
			Any	<p>You should:</p> <ul style="list-style-type: none"> ensure smooth transition of services, especially if there is a new supplier 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 define and maintain the right level of management and resources according to the business criticality and complexity of the procurement arrangement manage performance, drive continuous improvement and encourage innovation in coordination with the supplier and key stakeholders track and report benefits to demonstrate how value for money is being delivered. 	
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.	Supplier Relationship Management Guidelines
			Any	You may wish to identify strategic suppliers to develop relationships and foster innovation to deliver additional value.	

125

Relating to	Status	Category	Value	Obligation	Reference
Supplier conduct			Any	You must use best endeavours to identify adverse findings against suppliers and report such findings to the Procurement Board.	PBD 2017-07 Supplier Conduct
			Any	The Supplier Code of Conduct 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.	Supplier Code of 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.	
			Any	<p>You must 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 must 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>	Public Works and Procurement Act 1912 NSW Modern Slavery Act 2018
			Any	<p>You should consider the NSW Anti-slavery Commissioner's guidance.</p> <p>You should 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.</p>	NSW Anti-slavery Commissioner's Guidance on Reasonable Steps



Contract and supplier management

Relating to	Status	Category	Value	Obligation	Reference
Supplier due diligence			Any	You should 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.	Supplier Due Diligence: A Guide for NSW Public Sector Agencies
			Any	<p>You must 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.</p> <p>You must 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.</p>	Public Works and Procurement Act 1912 NSW Modern Slavery Act 2018
			Any	<ul style="list-style-type: none"> You should consider the NSW Anti-slavery Commissioner's guidance when implementing effective due diligence procedures to ensure that goods and services procured by government agencies are not the product of modern slavery. 	NSW Anti-slavery Commissioner's Guidance on Reasonable Steps

Contract and supplier management

Relating to	Status	Category	Value	Obligation	Reference	
Paying suppliers on time Small businesses				< \$10,000	You should pay invoices up to \$10,000 as soon as possible by PCard or equivalent electronic payment method.	Faster Payment Terms Policy
				\$10,000–\$1 million	In-scope agencies must 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 must provide details of its performance in paying accounts, including details of any actions taken to improve performance, in its annual report.	Annual Reports (Departments) Regulation 2015²
				Any	Your agency must 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 must ensure construction contractors receive progress payments in compliance with the Security of Payment Act .	Building and Construction Industry Security of Payment Act 1999 PBD 2013-01C
				Any	You must , as part of ongoing contract management activities, take steps to verify the claims of head contractors about payments made to subcontractors.	

²To 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	You must : <ul style="list-style-type: none"> monitor suppliers’ progress to implement Aboriginal Participation Plans, including quarterly reports against the targets conduct a final review of suppliers’ performance against their Aboriginal Participation Plans at the completion of the contract 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. 	Aboriginal Procurement Policy reporting.buy.nsw
SMEs and local participation				≥ \$3 million	You must 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.	SME and Regional Procurement Policy
Resource efficiency				Any	Your agency must report annually against the policy initiatives in the GREP 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.	Government Resource Efficiency Policy
Foreign exchange (FX) risk management					If the contract or procurement agreement involves goods and/or services sourced from outside Australia, it is likely there will be FX risk.	TPP21-14 NSW Government Financial Risk Management Policy
				A\$500,000 face value	You must 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 must consult Treasury and TCorp to manage exposures when they change by the threshold amount.	

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

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.	TPP21-14 NSW Government Financial Risk Management Policy
				A\$20 million face value	You must 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 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.	TPP21-14 NSW Government Financial Risk Management Policy
				A\$20 million face value	You must 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.	

Additional requirements for goods and services contracts

Relating to	Status	Category	Value	Obligation	Reference	
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 must only exercise extension options where it can be demonstrated the contract will continue to deliver value for money.	
				Any	You should 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.	

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











Additional requirements for construction contracts

Relating to	Status	Category	Value	Obligation	Reference
Skills, training and diversity			> \$10 million	You must ensure contractors report at least quarterly on their achievement against skills, training and diversity targets.	PBD 2023-01 Skills, Training and Diversity in Construction
			> \$10 million	You must report quarterly to Training Services NSW in the Department of Education against agreed skills, training and diversity targets.	
Financial assessments				You must regularly analyse the financial status of contractors throughout the course of construction contracts. At a minimum, financial assessments must be conducted:	PBD 2013-01C Financial Assessments
			Value	Frequency	
			\$1 million – \$10 million	every six months	
	> \$10 million	every three months			
			Any	You must use the Financial Assessments Prequalification Scheme to source financial assessment reports, or request recent reports for specific contractors from the central repository held by NSW Procurement, unless the agency has capability to conduct financial assessments itself.	Financial Assessments Prequalification Scheme Financial Assessments Repository
Financial assessments			Any	You must address identified risks and recommended actions in financial assessment reports throughout the life of the contract.	Financial Assessments Prequalification Scheme Financial Assessments Repository
Industrial relations			Any	You must ensure contractors comply with the NSW Industrial Relations Guidelines: Building and Construction Procurement and, if applicable, the <i>Workplace Relations Management Plan</i> .	NSW Industrial Relations Guidelines






132

Relating to	Status	Category	Value	Obligation	Reference
Work, health and safety			Any	You must review contractors' WHS performance throughout the life of the contract, including WHS management monthly reports and investigating any <i>Notifiable WHS incidents</i> . You must also:	WHS Management Guidelines
			Value	Requirement	
			< \$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	You should conduct an audit: <ul style="list-style-type: none"> within three months of the start of site work 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. You must ensure any corrective and preventive actions identified during an audit are carried out within agreed timeframes.	
Environmental management			Any	All staff working on the project site must be inducted into the Environmental Management Plan (EMP) and EMP requirements for work on the site.	Environmental Management Guidelines
			Any	You must 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 should 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.	Quality Management Guidelines for Construction

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.	Public Works and Procurement Act 1912
Disposal of goods of assets		 	Any	You must ensure that disposals are approved by the appropriate authority and that due process and disclosure is undertaken including: <ul style="list-style-type: none"> complying with the agency's authority to conduct the disposal (refer to Authority to Procure) disposal specifications and requirements are disclosed equally to all suppliers invited to quote, if required supplier selection evaluation criteria are established prior to receiving quotes proper processes are followed for managing market requests and for receiving and opening quotes. 	Public Works and Procurement Act 1912
Fleet Management			Any	You should refer to the Motor Vehicle Operational Guidelines 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).	Motor Vehicle Operational Guidelines

134











Relating to	Status	Category	Value	Obligation	Reference
Circular economy		 	Any	You should 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.	NSW Circular Economy Policy Statement
		 	Any	You must ensure any disposal or repurposing is consistent with environmental and waste management legislation, regulations and policies.	

Key	 Mandatory	 Recommended	 Goods and services	 Construction	 ICT	 Human services	 Additional information
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Section 2: Plan, Source, Manage | NSW Government Procurement Policy Framework

135

References

Type	Reference	Status	Category	Value	Plan	Source	Manage
Legislation	Annual Reports (Departments) Regulation 2015³		 	Any			
Legislation	Building and Construction Industry Security of Payment Act 1999		 	Any			
Legislation	Modern Slavery Act 2018 (NSW)		 	Any			
Legislation	Public Works and Procurement Act 1912		 	Any			
Legislation	Work Health and Safety Regulation 2017			≥ \$250,000			
Policy	Aboriginal Procurement Policy (APP)			< \$250,000 ≥ \$7.5 million			
Policy	Environmental Management Guidelines for Construction			Any			
Policy	Faster Payment Terms Policy		 	< \$1 million			
Policy	Government Resource Efficiency Policy		 	Any			
Policy	ICT/Digital SME Procurement Commitments		 	≤ \$150,000 \$150,001 to \$250,000 > \$3 million			
Policy	NSW Circular Economy Policy Statement		 	Any			

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

136



References

Type	Reference	Status	Category		Value	Plan	Source	Manage
Policy	NSW Industrial Relations Guidelines: Building and Construction Procurement				Any			
Policy	PBD 2013-01C Financial Assessments				> \$1 million			
Policy	PBD-2016-03 Construction Standards and Conformance				Any			
Policy	PBD 2017-07 Supplier Conduct				Any			
Policy	PBD 2023-01 Skills, Training and Diversity in Construction				> \$10 million > \$500 million			
Policy	Quality Management Guidelines for Construction				Any			
Policy	SME and Regional Procurement Policy				< \$150,000 < \$3 million ≥ \$3 million			
Policy	Small Business Shorter Payment Terms Policy				≥ \$7.5 million			
Policy	TPP21-14 NSW Government Financial Risk Management Policy				A\$500,000 A\$20 million			
Policy	Work Health and Safety Management Guidelines				Any			
Guidance	Financial Assessments Reports Central Repository				> \$1 million			
Guidance	NSW Anti-slavery Commissioner's Guidance on Reasonable Steps				Any			



References

Type	Reference	Status	Category		Value	Plan	Source	Manage
Guidance	Motor Vehicle Operational Guidelines				Any			
Guidance	Supplier Due Diligence: A Guide for NSW Public Sector Agencies				Any			
Guidance	Supplier Relationship Management Guidelines				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

Level 1 accredited	Agencies may 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.		
Level 2 accredited	Agencies may 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"> • taking a leadership role in relation to procurement in the cluster • taking lead buyer status for a category to establish and manage whole-of-government contracts. 	

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	Accreditation Program Requirements
	Agency accreditation status list (goods and services)
 Construction	Accreditation Program Requirements
	Assurance Process for Construction
	Agency accreditation status list (construction)





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](#).

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.

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.

While individual agencies establish and manage

Government procurement solutions

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

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	Applying the Commitments to Effective Complaint Handling – Guidance for Agencies (NSW Ombudsman)	Recommended
	Six Commitments to Effective Complaint Handling (NSW Ombudsman)	Recommended
	Complaint Management Framework (NSW Ombudsman)	Recommended
	Complaints Management Guidelines (Procurement Board)	Recommended
	Complaint Handling Improvement Program: Commitments Implementation Review (NSW Ombudsman)	Recommended
	Effective Complaint Handling Guidelines, 3rd Edition (NSW Ombudsman)	Recommended
	Managing Unreasonable Complainant Conduct (NSW Ombudsman)	Recommended
	Respectful Treatment (NSW Ombudsman)	Recommended
	Tips for Accessible Complaint Handling (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	Status
2022-02	Engagement of infrastructure advisory service suppliers	1 November 2022	1 November 2025	New
2023-03	Procurement opportunities for small (and medium) businesses	1 October 2014	7 December 2026	New
2023-06	Engagement of professional services suppliers through the Performance and Management Services Scheme	21 December 2023	21 December 2026	New
2023-05	Engagement of professional services suppliers	21 December 2023	21 December 2026	Supersedes 2021-03
2023-04	Mandated registration of all NSW government suppliers on the buy.nsw Supplier Hub	21 December 2023	21 December 2026	New
2022-03	Support for flood affected communities	21 November 2022	21 November 2024	Supersedes 2021-01
2023-01	Skills, training and diversity in construction	2 August 2023	3 August 2026	Supersedes 2020-03
2013-01C	Financial assessments	13 November 2013	1 July 2022	Active
2014-04C	Construction procurement prequalification schemes for work valued up to \$1 million	1 October 2014	1 July 2022	Active
2015-03	Radio Communications Site Licence Agreement Framework	1 September 2015	1 September 2025	Active
2016-03	Construction standards and conformance	6 July 2016	6 July 2019	Active
2017-03	Civil Liability Act 2002 – proportionate liability	6 October 2017	28 April 2019	Active
2017-07	Conduct by suppliers	22 November 2017	22 November 2024	Active
2019-02	Telecommunications procurement	29 April 2019	29 April 2024	Active
2019-03	Access to government construction procurement opportunities by small (and medium sized) enterprises	1 May 2019	1 May 2024	Active

Direction	Title	Date commenced	Review date	Status
2019-05	Enforceable procurement provisions	16 September 2019	29 November 2025	Active
2020-01	Support for bushfire affected communities	28 January 2020	28 January 2021	Active
2020-05	Approved procurement arrangements for the ICT Services Scheme	2 September 2020	28 February 2023	Active
2021-02	Mandated use of the ICT Purchasing Framework	1 July 2021	28 February 2023	Active
2021-04	Approved procurement arrangements	23 November 2021	22 November 2024	Active

Archived PBDs (April 2022 to March 2024)

Direction	Title	Date commenced	Review date	Status
2014-06	Procurement of goods and services on behalf of other government agencies	1 October 2014	12 April 2017	Archived
2014-07	Recognising suppliers to the Australian Government	1 January 2015	1 July 2022	Archived
2016-04	Accessing information about non-government organisations delivering human services	6 July 2016	5 July 2019	Archived
2017-04	Procuring human services from NGOs	13 September 2017	13 September 2019	Archived
2020-03	Skills, training and diversity in construction	27 May 2020	1 March 2024	Archived and replaced
2021-01	Support for flood affected communities	16 April 2021	15 April 2023	Archived and replaced
2021-03	Engagement of professional service suppliers	8 September 2021	9 September 2024	Archived and replaced
2023-02	PBD 2023-02-Interim approval process for engagement contracts with PwC was issued and archived in 2023.	14 July 2023	30 August 2023	Issued and archived

Section 4

• 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.

Consultancy is a subset of Professional Services. A consultant is defined as a person or organisation engaged to provide recommendations or professional advice to assist decision-making by management.

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.

Infrastructure Advisory Services means advice provided under a fee for service arrangement in relation to any stage in the infrastructure asset lifecycle from concept through to commissioning (and where applicable the ongoing operations and maintenance of the asset) of all economic and social infrastructure assets for the NSW Government, excluding advice relating to information and communications technology infrastructure, and all other non-infrastructure related advisory services, including legal services and general consulting.

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.

Professional Services are a type of service where external individuals or companies are engaged on a temporary basis to provide expertise, experience, and specialised knowledge to help the client implement, manage, or improve a specific area of their business.

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

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"> • PBD-2019-05 Enforceable Procurement Provisions, released 16 September 2019, effective date 29 November 2019 • Public Works and Procurement Regulation 2019, replacing 2014 Regulation that was remade 1 September 2019 • DFSI-2019-01 NSW Government Operational Communications Strategy, released 15 July 2019. <p>Added:</p> <ul style="list-style-type: none"> • Bid Cost Contributions Policy for construction projects valued over \$100 million, released December 2018 • 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 • TC12-12 Mandatory use of the TMF for all Government insurance requirements, released 3 May 2012 • TC16-11 Mandatory principal arranged insurance for all major capital works projects, released 15 August 2016.
1.3	Final	3 December 2019	Emma Cooper	<p>Incorporate requirements of PBD-2019-05 Enforceable Procurement Provisions:</p> <ul style="list-style-type: none"> • Replaced all references to the withdrawn PBD-2017-05 International Procurement Agreements with PBD-2019-05 • Updated: <ul style="list-style-type: none"> – Section 1:02 Fair and Open Competition, p. 10 – Section 2:01 Plan: Creating a new procurement arrangement, pp. 43-45 – Section 2:02 Source: Tender documents, pp. 53-56 – Section 2:02 Source: Notifying and briefing the market, pp. 70-73, 75 – Section 2:02 Source: Negotiation and contract award, pp. 76.

Version	Status	Date	Prepared by	Comments
1.4	Final	16 March 2020	Emma Cooper	<ul style="list-style-type: none"> • 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"> – WHS Management Guideline, pp. 60, 67, 80 and 100 – Environmental Management Guideline, pp. 61, 67, 81 and 100 – Quality Management Guideline, pp. 62, 67, 81 and 100. • Procurement Board Direction 2020-01 Support for bushfire affected communities added to list of board directions, p. 114. • 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. • Added references to Interactive tendering guidelines released February 2020: <ul style="list-style-type: none"> – Section 1:04 Innovation, p. 21 – Section 2:01 Plan: Creating a new procurement arrangement, p.46 – Section 2:02 Source: Notifying and briefing the market, p. 72. • Added references to the Supplier Code of Conduct released February 2020: <ul style="list-style-type: none"> – Section 1:02 Fair and open competition, p. 11 – Section 2:02 Source, Tender documentation, p. 56 – Section 2:03 Manage: Contract and supplier management, p.95.
1.5	Final	1 July 2020	Emma Cooper	<ul style="list-style-type: none"> • The new NSW government procurement website, buy.nsw, went live in April 2020. References and links have been updated to the new site. • 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"> – Section 2:01 Plan: Selecting a procurement method, p. 39. • PBD 2020-02 Use of Procure IT Framework and increase of the threshold in Core& Contracts came into effect 1 June 2020, replacing PBD 2018-02. References have been amended throughout the document.

Version	Status	Date	Prepared by	Comments
1.5 (cont.)	Final	1 July 2020	Emma Cooper	<ul style="list-style-type: none"> • 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"> – Section 1:05 Economic development, social outcomes and sustainability, p. 26 – Section 2:01 Plan: Creating a new procurement arrangement, p. 48 – Section 2:02 Source: Additional evaluation criteria, pp. 65-66 – Section 2:02 Source: Contract requirements, p. 70 – Section 2:03 Manage: Additional requirements for construction contracts, p. 100. • 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"> – Section 2:01 Plan: Selecting a procurement method, p. 41. • Added information on engaging social enterprises: <ul style="list-style-type: none"> – Section 1:05 Economic development, social outcomes and sustainability, p. 25 – Section 2:02 Source: Additional evaluation criteria, p. 64 – Glossary, p. 121. • Updated references and links to the revised <i>Infrastructure Investor Assurance Framework</i> released February 2020 by Infrastructure NSW. • 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"> – Section 1:02 Fair and open competition, p. 11 – Section 2:02 Source: Tender documentation, p. 57 – Section 2:03 Manage: Contract and supplier management, p. 96. • 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.
1.6	Final	1 October 2020	Emma Cooper	<ul style="list-style-type: none"> • 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"> – Section 2:01 Plan: Accreditation and authority to procure and Agency procurement planning, pp. 35-36 – Section 3:02 Governance and feedback: Accreditation programs, pp. 108-109.

Version	Status	Date	Prepared by	Comments
1.6 (con't)	Final	1 October 2020	Emma Cooper	<ul style="list-style-type: none"> • 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. • 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"> – Section 2:01 Plan: Accreditation and authority to procure, p. 35.
1.7	Final	1 February 2021	Emma Cooper	<ul style="list-style-type: none"> • Revised Aboriginal Procurement Policy came into effect on 1 January 2021. Updated: <ul style="list-style-type: none"> – Section 1:05: Economic, social and environmental outcomes, p. 25 – Section 2:01 Plan: Selecting a procurement method, pp. 39-41 – Section 2:01 Plan: Agency procurement planning, p. 36 – Section 2:02 Source: Tender Documentation, p. 55 – Section 2:02 Source: Additional evaluation criteria, p. 62 – Section 2:02 Source: Contract requirements, p. 68 – Section 2:02 Source: Post-award requirements, p. 78 – Section 2:03 Manage: Contractor and Supplier Management, p. 94 • 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"> – Section 2:01 Plan: Selecting a procurement method. p. 41 – Section 2:02 Source: Other category-specific requirements, pp. 82-83. • 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. • 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. • 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.

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

Version	Status	Date	Prepared by	Comments
1.9	Final	30 March 2022	Jess Johnson	<ul style="list-style-type: none"> • 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"> - Section 2:01: Plan, p. 50 - Procurement Board Directions, p. 150 • 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 buy.nsw: <ul style="list-style-type: none"> - 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 • 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"> - Section 2:02 Source, p. 116-117 - Procurement Board Directions p. 150 • 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"> - Section 2:01 Plan, p. 44. 52, 57-58 - Section 2:02 Source, p. 85, 115 • Added references to the ICT/Digital SME Procurement Commitments updated in July 2021: <ul style="list-style-type: none"> - 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

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1.9	Final	30 March 2022	Jess Johnson	<ul style="list-style-type: none"> Amended the reference to the construction contract resources and templates including General Construction (GC21), Minor Works (MW21), and Mini Minor Works (MMW) p. 95 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"> Section 2:01 Plan, p. 46-47 Section 2:02 Source, p. 109-110 Section 2:03 Manage, p. 130, 131 The Office Furniture Scheme has been replaced with the Office Education Furniture Contract 771. Updated Section 2:01 Plan, p. 55. Several construction procurement guides have moved to a webpage format and are available on buy.nsw. Relevant links were updated 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. Removed references to TPP18-03 NSW Government Foreign Exchange Risk Policy Amended the definition of Aboriginal Business to more closely align to the definition set out in the Aboriginal Procurement Policy.

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Review Date

This policy is updated on a periodic basis 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.

Version	Status	Date	Prepared by	Comments
2.0	Final	4 April 2024	Policy team	- As per updates in 'What's new' page 4.

