



series/program name (insert space if not needed)

Construction Procurement Plan

Public Works Advisory - PWA

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Instructions

* This template has been designed as a guide for completing a procurement plan for projects valued over $1.3 million (Ex GST)
* Further information is available in *Construction procurement plan guidelines*.
* Instructions for completing this template are shown in *red italics*. When finalising the Procurement Plan, please delete these instructions
* Add or delete sections, as required to suit your project
* It is recommended that you remove the lists of guidance documents.
* There are no hard page breaks in this template. Please add page breaks, if required, when you have finished updating the template.

*REMINDER: Remove this page and update table of contents in final plan.*

Contents

[Prerequisites 3](#_Toc26876840)

[Executive summary 3](#_Toc26876841)

[Agency capability and capacity 3](#_Toc26876842)

[Agency procurement accreditation status 3](#_Toc26876843)

[Nominated accredited agency 3](#_Toc26876844)

[Procurement governance 4](#_Toc26876845)

[A requirement of the construction accreditation 4](#_Toc26876846)

[Scope of works or services 4](#_Toc26876847)

[Description 5](#_Toc26876848)

[Work packages or phases 5](#_Toc26876849)

[Project plan and milestones 5](#_Toc26876850)

[Supplier capability and capacity 5](#_Toc26876851)

[Deliverables 5](#_Toc26876852)

[Pricing methodology 5](#_Toc26876853)

[Market analysis 5](#_Toc26876854)

[Risk analysis 6](#_Toc26876855)

[Market approach 6](#_Toc26876856)

[Tender process selection 7](#_Toc26876857)

[Value for money 7](#_Toc26876858)

[Contract method selection 8](#_Toc26876859)

[Conditions of contract selection 8](#_Toc26876860)

[Evaluation process 9](#_Toc26876861)

[Probity 9](#_Toc26876862)

[Tender timeframes 10](#_Toc26876863)

[Pre-tender cost estimate 11](#_Toc26876864)

[Endorsements and approvals 11](#_Toc26876865)

[Attachments 11](#_Toc26876866)

# Prerequisites

*The aim of this section is to outline the Agencies prerequisite documents required prior to completion of the Construction Procurement Plan.*

|  |  |
| --- | --- |
| Document | Approval Status  (Yes / No or N/A) |
| Approved Business Case or equivalent |  |
| Project Plan |  |
| Gateway Approvals (for projects over $10 million ex GST) |  |
| Development and Planning Approvals |  |
| Project Risk Assessment |  |
| Other *(nominate as required)* |  |

# Executive summary

*Please include a short executive summary of the project, providing details of project budget estimate and deliverables.*

# Agency capability and capacity

*The aim of this section is to outline the project team and agency capacity to deliver the procurement activity.*

|  |
| --- |
| Guidance Documents |
| Agency Accreditation Scheme for Construction Procurement Guidelines (insert link) |

## Agency procurement accreditation status

Provide details of agencies accreditation status and thresholds for construction procurement. *Delete the line which is not applicable.*

|  |  |
| --- | --- |
| Accredited | Threshold |
| Yes | $ *insert figure* (ex GST) |
| No |  |

## Nominated accredited agency

*Provide details of accredited Agency sponsoring the procurement activities (if required).*

|  |
| --- |
| Nominated agency and threshold |
| *Agency name and threshold of its accreditation* |

## Procurement governance

In accordance with the [NSW Government Procurement Policy Framework](https://www.procurepoint.nsw.gov.au/policy-and-reform/nsw-government-procurement-policy-framework) the governance team has been assembled to deliver on the requirements of the agency’s investment objectives.

The personnel participating in the construction procurements include:

|  |  |  |
| --- | --- | --- |
| Procurement team | Position title / agency | Role or function |
| Agency Executive responsible for project/contract delivery |  |  |
| Project Manager/Director |  |  |
| Procurement Officer |  |  |
| Probity Officer |  |  |
| Legal support |  |  |
| Technical Support |  |  |
| Tender Evaluation Team Lead |  |  |
| *The above roles are mandatory. Add extra rows for additional personnel, if necessary* |  | *For small and low complex projects, personnel involved in the procurement process may be assigned multiply roles.* |

|  |  |  |
| --- | --- | --- |
| Project steering committee  *(or equivalent)* | Position title / agency | Role or function |
| *Add extra rows if necessary* |  |  |
|  |  |  |
|  |  |  |

### A requirement of the construction accreditation

The following governance diagram shows the reporting structure of the team.

*Insert governance diagram*

# Scope of works or services

*Please insert the scope of works or services, identified in the business case, using the suggested sub-headings as a guide.*

## Description

*Insert description, including the design delivery options that will influence the packaging strategy*

## Work packages or phases

*Insert work breakdown*

## Project plan and milestones

*Insert project plan and milestones*

## Supplier capability and capacity

*Insert summary of required supplier capability and capacity*

## Deliverables

*Insert list of deliverables*

## Pricing methodology

*Insert summary of pricing methodology*

# Market analysis

*The aim of this section is to confirm that a competitive and capable market exists to deliver the works and inform selection of tender process, contracting method and work packages.*

*The lead agency is to provide an overview and identify if (or not) the market has the capacity and capability to deliver the works and provide value for money outcomes. This should include, as a minimum, the assessment of:*

* *NSW Government prequalification schemes*
* *Aboriginal and Torres Strait Islander participation*
* *Small and medium business opportunities*
* *Regional opportunities*
* *Review of contractor performance reports (where available)*
* *Market capability and capacity*

*In some instances, it may be appropriate to undertake market sounding to determine the market capability and capacity and appetite for particular delivery models.*

|  |
| --- |
| Guidance Documents |
| [NSW Procurement Board – Industry Engagement Guide](https://www.procurepoint.nsw.gov.au/policy-and-reform/construction-procurement-policy) |
| [NSW Government Procurement Policy Framework](https://www.procurepoint.nsw.gov.au/system/files/documents/procurement_policy_framework_final_accessible_0.pdf) |
| [Aboriginal Participation in Construction Policy](https://www.procurepoint.nsw.gov.au/policy-and-reform/construction-procurement-policy/aboriginal-participation-construction-policy-apic) |
| [Small and Medium Enterprise and Regional Procurement Policy](https://www.procurepoint.nsw.gov.au/policy-and-reform/goods-and-services-procurement-policies/nsw-government-small-and-medium-enterprise) |
| [PBD-2019-03-Access to government construction procurement opportunities by small and medium sized enterprises](https://arp.nsw.gov.au/pbd-2019-03-construction-procurement-opportunities-SME) |
| [Prequalification Scheme for General Construction Works up to $1 million](https://www.procurepoint.nsw.gov.au/scm0256) |

*Insert details of market analysis*

# Risk analysis

*The aim of this section is to ensure that construction, consultancy and procurement risks are understood and appropriately managed. The lead agency is to provide an overview of the key risks, which includes:*

* *clear mitigation strategies/actions*
* *to what extent those risk will either be transferred to a contractor or retained by the lead agency*
* *Allocation of cost and time contingencies for those risk retained by the Agency*

|  |
| --- |
| Guidance Documents |
| [NSW Treasury Risk Management Toolkit (TPP12-03a)](https://www.treasury.nsw.gov.au/sites/default/files/pdf/TPP12-03a_Risk_Management_toolkit_for_the_NSW_Public_Sector_-_Executive_Guide.pdf) |
| Lead Agency Risk Management Framework (where available) |

*Insert details of risk analysis*

The full risk register is attached to this Plan. *(mandatory requirement)*

# Market approach

*The aim of this section is to ensure the procurement process delivers value for money outcomes. The selection of Contract Type, Condition of Contract and Approach to market should be based on the outcomes from the Market Analysis and Risk Analysis and Guideline prerequisite documentation.*

|  |
| --- |
| Guidance Documents |
| [Procurement method selection](https://www.procurepoint.nsw.gov.au/before-you-buy/construction/procurement-system-construction/procurement-method-selection) |
| [Contract options and Contract systems](https://www.procurepoint.nsw.gov.au/before-you-buy/construction/procurement-system-construction/procurement-method-selection) |
| [Public disclosure of contracts](https://www.procurepoint.nsw.gov.au/documents/construction-practice-guide-government-contract-disclosure-guide.docx) |
| [Approaching the supplier market](https://www.procurepoint.nsw.gov.au/policy-and-reform/nsw-government-procurement-information/approaching-supplier-market) |
| [Expression of interest](https://www.procurepoint.nsw.gov.au/before-you-buy/construction/construction-contracts/expression-interest) |
| [Selective tendering guidelines](https://www.procurepoint.nsw.gov.au/documents/construction-selective-tendering-guidelines.docx) |
| [International Procurement Agreements Guidelines](https://arp.nsw.gov.au/sites/default/files/Final%20IPA%20Guidelines%201%20December%202017%20V2_0.pdf) |
| [Complex Market Engagement Methods](https://www.procurepoint.nsw.gov.au/policy-and-reform/goods-and-services-procurement-policies/complex-market-engagement-methods) |
| *Insert details of approach to market* Tender process selection *In deciding how best to approach the market, agencies should consider:*   * *value for money* * *the impact on competition of different approaches (both short and long term)* * *promoting and sustaining viable industry across regional and metropolitan NSW* * *transparency and how to ensure probity throughout the procurement process* * *agency capacity in managing the approach to market and related procurement activity* * *Government policies and the implications for other agencies in approaching the market in a particular manner*   *This means that in some circumstances an agency may conduct a full open tender, while in more specific and less frequent circumstances, direct negotiation with a supplier may be appropriate. It is important that all agencies are aware of the benefits and risks associated with different approaches. In deciding on the most appropriate sourcing strategy, agencies are to consider the total life cycle cost of the goods or service being procured. Sustainability of local industry can be enhanced by ensuring that consideration is given to providing opportunities for local business and regional suppliers.*  *Delete the lines that are not applicable in the following table and insert a supporting statement for the chosen approach.*   |  |  | | --- | --- | | Approach | Selection (Y/N) | | Open tender | *Insert supporting statement* | | Selective Tender | *Insert supporting statement* | | Expression of Interest | *Insert supporting statement* | | Direct negotiation | *Insert supporting statement* | | Other | *Insert supporting statement* | |

## Value for money

*Value for money = Total lifetime benefit minus total lifetime cost. Insert brief description of how value for money will be achieved with this procurement.*

|  |
| --- |
| Guidance Documents |
| [Statement on Value for Money](https://www.procurepoint.nsw.gov.au/policy-and-reform/nsw-government-procurement-information/statement-value-money) |

## Contract method selection

*In deciding on the most appropriate contracting method, agencies are to consider the total life cycle cost of the goods or service being procured. The contract method should be derived after carefully considering the risks, the deliverables and how value for money will be achieved.*

*Delete the lines that are not applicable in the following table and insert a supporting statement for the method chosen.*

|  |  |
| --- | --- |
| Tender process | Supporting statement |
| Consultancy | *Insert supporting statement* |
| Design & Construct | *Insert supporting statement* |
| Construct Only | *Insert supporting statement* |
| Managing Contractor | *Insert supporting statement* |
| Alliance | *Insert supporting statement* |
| Public private partnership | *Insert supporting statement* |
| Other (BOO, BOOT etc) | *Insert supporting statement* |

## Conditions of contract selection

*Standard form documents are provided for construction contracts and related project management and consultancy services agreements. They contain simple, effective provisions that reflect NSW Government policy and provide a reasonable allocation of contract risk.*

*The GC21 standard form is suitable for construction contracts valued at more than $1 million. GC21 may also be appropriate for construction contracts valued at less than $1 million when special circumstances and/or requirements exist (e.g. the use of milestones).*

*The MW21 standard form is provided to assist NSW Government agencies to document and manage construction contracts valued at up to $1 million, with relatively simple contractual arrangements.*

*Contract types selected that are* ***not*** *either GC21 or MW21 standard forms (or have been modified) are to be provided as an attachment to the procurement plan. Supporting information and justification for a departure from standard form contracts should be outlined in this section.*

|  |  |
| --- | --- |
| Contract type | Selection (Y/N) |
| GC21 |  |
| MW21 |  |
| Standard form consultancy contract |  |
| *Modified version of MW21/GC21 or alternative standard form contract (provide details)* | *If this option is selected, provide a table of changes and justification for each change to the standard form contract, or the use of alternative contract conditions. Obtain legal signoff for modified standard form document.* |
| *Alternative contract type (provide details)* | *If yes, provide justification for use of alternative standard form contract.* |

# Evaluation process

*Include a summary of outcomes from the Tender Evaluation Plan*

|  |
| --- |
| Guidance Documents |
| [NSW Procurement’s approach](https://www.procurepoint.nsw.gov.au/policy-and-reform/nsw-government-procurement-information/nsw-procurements-approach) |

# Probity

*The aim of this section is to outline the agency’s approach to ensuring the procurement process is conducted in an ethical and fair manner without conflict of interest. In ensuring that procurement processes are conducted fairly, agencies should:*

* *determine and document how codes of conduct will be administered*
* *identify who will be responsible for the probity of the tendering process*
* *refer to any agency guidelines that will be adopted to manage the procurement*
* *document a process on how probity issues will be managed during the procurement process in accordance with the Procurement Policy Framework*
* *consider a formal probity report at completion of tender process.*

|  |
| --- |
| Guidance Documents |
| [NSW Government Procurement Policy Framework](https://www.procurepoint.nsw.gov.au/system/files/documents/procurement_policy_framework_final_accessible_0.pdf) |
| [NSW Industrial Relations Guidelines: Building and Construction Procurement](https://www.industrialrelations.nsw.gov.au/sites/default/files/2019-01/nsw_ir_guidelines_building_and_construction_procurement.pdf) |
| [PBD 2017-07 Conduct by suppliers](https://arp.nsw.gov.au/pbd-2017-07-draft-conduct-suppliers) |
| [Independent Commission Against Corruption Act 1988](https://www.legislation.nsw.gov.au/#/view/act/1988/35/full) |
| [Corruption prevention, fairness and probity](https://www.procurepoint.nsw.gov.au/policy-and-reform/nsw-government-procurement-information/corruption-prevention-fairness-and-probity) |
| [Identifying and managing conflicts of interest in the public sector](https://www.procurepoint.nsw.gov.au/policy-and-reform/nsw-government-procurement-information/probity-advisers-and-auditors) |

*Insert agency’s approach to probity*

# Tender timeframes

*The aim of this section is to outline the timeframes and key tasks required to undertake the nominated tender process. The information is to be summarised in a table format. Typical tasks are outline in table below for a competitive tender process. The table is to be modified to reflect more complex or bespoke tender processes adopted.*

|  |  |
| --- | --- |
| Task | Indicative date |
| Pre-procurement | |
| Procurement plan approved |  |
| Tender documents developed |  |
| Tender documents approved |  |
| Tender | |
| Tender advertised/issued |  |
| Supplier briefing/s |  |
| Tender closing date |  |
| Evaluation | |
| Panel confidentiality and conflict of interest declarations signed |  |
| Evaluation panel assessment |  |
| Tender recommendation |  |
| Post-evaluation | |
| Notice to preferred tenderer |  |
| Debrief unsuccessful suppliers |  |
| Contract negotiation (if required) |  |
| Contract award notice published |  |
| Contract start date |  |

*Attach a project Gantt chart, if available.*

# Pre-tender cost estimate

*A pre-tender cost estimate, based on the final tender documents, is required before close of tenders (or earlier). The aim of this estimate is to provide the project tender evaluation team a benchmark as to assess the tender response(s).*

* *Provide details of pre-tender cost estimate for contracted works including contingency allowances.*
* *The breakdown in ‘deliverables’ should align with the proposed price schedule of the returnable schedules.*
* *Contract estimates based on concept designs can be provided instead of a pre-tender estimate at the time of completing this document. However, it is advised that a pre-tender estimate is developed once a tender document is drafted.*

|  |  |
| --- | --- |
| Tender Price Schedule | $’000 ex GST |
| Deliverable 1 | $ |
| Deliverable 2 | $ |
| Deliverable 3 etc. | $ |
| Contingency | $ |

*Attach a detailed pre-tender cost estimate, if available.*

# Endorsements and approvals

|  |  |
| --- | --- |
| Endorsed by |  |
|  |  |
|  |  |

|  |  |
| --- | --- |
| Approved by |  |
|  |  |
|  |  |

# Attachments

*Add or delete attachments, as required*

Attachment 1 – Risk Register *(mandatory requirement)*

Attachment 2 – Tender Evaluation Plan

Attachment 3 – Project Plan Gantt Chart

Attachment 4 – Pre-tender Cost Estimate

*REMINDER: When you have completed the plan, please remove all instructions in red italics, and adjust page breaks to suit your content.*