

Department of Treasury and Finance

Quality Assurance Manual for Consultants

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Procurement, Risk and Contract Management Branch

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Introduction

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

Consultants who wish to offer consulting services to the Tasmanian Government for building construction and maintenance services, must first become prequalified with the Department of Treasury and Finance (Treasury). This is because agencies are required to only engage prequalified consultants, where suitable categories exist, irrespective of the project value.

Treasury's Procurement, Risk and Contract Management Branch maintains a register of prequalified consultants (and contractors) for works in their designated fields of expertise up to a specific project cost. The register provides a record of a consultant's expertise, experience, technical capacity and a history of their performance on Government projects. Registration is limited to specified categories.

Prequalification means that the consultant 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.

The following outlines the mandatory quality assurance requirements for consultants:

- second party quality assurance is required for Strategic Services where the fee exceeds \$100 000;
- second party quality assurance is required for other service work categories where the estimated project cost exceeds \$1 million; and
- third party quality assurance is mandatory for architecture project services over \$10 million.

Consultants that are not certified by a third party certification body, must demonstrate the implementation of a Quality Management System that meets the requirements of Treasury's Procurement, Risk and Contract Management Branch second party certification criteria. These consultants are required to have their Quality Management System independently assessed by a qualified auditor registered with Treasury's Procurement, Risk and Contract Management Branch. In order to maintain second party certification status and remain registered with Treasury, these consultants are to have their Quality Management System reviewed by a Treasury approved auditor once every two (2) years. Where an **accredited third party certification body has certified a consultant's Quality Management System**, a current copy of the Certificate and Capability or Scope Statement must be lodged with Treasury's Procurement, Risk and Contract Management Branch. From September 2018, all currently registered consultants with third party certification must be certified to ISO 9001:2015 and / or ISO 14001:2015.

Consultants may also be third party certified to Work Health and Safety Standards, AS/NZS 4801:2001 or OHSAS 18001:2007. Some consultants may also wish to pursue certification to ISO 45001:2018.

This manual is provided to consultants who wish to become registered or remain registered with Treasury's Procurement Branch.

This manual is also available to Treasury's Procurement, Risk and Contract Management Branch approved auditors. These auditors are to:

- certify that the consultants have met, or continue to meet, the Second Party Certification requirements; and
- make recommendations to Treasury for initial or ongoing certification.

Consultant Quality Management Requirements

Unless specified otherwise, the minimum Quality Management System prerequisites for consultant registration is second party certification based on the following ISO 9001:2015 elements.

Please note: The requirement for Second Party Quality Assurance does not include all elements in the ISO 9001:2015 Quality Management Systems Requirements standard and consequently, not all elements of that standard are included in this document.

I. Context of the Organisation

I.1 Determining the Scope of the Quality Management System

The consultant organisation needs to determine the boundaries and applicability of the Quality Management System to establish its scope. When determining this scope, the consultant organisation needs to consider the scope of services it provides. The scope of the consultant organisation's Quality Management System must be maintained as **documented information**. It needs to state the types of services covered.

I.2 Quality Management System and its Processes

The consultant organisation needs to establish, implement and maintain a Quality Management System in line with the requirements of this manual.

The organisation must maintain and retain **documented information** to:

- support the operations of its processes; and
- demonstrate confidence that the processes and projects are being carried out as planned.

2. Leadership

2.1 Client Focus

Senior management must demonstrate leadership and commitment with respect to client focus by ensuring that:

- client and applicable statutory and regulatory requirements are determined, understood and consistently met for each project;

- the risks and opportunities that can affect conformity of services and the ability to enhance client satisfaction are determined and addressed for each project; and
- the focus on enhancing client satisfaction is maintained.

2.2 Quality Policy

Senior management needs to establish, implement and maintain a Quality Policy. This is an important document because it acts as the driver for the consultant's organisation. It must provide the direction and form a framework for establishing goals, as well as a commitment to satisfy applicable requirements and to continually improve the Quality Management System. Senior management should ensure the Quality Policy is appropriate and compatible with the consultant organisation's strategic direction. The Quality Policy needs to be communicated to all employees and employees need to understand the part they have in meeting the organisation's stated objectives and requirements. It also needs to be available to interested parties, as appropriate.

2.3 Organisational Roles, Responsibilities and Authorities

For a system to function effectively, those involved need to be fully aware of what their role is within each project. Senior management must ensure that key responsibilities and authorities are clearly defined for each project. The consultant organisation must retain **documented information**. For example, this could be done using organisation charts, job descriptions and / or procedures to define responsibilities and authorities within specific Project Management Plans.

3. Planning

3.1 Actions to Address Project Risks and Opportunities

Consultant organisations need to understand the range of risks and opportunities relevant to the scope of the organisation and to each project. The organisation needs to determine actions, objectives and plans to address them (*refer also to Section 10*).

A well-established approach implemented by many organisations is the use of Risk Registers, which if properly managed and implemented, can effectively manage risks and opportunities across a wide range of areas and issues.

Another method of determining the consultant organisation's risks and opportunities could be through the conduct of a SWOT analysis, i.e. Strengths, Weaknesses, Opportunities and Threats to the organisation and its design, development and project management activities. These can also be linked in with the organisation's objectives and targets (*refer also to Section 6.2*).

Actions taken to address risks and opportunities, need to be proportionate to the potential impact on the conformity of the consultant organisation's services. Options to address risks can include:

- avoiding risks;
- taking risks in order to pursue an opportunity;
- eliminating the risk source;
- changing the likelihood or consequences of a risk;
- sharing the risk; or
- retaining risk by informed decision.

Opportunities can lead to:

- the adoption of new practices;
- launching new products;
- opening new markets;
- acquiring new clients;
- forming partnerships;
- using new technology or software; and
- other desirable and viable possibilities to address the organisation's or its client's needs.

3.2 Quality / Project Objectives and Planning to Achieve Them

As part of the planning process, senior management needs to set quality / project objectives, which will turn the Quality Policy into reality.

Quality / project objectives should be consistent with the Quality Policy and be capable of being measured. The consultant organisation needs to establish quality objectives and plans to ensure that these are clear, measurable, monitored, communicated, updated and resourced, i.e. SMART. (Specific, Measurable, Achievable, Realistic and have a timeframe in which to be achieved).

When planning how to achieve its quality / project objectives, the organisation shall determine:

- what** will be done (S);
- how the results will be evaluated** (M);
- who will be **responsible**; (A)
- what resources** will be required (R); and
- when** it will be completed (T).

The organisation must maintain **documented information** on the quality / project objectives. For example, these could be incorporated into or form part of the Project Management Plan (PMP) (*refer also to Section 10*). There are many different types of objectives that could be considered:

- market position and / or growth;
- process effectiveness and / or efficiency;
- maintenance of present position;
- reduction in costs;
- improvements in service conformance, ie improved project delivery; and
- improved client satisfaction.

The objectives must be meaningful to those who are assigned responsibility for achieving them, as well as to those whose activities contribute to their achievement.

4. Support and Resources

4.1 People

An effective Quality Management System cannot be maintained or improved without adequate resources. As a function of planning, such resources should be determined and provided. This includes contract or project specific resources. Resources can be:

- financial;
- time;
- competence and awareness of people;
- infrastructure;
- work environment; and
- communication.

The main intention of this section is to ensure that the people working within the Quality Management System are competent to fulfil their duties, supported by equipment and infrastructure that is fit for purpose, e.g. buildings, equipment, IT systems, software programs, transport or communication methods. There is also the need to determine what maintenance / backup program(s) should be developed to ensure the organisation's continuing capability as part of planning.

The consultant organisation needs to determine and provide the persons necessary for the effective implementation of its Quality Management System and for the operation and control of its projects.

4.2 Competence

Competence criteria need to be established for each function affecting project quality. This can then be used to assess existing competence and determine future needs. Where criteria are not met, training, re-assignment, or mentoring / supervising of personnel may even be necessary. Competency requirements are also often stated in recruitment notices and job / position descriptions.

Recruitment and Induction Programs, Training Plans, Skills Tests Training Records / Matrices, CPD Records and Staff Appraisals, often provide evidence of competence and their assessment.

Documented information needs to be retained as evidence of competence.

4.3 Communication

The consultant organisation needs to determine the internal and external communications relevant to the Quality Management System and each project. Mechanisms for communication could include:

- meetings;
- notice boards;
- in-house publications;
- awareness raising seminars;
- intranet/internet; and

- emails.

Communication needs to be planned to ensure that all necessary information is available when needed, from both external and internal sources. This could also include feedback from the client. Documented information could include:

- tenders and contracts;
- specifications;
- drawings;
- emails;
- letters;
- transmittals;
- meeting minutes;
- variation requests; and
- complaints.

Communication with clients and external interested parties should include:

- service information;
- handling enquiries, tenders, contracts or commissions, including changes;
- obtaining client feedback, including complaints and compliments;
- handling and controlling documented information provided by the client / consultant / sub-consultant / contractor.

Communication could include considering:

- what** to communicate;
- when** to communicate;
- with whom** to communicate;
- how** to communicate; and
- who** communicates.

4.4 Control of Documented Information Including Records

Documented information required by the Quality Management System must be controlled. It must also be available and suitable for use, where and when it is needed. The consultant organisation must also ensure that it is adequately protected (e.g. from loss of confidentiality, improper use or loss of integrity).

The term “**documented information**” now replaces the previously used terms “documented procedure” and “records”. It is up to the consultant organisation to decide what is needed in terms of **documented information**. It can be in any format as long as it provides appropriate evidence to demonstrate compliance. Examples may include:

- tender and contract documents;
- organisation charts;
- process maps;
- process flow charts;
- process descriptions;

- procedures;
- work and/or test instructions;
- specifications;
- drawings;
- documents containing internal communications;
- schedules;
- approved supplier lists;
- test and inspection plans;
- quality plans;
- project management plans (PMPs);
- photographs;
- master samples;
- databases;
- software programs;
- strategic/business plans; and
- forms.

When creating and updating **documented information**, the consultant organisation shall ensure appropriate:

- identification and description** - examples include a title and date of issue, page x of y. Author or reference number are optional;
- format** - examples include language, software version, graphics, read and print only and master samples;
- media** - examples include paper, electronic, photographs and drawings;
- review and approval** for suitability and adequacy prior to use - examples include signatures, initials, titles, email approval, electronic signatures, click-box approval within a document control program or approved document register; and
- documented information of external origin** determined by the organisation to be necessary for the planning and operation of the Quality Management System must be identified as appropriate and be controlled - examples include codes of practice; contract documents or client provided documents.

For the **control of documented information**, the consultant organisation needs to address the following activities as applicable:

- availability** - the **documented information** exists where appropriate personnel are able to gain access;
- protection** - the **documented information** is protected from tampering, unauthorised changes and damage. Examples are system passwords and employee training;
- distribution** - personnel can readily access the **documented information**, especially if a computer or program is necessary to access the **documented information**. In the case of **retained documentation**, records, need to be readily retrieved;
- storage** - the consultant organisation needs to specify where the **documented information** is located. This applies to retained **records** and maintained

documented information. Examples include current and superseded procedures, work instructions, drawings, specifications and PMP(s);

- change control** - the consultant organisation is able to ensure that the correct versions of **documented information** are available. When it is revised, it needs to be reviewed and approved, prior to re-issue with the changes readily identified. Examples include, change of date of issue, version control, actual wording highlighted, different coloured font or change register. There also needs to be safeguards in place to prevent employees from incorrectly accessing and using obsolete / superseded information. For example, retaining superseded records in archive folders or in superseded folders, which are clearly identified;
- retention** - the consultant organisation needs to state the period of time that records will be kept. This is completely up to the organisation, its needs, as well as contractual and regulatory requirements; and
- disposition** - the consultant organisation needs to determine the method of disposal of the records after their retention times have elapsed. Examples include, archive, shred, recycle or destroy.

5. Operation - Projects

5.1 Requirements for Projects - Design, Development and Project Management Inputs

The consultant organisation needs to plan, implement and control the processes needed to meet the provision requirements of its services. Requirements for services and the criteria for these and acceptance of project outputs need to be established. The organisation needs to be able to demonstrate how they have determined what **documented information** has been deemed necessary for the organisation and its projects. Design and development inputs can include:

- tender and contract documents;
- client specifications;
- functional and performance requirements;
- statutory and regulatory requirements;
- codes of practice and standards that the organisation has committed to implement;
- information derived from previous similar design and development activities; and
- fee considerations.

There must be a process to ensure that the needs and expectations of clients and their requirements are determined. This needs to include verification of the intended project use and any statutory requirements that apply.

5.2 Determining, Reviewing and Changes to Project Requirements

Once the client's needs and expectations have been determined, these requirements need to be reviewed by the consultant organisation prior to any commitment to provide. The consultant organisation needs to ensure that the project requirements are understood, that any anomalies are resolved and that the organisation has the ability to meet the project specific requirements. The consultant organisation also needs to consider any applicable statutory requirements, as well as those not stated by the client, but necessary for the project's specified or intended use when known. Examples of documentation could be:

- enquiries;
- commissions;
- tender documents;
- contract specifications;
- contractor's proposals; and
- go / no go reviews.

The consultant organisation shall ensure that it has the ability to meet the requirements for the services to be offered to clients. The organisation shall conduct a review before committing to supply its services or submitting tender documents to a client.

The organisation shall ensure that any contractual requirements differing from those previously defined are resolved.

6. Design, Development and Project Management

6.1 Planning

There must be a systematic approach to controlling all project activities. This will involve design planning, which should include the stages of:

- design inputs;
- planning;
- review; and
- changes and project management as appropriate for each project, for example a project / quality management plan (PMP/QMP) (*refer also to Section 10*).

Documented information is needed to demonstrate that all these requirements have been met.

Note: The consultant organisation should consider the following as part of this process:

- the nature, duration and complexity of the project and associated activities;
- the required project design stages, including applicable design, development and project management activities;
- the responsibilities and authorities of personnel involved in the project activities;
- the internal and external resource needs;
- the need for involvement of clients, consultants, contractors and other sub-consultants in the project processes; and
- the level of control expected for the project activities by clients and other relevant interested parties.

6.2 Controls

The consultant organisation shall apply controls to the design, development and project management activities for each project to ensure that:

- the **results to be achieved are defined**;

- **reviews** are conducted at planned stages to evaluate the ability of the results of design and development to meet requirements. These should trigger solutions to any problems encountered. **Documented information** of these activities is retained. Typically, these could include:
 - meeting minutes;
 - Marked up/altered drawings;
 - sketches;
 - approval documents; and
 - emails.
- Any necessary actions are taken on problems/changes identified during the reviews. There are many different ways to achieve control and methods can include:
 - controlled processes;
 - procedures;
 - drawings;
 - specifications;
 - work instructions; and
 - project management plans.

Documented information of these activities must be retained

6.3 Outputs

The project output needs to be verified against the project input requirements in a format that enables verification and is approved prior to release. The organisation shall retain **documented information** on project outputs. Typical outputs can include:

- drawings;
- specifications;
- instructions;
- schedules;
- user manuals; and
- contract variation requests.

6.4 Changes

Changes to project requirements can arise at any time and as a result of many factors. They can also significantly impact on the design in progress. Any resulting changes in design must be reviewed, checked and authorised where necessary. Design changes need to be identified and must be retained as **documented information**.

6.5 Control of Externally Provided Processes, Products and Services

This requirement is to ensure that the processes, products or services required for the project can meet the client's and contractual requirements.

The consultant organisation shall determine and apply criteria for the evaluation, selection, monitoring of performance and re-evaluation of external providers i.e. consultants, contractors

or sub-consultants based on their ability to provide project related processes and / or services in accordance with contractual requirements.

The consultant organisation shall retain **documented information** of these activities and any necessary actions arising from the evaluation.

The consultant organisation also needs to ensure that they provide all necessary information to the external providers e.g. contractor, supplier, sub-contractor or sub-consultant. Clarity is essential, not just in terms of product specification, but also in terms of operator qualification, quality control, quality assurance, documentation and delivery times.

External suppliers, contractor, suppliers, sub-contractors or sub-consultants need to be re-evaluated continually against pre-determined criteria. The results of the evaluations and re-evaluations need to be maintained as **documented information**. This could be undertaken as part of a post project meeting or as part of the management review meeting (*refer also to Section 9*).

6.6 Control of Non-conforming Outputs and Corrective Actions

The consultant organisation must ensure that non-conforming outputs/projects are prevented from further processing, use, or delivery. Examples include, design reviews, quality checking, etc. Once identified, they should trigger a process whereby an authorised and competent person will decide what course of action is to be taken. Options can include:

- re-design;
- re-visit the design;
- new design;
- client or end-client concession; and
- variation requests.

The consultant organisation shall take action to eliminate the cause of non-conformity in order to prevent recurrence. Corrective actions need to incorporate the principles of root cause analysis. Actions taken should be appropriate to the impact of the problem (risk). The effectiveness of the action taken must be checked to ensure it is effective. The consultant organisation should also take into consideration any specific training and communication needs.

Documented information of any non-conformance must be retained as evidence, including any subsequent actions taken and any concessions agreed by the client or end-client, for example variation requests.

7. Management Review

Senior management must review the organisation's Quality Management System at appropriate intervals determined by the consultant organisation. This is to ensure its continuing suitability, adequacy, effectiveness and alignment with the strategic directions of the organisation. Senior management should also use the review as an opportunity to identify improvements that can be made and / or any changes required, including the adequacy of and any additional resources needed.

Client feedback also needs to be obtained. This must include an analysis of client satisfaction and client complaints in order to monitor their perceptions of the degree to which their needs and expectations have been fulfilled. Examples of methods to obtain feedback are:

- interviews;

- client meetings;
- market surveys;
- questionnaires;
- end of project and lessons learned; and
- reviews.

Records of management reviews shall be maintained.

7.1 Management Review Agenda

Management reviews shall include information on:

- client satisfaction and feedback from relevant interested parties (*refer also to Section 5.1*);
- the extent to which quality / project objectives have been met (*refer also to Section 6.2*);
- project performance and conformity with contractual requirements (*refer also to Section 8.3*);
- non-conformities and corrective actions (*refer also to Section 8.6*);
- the performance of external providers e.g. sub-contractors or sub-consultants (*Refer also to Section 8.4*);
- the adequacy of resources and any additional / future resource needs (*refer also to Sections 7.1 and 7.2*);
- the effectiveness of actions taken to address risks and opportunities (*refer also to Section 6.1*); and
- opportunities for improvement.

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