**Ref:**

**Date of meeting:**

**Submission to the Contracts Committee**

## Subject

## (note: this proforma is for submission of proposed procurement strategies only)

## Purpose

Eg.:

* Obtain approval of…
* Seek direction…
* Inform…

## Executive Summary

Provide a high level executive summary including:

* Budget (including approvals received to date)
* Scope
* Timeframe
* Confirmation of project being a Government Building Project, High Risk/Significant (HRS) and CWMF applying
* Complying with applicable requirements of a Significant Procurement Plan
* Impacts on the Department if adopted eg. Training of staff, new processes etc

## Brief and Issues

Provide a brief description of the project and any information that assists the committee in determining the most appropriate procurement strategy. **Only issues considered relevant should be addressed** and **may** include detail such as:

* Project objectives
* Stakeholders
* Scope
	+ including project’s various components – eg. new, refurbishment, additions, demolition, site infrastructure, early works packages
	+ breakdown of construction budget into these components
	+ proposed staging or sequence of work
	+ any sketch plans/documentation that may assist the committee
	+ critical activities and key project constraints
* Time considerations
	+ key milestones or critical activities
	+ land tenure, designation, planning and approval timeframes
	+ fixed end date vs flexible timeframes
	+ are there time dependencies influenced by another project?
* Budget (and possible funding issues - eg Commonwealth funding)
* Market Analysis/Constraints
	+ Any relevant information impacting on the procurement decision such as:
		- Location of resources and availability,
		- Supply issues (eg. under or overheated market)
		- Site issues (eg. is access to the site restricted?)
* Sustainability/Environmental issues (eg. environmental considerations, SPA, cultural/heritage considerations)
	+ Relevant environment and sustainability impacts on procurement decision
* Whole of life considerations eg is maintenance included
* Current Position
	+ Stage of the project
	+ Consultant’s Engagement
* Roles and Responsibilities (eg) :
	+ external factors/stakeholder issues
	+ public expectations
	+ directives (eg. treasury, client agency, Premier and Cabinet)
	+ details of any joint ventures entered into
	+ in terms of anti-collusion guidance, whether it is proposed that the tender process will be open, (rather than select, as recommended in CWMF)
	+ In terms of anti-collusion guidance, whether the maximum and not the minimum number of select tenderers should be invited,
	+ Are any NPC for Government priorities proposed?
	+ In terms of the CWMF objectives, has bundling with other projects been considered
* Tender & Evaluation process
	+ use of non-price criteria (NPC)
	+ proposed evaluation criteria and weightings
	+ Use of the PQM methodology
* Agency Requirements
	+ Site ownership and/or designation issues
	+ Business case
	+ Funding Approval
	+ Significant Procurement plan prepared
	+ Other client specific activities
* Governance and Contract Management including Policy requirements
	+ Identify Project Manager to administer arrangements in place
	+ Identify KPI’s for procurement strategy
	+ Probity Plans (projects over $100m)

Confirmation that policy requirements have been included eg:

* + Local Industry Policy (LIP) – (where relevant) -
	+ Art + Place (where relevant) Policy
	+ 10% training policy
	+ IEP (for all projects in indigenous communities)
	+ IEP extension (consider for projects in indigenous communities)
	+ Recycling policy (where of cost advantage)
	+ Workforce Management on Government building projects requirement (all projects)
	+ Occupational Health and Safety on Government building projects requirement (all HRS projects)
	+ Sustainability policy
* Post Contract Review/Benefits Realisation
	+ Confirm that performance measures have been put in the business case or other plans.
	+ the PM has been involved in the procurement plan or benefits realisation plan for future procurement strategy review

## Options and Analysis

Need to present a position and justify it, ie:

* identify risks/opportunities
* identify delivery model options (including why particular delivery models are considered unsuitable)
* analyse options by undertaking a qualitative analysis of delivery/procurement models (as per attachment A)
* include commentary on the analysis as per attachment A and justification for why the recommendation is proposed

## Recommendation

Recommendation of preferred delivery model, along with evidence that the relevant Agency has signed off or agreed to the submission recommendation.

## Contact Officer Endorsement (General Manager or Senior officer)

[Name] [Name]

[Position] [Position]

[Work Unit] [Work Unit]

[Work telephone number] [Work telephone number]

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| --- |
| **The recommendation proposed in this submission is:** (Tick one box and sign) |
|  | **Endorsed** by the Chair (on behalf of the Committee) and **Approved** by: Deputy Director-GeneralBuilding Policy and Asset ManagementDate: / / | **or** | **Accepted with modifications** by the Chair (on behalf of the Committee):Deputy Director-GeneralBuilding Policy and Asset Management Date: / /*Note: Required modifications are to be made prior to resubmission to the Deputy Director-General for approval..* |

**Attachment A:**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Procurement Strategy Options Analysis** |  |  |  |  |  |  |  |  |  |
| No | Evaluation \* | Priority (High,medium,low) | Rating Scale | Construct Only | Design & Construct | Construction Management | Managing Contractor | Alliance | PPP |   |  |
| 1 | Quality |   |   |  |  |  |  |  |  |  |  |
| 2 | Time |   |   |   |  |  |  |  |   |  |  |
| 3 | Budget  |   |   |  |  |   |  |   |  |  |  |
| 4 | Whole-of-life  |   |   |  |   |  |  |  |  |  |  |
| 5 | Market appetite, capability and competition |   |   |  |  |  |  |   |   |  |  |
| 6 | Stakeholder and scope management |   |   |  |   |  |  |  |   |  |  |
| 7 | Risk management |   |   |  |  |  |  |   |  |  |  |
| 8 | Variations  |   |   |  |  |  |  |  |   |  |  |
| 9 | Cost minimisation |   |   |  |  |  |  |   |  |  |  |
| 10 | Innovation |   |   |  |  |  |  |  |  |  |  |
| 11 | Complexity of staging and decanting |   |   |  |   |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  | **Ranking** |  |  |  |  |  |  |  |  |
| **Evaluation criteria analysis ratings** |  |  |  |  |  |  |  |  |  |
| Analysis rating | Rating scale | Description |  |  |  |  |  |  |  |  |  |
| **√√√** | 4 | Procurement model fully or almost fully satisfies the evaluation criteria by meeting all or substantially all criteria requirements |
| **√√** | 3 | Procurement model is effective in satisfying the criteria requirements |  |  |  |  |  |
| **√** | 2 | Procurement model just satisfies the evaluation criteria by meeting minimum criteria requirements |  |  |  |
| X | 1 | Procurement model is ineffective in meeting the criteria requirements |  |  |  |  |  |
| N/A | 0 | Not applicable |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |

*\* For further information and description of evaluation criteria see the Project Assurance Framework : Preliminary Evaluation guidance material: Appendix A at* [*http://www.dip.qld.gov.au/resources/guideline/project-assurance-framework/paf-preliminary-evaluation.pdf*](http://www.dip.qld.gov.au/resources/guideline/project-assurance-framework/paf-preliminary-evaluation.pdf)

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| --- |
| **Procurement Evaluation Criteria** |
| **No.** | **Evaluation criteria** | **Key Elements analysed** |
| 1. | Quality | The ability of the model to deliver the required outcomes in terms of:* quality of the design and quality of the constructed facility
* meeting service specifications/requirements
* robustness and functionality of the design
* allowing for future-proofing and flexibility
 |
| 2. | Time | The ability of the model to deliver the project in the required timeframes and enable effective management of risk around delays focussing on:* certainty regarding achievement of project completion dates (potential pass/fail criterion)
* providing progressive delivery and completion throughout the construction timeframe
* commencement of construction as early as possible
 |
| 3. | Budget | Ability of model to provide budget certainty in respect of the construction of the facility and remove unexpected funding requirementsThe timing of achieving budget certainty is also of importance here |
| 4. | Whole-of-life  | The extent to which the model promotes a whole-of-life management solution, including incentive to optimise life-cycle, general maintenance and inter-related service provision. |
| 5. | Market appetite, capability and competition | Market appetite (ie existence of participants with the relevant skills, expertise and capacity)The extent to which the model achieves competitive tension |
| 6. | Stakeholder and scope management | Ability of the model to ensure that delivery of the project is consistent with stakeholder interest and stakeholder expectations are effectively managed.Ability of the model to effectively manage scope change requests by stakeholders and to minimise impact on cost, time and quality |
| 7. | Risk Management | The extent that the procurement model allows for:* appropriate allocation of risk to the party best placed to manage the risk at the lowest cost
* efficient risk management and /or mitigation
* ability to manage the procurement process and contractual arrangements
 |
| 8. | Variations | Ability of model to deal effectively with any future changes and development due to changed operational needs  |
| 9. | Cost minimisation | Ability of the model to:* reduce capital costs and where appropriate reduce operational costs

The extent to which the model achieves cost optimisation through competitive tension. |
| 10. | Innovation | The ability of the model to allow innovation in design, construction methods, life-cycle and ESD considerations, achievement of requirements, etc. |
| 11. | Complexity of staging and decanting | Ability of the model to deal with complexity and potential flexibility of construction program in respect of staging and decanting |