

ADMIN 3.0

Obtaining a Contractor

- **Version 5**



K .B. Taylor
CEO RISSB

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5	13/01/2014	Page 2	Insurance Requirements updated

Obtaining a Contractor

1 Purpose

This procedure applies to the hiring of contract resources to undertake RISSB work.

2 References

All Terms, abbreviations and acronyms used in this document are defined in the *RISSB Quality Management Glossary*

3 Process

3.1 Overview

The procedure sets out the procedure for obtaining resources via contracting to perform specific work or works.

This procedure does not cover the employment of permanent resources. Additionally it does not address the process for purchasing materials and services; this process is defined in *ADMIN 3.1 Purchasing - Material Service*.

3.2 Process

3.2.1 Overview

The objective of an effective contractor process is to identify the correct contracted resource for the role.

To achieve the objective RISSB selects a contractor after an evaluation based on a variety of factors including previous experience, references and a rigorous selection process.

3.2.2 Engaging a Contractor

The RISSB Manager will ensure that the following arrangements are in place

- there is a clearly defined scope of work;
- defined competencies, experience or qualification required; and
- the contractor has suitable insurance coverage satisfying RISSB minimum requirements.

3.2.3 Scoping of the Task(s)

The RISSB Manager is responsible for identifying the specific task(s) required to be performed and producing a written scope for those tasks. Depending on the task, this scope can be anywhere between a single paragraph in length, or several pages.

3.2.4 Insurance Requirements

The minimum requirements for insurance cover are as follows:

- Commercial general (public) liability insurance
 - Limits: Not less than \$10,000,000.00 (AUD)
 - Extensions: Contractual Liability, Independent Contractors' Liability, Premises/Operations, Products/Completed Operations, Broad Form Property Damage.
- Statutory Workers Compensation
 - Limits: Must meet Government requirements
- Professional Indemnity (if applicable)
 - Limits: Not less than \$10,000,000.00 (AUD)

3.2.5 Determination of Resources

The RISSB Manager shall determine whether an additional resource is required to undertake a RISSB project. In doing so he/she must first consider the use of an 'in house' or 'in kind' resource with the appropriate competencies and skills to undertake the task. The purpose of this exercise is to reduce project costs. But if no resource is available, the RISSB Manager will seek the services of a 'third party' to undertake the task.

The RISSB Manager shall consider the above in the context of his/her experience and knowledge of the project at hand to make a determination of whether to issue a Request for Services.

3.2.6 Issuing a Request for Services (RFS)

If the RISSB Manager chooses to contract the task out he/she will issue a Request for Services (RFS) to identify a resource for the project. The RISSB Manager will archive the RFS as-issued in the RISSB Sharepoint system in the relevant project directory. If a project Sharepoint directory has not been created, the Project Manager will create one at this point.

This RFS should include the Scope developed at 3.2.1 above.

The RFS must include a copy of RISSB's latest standard terms and conditions for the contract.

The RFS must state the required competencies needed to meet the contract requirements.

The RFS must also be addressed to at least three potential contractors, unless otherwise approved by the General Manager RISSB.

All potential tenderers to the RFS must be given a reasonable amount of time to respond to the RFS.

All potential tenderers must display the necessary skill set to display compliance with competencies.

All tenderers must respond in writing (preferably via email).

All responses to the RFS must be archived in the correct location by the relevant RISSB Manager on RISSB Sharepoint.

The responses to the RFS will be evaluated by a selection panel of at least two people. The considerations of the selection panel will also be recorded in the relevant RISSB Sharepoint directory.

Once the Selection Panel has selected a resource, and where the selection is for the development of a RISSB Product under the steerage of RISSB Standing Committee (SC), a recommendation is passed to that relevant Standing Committee (SC) through the Project Manager (PM). The SC considers the recommendations and decides on who will be the selected resource. Minutes of the relevant SC making this decision will be recorded in the relevant RISSB Sharepoint directory.

On completion the PM will formally advise the successful bidders about the decision through a formal letter of offer. As soon as the preferred resource has confirmed the contract terms and conditions set out in the Letter of Offer, the PM will advise the other bidders that they were unsuccessful, and in the process provide reasons in writing (either email or letter), why they did not win the contract. Additional correspondence will not be entered into.

The PM is to provide the selected Resource with all relevant material to commence his/her work.

3.2.7 Contractor Review

At the close of an assignment the Supplier, Service Provider or Contractor performance is to be reviewed and a record retained of this activity for submission to the next management review.

4 Record Requirements

As a minimum, the following records are retained as evidence in RISSB Sharepoint of compliance to this procedure:

- RFS Drafts and Final (as-issued).
- Responses to the RFS from tenderers.
- Evaluation matrix of tenderers.
- Any relevant Standing Committee minutes relating to appointment of resources.

- Copy of Letter of Offer to the successful tenderer.
- Copies of relevant correspondence to all tenderers (successful or not).
- Record of Contractor review.