
Subject: Contract Management

Section: Administration

Responsibility: Chief Executive Officer



OBJECTIVE

To ensure that all contracts and contract procurement processes are in accordance with the Procurement Guidelines for Victorian Public Hospitals and Health Services. <http://www.health.vic.gov.au/procurement/index.htm>

DEFINITIONS

HPV – Health Purchasing Victoria was established as an independent statutory authority by section 129 of the Health Services Act 1988.

APRA –The Australian Prudential Regulation Authority is a statutory authority of the Australian Government and the prudential regulator of the Australian financial services industry.

PRINCIPLES

All contracts will need the authorisation from the Chief Executive Officer or delegated authority. Contracts will be maintained and coordinated by a delegated employee.

Role of Health Purchasing Victoria

HPV exists to improve the collective purchasing power of Victoria to establish "best value" in the procurement of services, equipment and goods through common use contracts for Victorian Public Hospitals and other health agencies.

HPV is responsible to the Minister for Health and works closely with the Department of Health, public hospitals and health services.

Tenders

Tenders will be sought for contracts of more than \$10,000.

A Tender Evaluation Panel will review tenders submitted before the closing date, record decisions in minutes of the project committee and make a formal recommendation to the Chief Executive Officer for approval by the Kerang District Health Board of Management or Finance committee, unless otherwise provided for in the Kerang District Health Delegation of Authority policy.

Tender Process

A call for tenders will be advertised and sent to identified organisations that could satisfy the tender requirements and to previous tenderers if appropriate. Organisations interested in submitting a tender will be provided with a copy of the proposed contract or supply agreement, tender form and tender assessment criteria.

The supply agreement will usually include the following details: terms, delivery, quality, licences required, prices, payment, insurance, OH&S, mechanisms for resolving issues, performance assessment, changing the conditions of the agreement, definitions and other information as required.

The tender form will provide details of Kerang District Health requirements under the agreement and should be returned with the contractor's details and signature, plus detailed information on the product or service to be supplied including prices.

Insurance

All contractors and suppliers are required to hold insurance policies for public indemnity, workers compensation (where workers are employed) and any other insurance as required by Kerang District Health. The insurer must be authorised to operate in Australia by the regulatory Body, APRA.

The minimum level of public indemnity insurance required by contractors and suppliers is \$10 million.

All contractors and suppliers will be required to provide a confirmation of their insurance coverage in the form of a confirmation notice, certificate of currency or similar documentation which specifies:

- Type of insurance

- Policy number
- Insuring agency
- Period of coverage
- Sum insured for.

Companies submitting tenders for contracts who do not hold the required level of insurance shall be advised that if awarded the tender they must arrange for insurance coverage to the minimum amount prior to commencement of the contract.

Contractor Registration

All contractors working on site must complete the Contractor's Registration contained in the Kerang District Health [Contractor's Handbook](#) prior to any work commencing.

Supply and Equipment Service Contracts

Kerang District Health will maintain a database of service contracts including the contractor's details, the service being provided, contract start and end dates, date for review, annual performance indicators and links to:

- copies of current contracts,
- copies of signed contract declarations
- copies of the suppliers' current insurance.

Contract Management and Occupational Health and Safety

All contractors must provide services in accordance with the requirements detailed in the Kerang District Health Contractor's Handbook.

All contractors and their employees must comply with any relevant regulations and legislation, in particular the Occupational Health and Safety Act 2004, and relevant Kerang District Health policies and guidelines.

EVALUATION

Contractor performance is evaluated on an annual basis by the relevant department heads and checked by the Director of Corporate Services on renewal of a contract.

Robert Jarman
Chief Executive Officer

Aligned Policies Documents [Delegation of Authority policy](#)

Standards:
NSQHS Standard 1 – Governance 1.1.1
AACQA Standard - 1.2, 1.9

References:
OH&S Act 2004
Health Purchasing Vic <http://www.hpv.org.au>
Orbost Regional Health Contract Management policy

Date Developed:
27.11.2006

Review Dates:
27.09.2010
28.11.2014
01.03.2018

Next Review Date:
01.03.2021

Appendix A: External Contractor List**Kerang District Health External Contractors and Suppliers**

A.A.S.B P/ L.
Allpest Weed & Maintenance Services
Atherton, A.E. & Sons P/ L.
Australian Clinical Laboratories Pathology
Auto door control Services
Bendigo Radiology
BOC Limited - Medical Gases (HPV)
Chemtronics P/ L.
Daniels Health Services Pty. Ltd.
Echuca Podiatry
Echuca Regional Health - Health Information Management
Gannawarra Shire - Meals on Wheels
Gen Care
Gouge Linen Service
Healthcare 2 You
HLS Healthcare
IQ Electrical Solutions
Jenny Bacon - Dietician
Kerang Refrigeration and Air-conditioning P/L
Loddon Mallee Rural Health Alliance
Medigas P/ L.
Melanie Read-Wishart - Speech Pathologist
Murray Valley Technology Centre
Origin Energy
Patient Transport Australia P/ L.
Rauland Australia P/L
Rich River Physiotherapy and Acupuncture Clinic
SARAH Management Systems P/ L.
Shimadzu Medial Systems P/L
Sita Australia P/ L.
Stanwell Energy
Steains Plumbing Vic P/ L.
Swan Hill Security
Terri White Pharmacy
Uniting Age Well
Viatek
Viola (previously Ellwaste)
Wormald Fire Systems