

# How Government Buys ... Building Construction/Roads and Bridges

## About this Guide

This Guide aims to provide Tasmanian businesses with an overview of Tasmanian Government purchasing practices for building construction/roads and bridges works. It includes tips on marketing your business, increasing your future competitiveness and accessing Government tender information.

The purchasing procedures and policies outlined in this Guide apply to Tasmanian Government agencies. However, other entities may choose to voluntarily comply with them.

## Purchasing Principles

Tasmanian Government purchasing is conducted by encouraging fair and open competition between suppliers, with the objective of achieving best value for money. Government buyers must behave ethically. Government buyers must also ensure that local businesses that wish to do business with the Government are given the opportunity to do so.

## Purchasing Processes

The following table summarises the procurement procedures that Government agencies must follow:

Purchase value (ex GST)	Purchasing process
Less than \$50 000 - building and construction/roads and bridges works	<b>Process</b> <ul style="list-style-type: none"><li>... at the discretion of the agency.</li></ul>
\$50 000 or more but less than the major works threshold	<b>Three written quotations must be sought (minimum)</b> <ul style="list-style-type: none"><li>with at least two quotations sought from local businesses for works procurement (where capability exists).</li></ul> <b>The major works threshold is \$250 000 or more for building and construction and \$500 000 for roads and bridges.</b>
<ul style="list-style-type: none"><li>\$250 000 or more - building and construction works; and</li><li>\$500 000 or more - roads and bridges works</li></ul>	<b>Open tender</b> <ul style="list-style-type: none"><li>advertised on the Tenders website at <a href="http://www.tenders.tas.gov.au">www.tenders.tas.gov.au</a>.</li><li>with at least two tenders sought from local businesses for works procurement (where capability exists).</li><li>where prequalification categories exist, only prequalified contractors are eligible to tender.</li></ul>
<b>Consultants</b>	<ul style="list-style-type: none"><li>where a suitable prequalification category exists, in accordance with the requirements of the <i>Procurement Practices Manual - Best Practice for the Engagement of Consultants</i>; and in all other cases either quotes or an open tender based on the value of the services.</li></ul>

## Prequalification

---

The Prequalification Register(s) classify prospective contractors, consultants and specialist sub-contractors/sub-consultants according to their expertise and capability in specific work categories within a specific financial range. For building and construction works contracts valued at \$250 000 and over and for roads and bridges works contracts valued at \$500 000 and over, where applicable categories exist, agencies must only engage tenderers who are prequalified in those categories to undertake works at or above the value of the contract. For building and construction consultancies, where a relevant category exists, agencies must only engage suppliers who are prequalified in the relevant category to provide the services at or above the value of the contract (note: there is no prequalification register for roads and bridges consultancies). For more information on prequalification visit [www.purchasing.tas.gov.au](http://www.purchasing.tas.gov.au) > Winning Government Business > How Government Buys > Purchasing Process > Prequalification.

## Finding Work

---

Tasmanian Government agencies are responsible for their own purchasing either through obtaining quotations or through an open tender process. Open procurement processes are advertised on the Tenders website at [www.tenders.tas.gov.au](http://www.tenders.tas.gov.au) and, if determined appropriate, in the tenders section of newspaper(s) and/or journal(s).

To market your business you will need to identify those agencies that procure construction works and target the key buying decision makers in each of those agencies. To help you, a list of agency purchasing contacts is located at [www.purchasing.tas.gov.au](http://www.purchasing.tas.gov.au) > Winning Government Business > Finding Business > Who Buys What > Agency Contacts, and a list of the agencies that undertake capital works/construction is located at [www.purchasing.tas.gov.au](http://www.purchasing.tas.gov.au) > Winning Government Business > Finding Business > Who Buys What > Who Buys What Directory. For information on future State Government projects see each year's Budget Paper No 2 available at [www.treasury.tas.gov.au](http://www.treasury.tas.gov.au) and also the Future Opportunities section of [www.tenders.tas.gov.au](http://www.tenders.tas.gov.au).

## Debriefing Interviews

---

If you have tendered for a contract and were unsuccessful, you are entitled to a debriefing interview from the relevant agency. You are encouraged to take up this offer so that you can find out why your bid was not successful. The purpose of the debriefing interview is to help you to submit more competitive bids in the future and allows you to pass on to sub-contractors any relevant information that impacted on their component of the bid, which will improve the effectiveness of competition at the sub-contract level.

You should note that discussion at the debriefing interview will be limited to your bid. Comparisons will not be made with the winning bid or any other bid.

## Further Information

---

The Winning Government Business section of the Purchasing website at [www.purchasing.tas.gov.au](http://www.purchasing.tas.gov.au) has comprehensive information on how Government buys, finding and winning business, and a range of resources including checklists, useful links and frequently asked questions.

Make sure you don't miss out on business opportunities by regularly visiting the Tenders website at [www.tenders.tas.gov.au](http://www.tenders.tas.gov.au) and registering to receive notification of new tenders in categories of interest to your business (such as Building and Construction and Maintenance Services).

July 2019