

CONTRACTOR MANAGEMENT FRAMEWORK

1 PLAN & SCOPE

1. Determine that contracting is an option worth investigating (A)
2. Seek approval from relevant manager to investigate contracting option (A)
3. Confirm that contracting aligns with the business strategy, budget and risk profile (DM)
4. Nominate Contract Owner and Contract Owner's Representative (DM)
5. Conduct risk assessment to determine overall level of HSE risk. (OR)
6. Raise Request for Contract (RFC) (OR)
7. Allocate RFC to Supply Representative (SA)
8. Agree response time with Contract Owner's Representative (SR)
9. Draft Scope of Work document and submit to Supply Representative (OR)
10. Develop Sourcing Strategy and Assessment Criteria with Contract Owner's Representative (SR)

2 TENDER & SELECT

11. Draft tender documents and assessment model, and complete peer review (SR)
12. Seek Supply Manager approval of tender documents and assessment model (SR)
13. Review previous close-out report and nominate potential tenderers (SR)
14. Release tender documents (SR)
15. Conduct tenderer site visits (if appropriate) (OR)
16. Collate tender responses (SR)
17. Prepare shortlist of tenderers (SR)
18. Review shortlist of tenderers (HSE)
19. Finalise shortlist of tenderers (SR)
20. Convene Tender Review Panel including, contract owners representative and technical specialists (SR)
21. Review HSE Self Assessments (HSE)
22. Review Employee Relations Self Assessments (HR)
23. Review commercial and operational responses (SR)
24. Finalise and collate tender assessments (SR)
25. Provide short-listed tenderers with feedback and seek improvements (where required) (SR)
26. Review tenderer responses (where required) (SR)
27. Select preferred tenderer (SR)
28. Complete final detailed review of HSE Management Plan (HSE)
29. Complete final detailed review of ER/IR Management Plan (HR)
30. Negotiate contract Terms & Conditions (if required) (SR)
31. Raise Contract Approval Request and seek approval (SR)
32. Release contract for signature by contractor, then WAIO delegates (SR)

3 MOBILISE

33. Receive and file signed copies of contract. (SR)
34. Issue signed copies of contract to contractor (SR)
35. Issue Mobilisation Checklist to contractor (SR)
36. Commence Mobilisation Checklist activities (CS)
37. Commence Mobilisation Checklist activities, including competency verification and span of control assessment (OR)
38. Ensure contractor has Site Rules and provide access to WAIO Standards & Procedures, ie: Fatal Risk Control Standards. (OR)
39. Establish Outline Agreement (SR)
40. Convene Mobilisation Meeting (CO)
41. Conduct Mobilisation Meeting (CO)
42. Issue Outline Agreement Bulletin to Contract Users (SR)
43. Raise a Work Order (Maintenance only) (CU)
44. Raise a Purchase Requisition (CU)
45. Convert Requisition to Purchase Order (SR)

4 EXECUTE & MANAGE

STEP 1: PREPARE CONTRACT EMPLOYEES FOR WORK

46. Approve the Authority to Work and any required permits, ie: Excavation Permit, Isolation Permit, Track Occupancy Authority. (CU)
47. Approve site access and escort contract employees to place of work (for first time on site) (CU)

STEP 2: SUPERVISE CONTRACTORS

48. Raise Work Orders (as required) (CU)
49. Supervise work performance (CU)
50. Supervise HSE compliance (CU)
51. Review and process timesheets (CU)
52. Review and process service entry sheets, budget holder approves in GSAP (CU)
53. Attend contract review meetings (CU)
54. Raise non-conformance for commercial incidents (CU)
55. Raise technical non-conformances with specialist areas (eg HR, HSE) (CU)

STEP 3: MANAGE CONTRACT IMPLEMENTATION

56. Conduct in-field inspection to assess HSE compliance (OR)
57. Compile feedback from Contract Users on work performance (OR)
58. Review contractors monthly report (OR)
59. Provide feedback to Contractor on work performance (OR)
60. Manage expenditure on contract (OR)
61. Manage non-conformances and corrective actions (non-systemic & low risk) (OR)
62. Escalate non-conformances and corrective actions (systemic and medium/high risk) (OR)
63. Manage implementation of contract variations (with Supply representative) (OR)
64. Attend contract review meetings (OR)
65. Respond to audits of contractor management (OR)

STEP 4: MANAGE CONTRACT

66. Ensure compliance systems are in place (CO)
67. Review contractor performance (CO)
68. Review utilisation of contract (CO)
69. Receive and manage claims (with Supply representative) if escalated (CO)
70. Manage non-conformances and corrective actions that are systemic and/or medium/high risk (CO)
71. Endorse contract variations (CO)
72. Chair contract review meetings (CO)
73. Manage responses to audits of contractor management (CO)

STEP 5: OVERSEE CONTRACTOR HSE

74. Conduct in-field assessments to assess contractor HSE performance (HSE)
75. Provide assessment feedback to Contract Owner (HSE)

STEP 6: OVERSEE CONTRACTOR HR

76. Conduct compliance audits to HR Management Standard (HR)
77. Provide audit feedback to Contract Owner (HR)
78. Manage ERMS and gate access processes (HR)

STEP 7: OVERSEE CONTRACT COMMERCIALS

79. Conduct compliance audits against Contract Management Framework (SR)
80. Assist Contract Owner with claims (SR)
81. Manage commercial non-conformances with contract owners representative (SR)
82. Complete and execute approved contract variations (SR)
83. Attend contract review meetings (SR)
84. Draft & issue formal contract notices (SR)

5 CLOSE OUT

85. Identify that the contract is ending (6 months in advance for high spend contracts & 3 months in advance for others) (SR)
86. Seek advice from Contract Owner on future of contract (SR)
87. Conduct audit of site-based materials to determine ownership & value (OR)
88. Report findings of audit of site-based materials to Supply Representative (OR)
89. Prepare and issue letter to contractor notifying cessation of contract and need for return of equipment (SR)
90. Convene Demobilisation Meeting (CO)
91. Conduct Demobilisation Meeting (CO)
92. Verify return of equipment and report to Supply Representative (OR)
93. Advise contractor of intentions regarding outstanding work, outstanding payments and cessation of work (SR)
94. Issue Site OA Bulletin notifying cessation of contract (SR)
95. Demobilise from site/s (CS)
96. Ensure return and deactivation of site access cards (OR)
97. Finalise timesheets and service entry sheets (CS)
98. Approve final timesheets and invoices (CU)
99. Compile and acknowledge claims (SR)
100. Investigate and advise recommendation on closure claims to Contract owner (SR)
101. Close claims and Outline Agreements (SR)
102. File commercial documents in contract close-out file in supply BVDs (SR)
103. File technical documents in department filing system (CU)

ROLE	GENERAL DESCRIPTION	KEY
ANYONE	Anyone	(A)
MANAGER	Department Manager	(DM)
SUPPLY ASSISTANT	Supply Assistant	(SA)
CONTRACT USER	The person who is responsible for direct supervision and day-to-day engagement of the contractor.	(CU)
CONTRACT OWNER'S REPRESENTATIVE	The person who is responsible for management and monitoring of a contract, usually a Superintendent, Senior, Principal or Supervisor, depending on the complexity of the contract.	(OR)
CONTRACT OWNER	The person with overall accountability for the successful execution of the contract. This must be a General Manager or Manager.	(CO)
SUPPLY REPRESENTATIVE	The person from the Supply Department who is responsible for the procurement and commercial aspects of the contract.	(SR)
HSE SPECIALIST	The person from the HSE Department who is responsible for the health, safety and environment aspects of the contract.	(HSE)
HR SPECIALIST	The person from the HR Department who is responsible for the employee and industrial relations aspects of the contract.	(HR)
CONTRACTOR/SUPPLIER	The person who performs the work as defined in the contract. Responsible for completing the work, reporting on status and performance, and for adhering to the agreed systems, plans, policies and standards.	(CS)

FOR FURTHER INFORMATION PLEASE CONTACT YOUR SUPPLY REPRESENTATIVE OR E-MAIL: WAIOContractorManagement@BHPBilliton.com