

Guidelines for Registration as an Approved Contractor for Building Construction and Maintenance Services

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Important Note: For prequalification under the *National Prequalification Scheme for Non-residential Building (the NPS)*, please refer to the information contained on the Australian Procurement and Construction Council website at www.apcc.gov.au. The NPS applies to non-residential building projects with a construction cost estimate of \$50 million or more.

I. INTRODUCTION

The aim of prequalification is to classify contractors according to their expertise and capability in specific work categories and in a specific financial range.

Contractors who wish to offer services to the Tasmanian Government for building construction and maintenance services should be prequalified with the Government. This is because agencies are required to only engage prequalified contractors, where suitable categories exist, for procurements valued at \$250 000 or more.

The Department of Treasury and Finance maintains a register of prequalified contractors and contractors satisfying prequalification criteria are registered and become eligible to tender for works in their designated fields of expertise up to a specified project cost. The register provides a record of contractors' expertise, experience, capacity to perform and a history of their performance on Government projects. Registration is limited to the specified categories.

Prequalification means that the contractor has:

- expressed interest in undertaking particular categories of work;
- been assessed as being capable of undertaking specific categories of work; and
- been approved for a specific financial range of project work.

Prequalification does not guarantee that a contractor will be invited to undertake work for the Tasmanian Government.

This document describes the Contractors' Prequalification Scheme and the process for registration, assessment, approval and review. For the purposes of this Guideline and the associated application, a contractor is an individual or organisation engaged under contract to provide building construction or maintenance services.

2. SCOPE OF REGISTRATION

2.1 Registration of Categories

Registration categories are as follows:

- building works - institutional;
- building works - residential;
- electrical services;
- mechanical services;
- fire services;
- building systems - monitoring and control; and
- facilities management and maintenance.

Definitions for these categories are included under **Appendix I**.

Note: Residential maintenance contractors are not prequalified.

2.2 Registration Levels

For construction works, the registration level is defined as the estimated maximum **construction cost** for contractors and the estimated maximum component cost for subcontractors.

The registration limit for facilities management and maintenance is defined as the estimated maximum **annual cost** for the contract.

2.3 Subcontractors

Contractors must ensure that their subcontractors are registered in the appropriate category, where such a category exists, and for the estimated cost of the subcontracted part of the project.

Contractors entering into a subcontract with a subcontractor for which there is no registration category are responsible for the competence of that subcontractor and must therefore satisfy themselves that the subcontractor has appropriate qualifications, expertise and experience.

2.4 Specialised Services

Contractor prequalification is not required for specialised services that are not encompassed by the registration categories in this document. Government agencies entering into a direct contract with a specialised contractor not encompassed by one of the registration categories are required to satisfy themselves that the contractor has appropriate qualifications, expertise, financial capacity and experience to carry out the work required.

3. REGISTRATION PROCESS (new or renewal application)

Contractors shall submit an application that addresses all the criteria set out in these documents, including:

- business information;
- registration categories;
- Building Services Provider Licence Number, Contractor's Licence Number and Practitioner's Licence Number issued pursuant to the *Occupational Licensing Act 2005*;
- quality assurance;
- company organisation;
- personnel;
- project experience and performance;
- government project experience;
- financial information;
- occupational health and safety information; and
- referees.

The completed application for registration can be submitted by email, or alternatively by post. The address to forward the application and telephone contact details for any enquiries are provided in the registration application document.

Contractors are assessed for their suitability to undertake contract works in the category and financial level for which they have applied. The assessment will determine if a contractor has satisfactorily demonstrated relevant experience and appropriate performance in the categories for which prequalification is being sought. As a result the contractor may be prequalified for a particular category(s) or assessed as unsuitable for registration in a particular category(s).

Compliance checks are undertaken with the Department of Justice. Please note the turnaround time for compliance checks is five days.

Contractors will be advised of the assessment results in writing.

Contractors may apply, at any time, for prequalification, or to upgrade an existing prequalification category limit or apply for an additional category(s). (refer section 10)

The registration is for two years. Contractors will be advised, in writing, when registration is due for renewal.

Treasury undertakes to treat all the information contained in an application for registration as confidential and commercial in confidence, except where approval is granted to publish select information.

Treasury reserves the right to provide information from Applications for Registration to consultants engaged for the purpose of technical and financial assessment. The same confidentiality binds these consultants. Treasury maintains a computerised database that contains information on all contractors registered to tender for Government projects. Selected information from this database regarding contact and registration information is made available for use by agencies, it is password protected and is intended solely for use by agency officers engaged in project procurement. Application documentation submitted by the contractor is retained by Treasury and by no other party.

4 ASSESSMENT CRITERIA

The assessment process examines the type of work previously undertaken by the contractor and the contractor's performance record with regard to time, cost and quality.

Treasury will only register those contractors that satisfy the criteria for prequalification. Some of the measures examined through the assessment include:

- company structure;
- company and personnel licences;
- quality assurance;
- financial background;
- trading results;
- working capital;
- current ratio (current assets/current liabilities);
- experience with similar projects;
- past performance on those projects;
- time management;
- management, supervisory and construction personnel;
- capability for the co-ordination of subcontractors;
- affiliations and subcontractor arrangements;
- commitment to best practice;
- duration of operation as a contractor; and
- other pre-requisite criteria as set out below.

5. NATIONAL CODE OF PRACTICE FOR THE CONSTRUCTION INDUSTRY

All contractors must comply with the National Code of Practice for the Construction Industry and the Tasmanian Annexure to that Code. Lodgement of an application constitutes the contractor's agreement to comply with the Code for the duration of the prequalification period. If a contractor fails to comply, the failure may be taken into account by Treasury and may involve:

- a formal warning;
- partial exclusion from future tendering opportunities; or
- preclusion from all contracts for a specific period.

6. APPLICATION

6.1 Application Declaration

By making an application for prequalification, the contractor declares the following:

- that the particulars in all the documentation are true and correct in every detail; and
- that none of the proprietors, directors, trustees, managers or their spouses are or have ever been bankrupt, or a director, manager or secretary of a company that is being or has been wound up (whether voluntarily or otherwise), and that the business is not trading under:
 - an arrangement and/or restructuring; or
 - receiver and management; or
 - official management; or
 - an arrangement with creditors without sequestration.

The contractor also undertakes to:

- comply with and ensure that all employees, subcontractors and agents comply with the provisions of the *Work Health and Safety Act 2012* and the *Work Health and Safety Regulations 2012*, and all other Acts, regulations, local laws and bylaws, and Codes of Practice and any other instructions made under any Act or subordinate legislation, whether State or Federal which are in any way applicable to the performance of the contractor's services.
- advise of any changes to the circumstances of the information contained in this application during the duration of the prequalification period should prequalification be granted in any category; and
- provide details of any adverse change affecting the financial position contained in this application and/or supplied by the company accountant as soon as practicable after the change in circumstances become known during the two year registration period.

In completing the application form, the contractor is also acknowledging that gaining prequalification does not guarantee that the contractor will be invited to undertake work for the Tasmanian Government.

6.2 Tender Pending

It is a requirement for contractors tendering for works, to be prequalified by a tender's closing date. The contractor shall advise if it is planning to submit a tender as well as the closing date of the tender, to assist in the assessment of the application.

6.3 Business Information

The contractor shall provide the following information:

- company and business trading names;
- business and postal addresses;
- Australian Business Number (ABN) / Australian Company Number (ACN);
- Contractor's Licence Number / Practitioner's Licence Number (if applicable);
- Building Services Provider Licence Number (if applicable);
- TasBuild Registration Number;

- Electrical Contractor's license (if applicable);
- contact officer, position held, telephone, facsimile and mobile numbers and email address;
- associated subsidiary and holding companies including trusts both in Tasmania and on the mainland;
- directors and managers of the company;
- other affiliated contractors, businesses and/or companies that the directors and managers have involvement with;
- registrations held with other authorities; and
- membership of industry associations.

6.4 Registration Categories

The contractor shall nominate the categories and the financial level for which registration is requested. Refer to Section 2.

6.5 Quality Assurance

Quality Assurance is mandatory where the estimated cost of building construction exceeds \$1.0 million and facilities management and maintenance exceeds \$1.0 million per annum. Third Party Quality Assurance is mandatory for Building Works - Institutional and Building Works - Residential over \$10 million.

Treasury requires that contractors, seeking registration in excess of the above estimated costs, maintain a Second Party quality system that, as a minimum, has procedures that satisfy the following key system elements of AS/NZS ISO 9001:2015:

- management responsibility;
- contract review;
- document and data control;
- purchasing
- corrective and preventative action;
- control of quality records;
- internal quality audits;
- training; and
- quality system.

Procedures must be documented, implemented and verified by external audit. Contractors can satisfy the quality assurance requirement by having an approved external auditor verify that quality plans are used and the above key system elements have been fully documented and implemented. Names of approved auditors may be obtained from the Contracts Officer, Department of Treasury and Finance.

Where the level of registration requested exceeds the threshold levels above, the following information should be provided:

- level of quality assurance accreditation achieved (second or third party certification);
- name and address of Quality Auditor.

Please note, if quality assurance accreditation is achieved via third party certification, applicants must enclose a copy of the quality assurance accreditation certificate within their application.

6.6 Organisation and Resources

The contractor shall include the following information:

- brief history of the company;
- management structure and how responsibilities are allocated; and
- location of offices in Tasmania.

6.7 Permanent Employees

Personnel include all permanent full time and permanent part time employees of the company in Tasmania. Casual and contract employees are not to be included.

Management

Applicants must provide the following information on management personnel including all Directors, Managers and other key management persons:

- name;
- position held in company;
- qualifications;
- Building Services Provider Licence (previously Building Practitioner Accreditation) Number (if applicable);
- Practitioner's Licence Number (if applicable); and
- years of experience.

Foremen and Supervisors

Provide the following information on all supervisory personnel including Foremen, Supervisors and Leading Hands.

- name;
- position held in company;
- qualifications;
- Building Services Provider Licence (previously Building Practitioner Accreditation) Number (if applicable);
- Practitioner's Licence Number (if applicable); and
- years of experience.

Construction and Office Personnel

The contractor shall include the following information for construction and office personnel, and apprentices:

- trade/occupation; and
- number of persons.

Do not provide detailed curriculum vitae for employees. This information will be requested as necessary during the assessment process.

6.8 Project Experience and Performance

The application must include details of projects that are directly relevant to each category for which registration is being sought and that have been completed in the past two years.

Projects undertaken should be of a type to provide justification for registration in each category to the financial limit requested.

Details required for each project include the following:

- registration category;
- project title;
- construction cost/component cost;
- year project completed;
- description of project including any special issues; and
- name and contact details of client's project manager.

Client Project Managers may be asked to comment on the performance of the contractor.

6.9 Government Project Experience

Include a schedule of projects undertaken for the Tasmanian Government in the past five years.

Details required for each project include the following:

- project title;
- construction cost or component cost;
- year project completed; and
- name and telephone number of the agency's project manager.

Agency project managers may be asked to comment on the performance of the contractor.

6.10 Referees

The submission shall include the name of three referees who can comment on the ability of the contractor in each category for which registration is being sought.

Provide for each referee:

- name;
- position;
- company name/Government Department;
- address and telephone number; and
- Project(s) known to the referee.

7. FINANCIAL

The applicant must provide a schedule containing sufficient information to enable full and proper assessment of the applicant's financial capacity, liquidity and general resource capability.

The following information must accompany the prequalification application:

- Audited or un-audited copies of the company's financial statements (including Notes) for the last two financial years including:
 - trading/profit and loss account;
 - balance sheet;
 - signed auditor's report (if applicable); and
 - signed director's report (where the applicant is a corporation),
- Forecast of the current year's turnover and estimate of trading results; and
- Non-reporting entities, as defined in Statement of Accounting Concepts I "Definition of the Reporting Entity", must also supply details of financial statements for the last two financial years.

8. OCCUPATIONAL HEALTH AND SAFETY

All contractors engaged in Government building contracts must comply with and ensure that all its employees, subcontractors and agents comply with the provisions of the *Work Health and Safety Act 2012*, the *Work Health and Safety Regulations 2012*, and all other Acts, Regulations, local laws and bylaws, and Codes of Practice and any other instructions made under any Act or subordinate legislation, whether State or Federal which are in any way applicable to the performance of the contractor's services.

Prior to the commencement of works, the successful contractor will be required to provide any site-specific workplace health and safety details and plans to the contracting Agency.

9. PROVISIONAL APPROVAL

Following assessment of an application, Treasury may grant provisional approval to both new and renewing applicants. Under provisional approval, the contractor is prequalified to an appropriate level for one year. Within the provisional period, a contractor can submit updated financial statements and any additional project experience to Treasury for assessing in order to support its original request. The contractor would need to demonstrate improvements in financial performance and or project experience. Note: the expectation is that the additional evidence must be sufficient to maintain the contractor's existing level of prequalification.

10. UPGRADE TO REGISTRATION REQUEST

Upon receipt of a request, Treasury will contact the applicant and advise if additional supporting documentation is required. Documentation may include additional financial statements, evidence of other project experience or a full application may be requested.

II. REJECTION OF NOMINATED CATEGORIES

If an application does not meet the minimum requirements in one or more nominated categories, prequalification approval will not be granted. Treasury will contact the applicant as a courtesy via phone initially, with written confirmation of the decision clearly outlined in the Letter of Assessment. An applicant has the right to appeal the decision. (Refer section 12)

12. APPEALS

The applicant may appeal an assessment decision within 20 working days of the date of the Letter of Assessment by writing to:

Department of Treasury and Finance
Procurement and Property Branch
GPO Box 147
HOBART TAS 7001

Attention: Manager, Contracts

Following receipt, applicants will be notified of the appeal process and timeframes.

13. APPENDIX I – REGISTRATION CATEGORIES

Building Works – Institutional

The contractor shall demonstrate that it has the capability to undertake the construction of institutional buildings such as offices, schools, libraries, hospitals, and any other similar buildings that provide for the delivery of Government services.

In addition to holding the required licences to operate within Tasmania, the contractor shall also demonstrate that it has the capability to:

- undertake the role of the main contractor for the management of the construction of institutional buildings inclusive of all building trades and subcontractors responsible for building services;
- provide a comprehensive service for the management of a project from the award of the contract to the end of the defects liability period and the achievement of required milestone dates;
- understand the need to deliver the project within budget by exercising appropriate cost control;
- participate in the delivery of the project design to achieve the client’s service delivery objectives;
- cooperate with contract administration to achieve the project objectives; and
- where no Australian Standard applies, ensure that best practice construction procedures are followed.

Building Works – Residential

In addition to holding the required licences to operate within Tasmania, the contractor shall demonstrate that it has the capability to undertake the construction of multiple or single residential buildings such as those managed by the Department of Health and Human Services.

The contractor shall also demonstrate capability to:

- undertake the role of the main contractor for the management of the construction of multiple residential buildings inclusive of all building trades and subcontractors responsible for services;
- provide a comprehensive service for the management of the project from the award of the contract to the end of the defects liability period and the achievement of required milestone dates;
- understand the need to deliver the project within budget by exercising appropriate cost control; and
- where no Australian Standard applies, ensure that best practice construction procedures are followed.

Electrical Services

The contractor shall demonstrate that it has the capability to undertake the following works:

- supply, installation, commissioning and maintenance of the following installations in buildings and building complexes:

- 240/415 volt electrical installations and associated control systems;
- electrical switchboards; and
- lighting systems and associated control systems.
- interpretation of contract documentation produced by design professionals; and
- ensuring compliance with statutory requirements.

If applying for registration for projects in excess of \$500 000, the contractor shall demonstrate additional capability for -

- review of the technical content of specifications; and
- design of electrical services installations.

The contractor must hold an Electrical Contractor's Licence issued by the Department of Justice.

The contractor shall employ persons with an Electrical Practitioner's Licence as issued by the Department of Justice.

Mechanical Services

In addition to holding the required licences to operate within Tasmania, the contractor shall demonstrate that it has the capability to undertake the design, supply, installation, commissioning and maintenance of Mechanical Services and undertake the following works:

- air conditioning systems, heating and ventilating systems, ducted exhaust systems;
- refrigeration systems;
- electrical services for the mechanical services;
- mechanical services control systems;
- domestic hot and cold water services and external site water services;
- piped medical services;
- gas and fuel systems; and
- steam and condensate systems.

Note: the category excludes registration for fire sprinkler systems.

A contractor registered for Mechanical Services must have the capability to carry out design, installation, commissioning and maintenance of Building Management and/or DDC Control Systems to ensure that the mechanical systems will function satisfactorily. In order to achieve this requirement the contractor must either:

- register for Building Systems - Monitoring and Control; or
- demonstrate that arrangements are in place for a contractor registered for Building Systems - Monitoring and Control to carry out design, installation and commissioning and maintenance of such systems and that those arrangements will remain for the registration period.

The contractor shall demonstrate compliance with the following requirements:

- commissioning of Heating, Ventilation and Air Conditioning (HVAC) services shall be under the supervision of a contractor certified by the National Environmental Balancing Bureau in the appropriate discipline;

- installation, service and maintenance, technicians for HVAC systems shall have an HVAC trade certificate, Electrical 'A' Grade licence and/or be qualified as a refrigeration mechanic and/or hold a Chlorofluorocarbon (CFC) licence;
- installation and maintenance of medical gas and industrial gas installations shall be undertaken by tradesmen qualified and experienced in accordance with the requirements of the relevant Australian Standard; and
- installation of refrigeration systems shall be by tradesmen qualified as refrigeration mechanics.

The contractor shall demonstrate its capability to respond to emergencies and breakdown maintenance within appropriate timeframes.

Fire Services

This category incorporates all the requirements set out in *General Fire Regulations 2010* and the *Fire Services Act 1979*.

A contractor must be the holder of a current permit issued by Fire Service Tasmania. Refer to the web site www.fire.tas.gov.au for further information concerning permits.

A permit defines the scope of work that the contractor is permitted to undertake.

Treasury recognises that a permit issued by Fire Services Tasmania establishes the contractor's technical competence to undertake installation, commissioning and maintenance on installations covered by the permit.

This permit is issued to the company based on an employee of the company being the Permit Nominee. It is a requirement of registration for this category, that the contractor permanently employs a Permit Nominee.

The contractor must demonstrate to Treasury:

- experience in undertaking contracts to the registration level sought;
- current resources to undertake those contracts;
- ability to provide emergency and breakdown maintenance within appropriate response times; and
- it has qualified technical support service personnel to support the product within Tasmania.

Building Systems - Monitoring and Control

The scope of this category includes the monitoring and/or control of Heating, Ventilation and Air Conditioning (HVAC) services, energy management, fire detection, security, lighting, refrigeration, domestic hot and cold water and other building services.

The contractor shall demonstrate that it has the capability to undertake the design, supply, installation, commissioning and maintenance of Building Management and/or DDC Systems.

The contractor shall employ persons with the following qualifications:

- technicians shall have a minimum of five years' experience in the design, installation, commissioning and maintenance of building management direct digital and analog control systems. They shall have received formal training by the manufacturer of the control system being installed;
- technicians shall possess extensive knowledge of control theory and its application to HVAC services, energy management and building management; and

- installation and commissioning of HVAC services and associated controls shall be under the supervision of a technician registered under the National Environmental Balancing Bureau in the appropriate discipline.

The contractor shall also demonstrate:

- capability to respond to emergencies and breakdown maintenance within appropriate times;
- that its qualified technical service personnel to support the product are resident within Tasmania;
- that backup support of the controls manufacturer is available to the service personnel; and
- that there is direct access to software modifications/upgrades.

Facilities Management and Maintenance

This category is for the provision of a comprehensive service for the management of the maintenance of buildings, engineering services, fire detection and protection systems, security systems, and any other assets, under a term contract.

The contractor shall demonstrate that it has the capability to undertake the following:

- establish a client focus for maintenance of buildings, engineering services, etc;
- satisfy operational needs through effective maintenance strategies;
- satisfy the requirements of strategic asset management planning;
- establish and monitor the condition of all buildings, engineering services, etc;
- minimise the risks associated with the asset portfolio, including:
 - *Work Health and Safety Act 2012*;
 - *Work Health and Safety Regulations 2012*;
 - *Disability Discrimination Act 1992 (Commonwealth)*; and
 - service failure risks.
- minimise financial risks associated with the budget and property values;
- contain maintenance expenditure within the budget;
- generate efficiencies through effective management and innovation;
- manage maintenance subcontractors;
- establish and monitor performance and achieve benchmarks;
- oversee the operation of buildings, engineering services, etc;
- provide emergency and breakdown maintenance within appropriate response times; and
- provide reports that explain how the objectives of the contract have been satisfied.

A person resident in Tasmania and with qualifications and extensive experience in the field of facilities management and maintenance must supervise all work associated with this category.

The contractor shall demonstrate that it has the capability to establish a maintenance management system that achieves a response to emergencies and breakdown maintenance within appropriate times.

