



ACT
Government

Chief Minister, Treasury and
Economic Development

Freedom of Information Publication Coversheet

The following information is provided pursuant to section 28 of the *Freedom of Information Act 2016*.

FOI Reference: CMTEDDFOI 2018-0093

Information to be published	Status
1. Access application	Published
2. Decision notice	Published
3. Documents and schedule	Published
4. Additional information identified	No
5. Fees	Waived
6. Processing time (in working days)	75
7. Decision made by Ombudsman	N/A
8. Additional information identified by Ombudsman	N/A
9. Decision made by ACAT	N/A
10. Additional information identified by ACAT	N/A

From: [REDACTED]
To: [CMTEDD FOI](#)
Subject: FOI Request - Procurement Board advice
Date: Friday, 20 April 2018 6:16:39 PM

Good Evening

I write to request under the *Freedom of Information Act 2016* proposals submitted to the Procurement Board by the Land Development Agency, City Renewal Authority and the Suburban Land Agency since 2012; and the advice provided in response by the Procurement Board.

Should you require any further information or clarification about my request, please contact [REDACTED]

Kind regards,

[REDACTED]




ACT
Government

Chief Minister, Treasury and
Economic Development

Our ref: CMTEDDFOI 2018-0093



via email: 

Dear 

FREEDOM OF INFORMATION REQUEST

I refer to your application received by the Chief Minister, Treasury and Economic Development Directorate (CMTEDD) on 20 April 2018, in which you sought access under section 30 of the *Freedom of Information Act 2016* (the Act) to proposals submitted to the Procurement Board by the Land Development Agency, City Renewal Authority and the Suburban Land Agency since 2012; and the advice provided in response by the Procurement Board.

On 7 May 2018, you refined the scope to the following proposals submitted to the Procurement Board and advice received from the Procurement Board:

Date of meeting	Documents
17 Jul 2012	Panel of Commercial and Residential Property Agents, submitted by the Land Development Agency (LDA)
19 Nov 2013	Presentation on the City to the Lake project, submitted by the LDA
10 Dec 2013	City to the Lake Estate Development Plan – West Basin, submitted by the LDA
29 Apr 2014	Land Development Agency's four-year future work program, submitted by the LDA
17 Mar 2015	Delivery of the West Basin Foreshore – Stage 1A, submitted by the LDA
26 May 2015	Strategic Procurement Plan – Demolition and Site Remediation 2015-19, submitted by the LDA

7 Jul 2015	Strategic Procurement Plan – Demolition and Site Remediation 2015-19, submitted by the LDA
26 Apr 2016	Variation – Construction of West Basin Waterfront, City to the Lake, submitted by the LDA
13 Dec 2016	LDA Qualified Contractors for Gungahlin, Moncrieff and Coombs 3A
2 May 2017	LDA Strategic Procurement Plan – Construction, submitted by the LDA
2 May 2017	LDA Strategic Procurement Plan – Superintendency, submitted by the LDA
23 May 2017	Construction of the West Basin Point Park, City to the Lake, submitted by the LDA
28 Nov 2017	West Belconnen Joint Venture, submitted by the Suburban Land Agency (SLA)
6 Mar 2018	Disposal of land for mixed Public Housing and Defence Housing

Authority

I am an Information Officer appointed by the Director-General of CMTEEDD under section 18 of the Act to deal with access applications made under Part 5 of the Act.

Timeframes

In accordance with section 40 of the Act, CMTEEDD was required to provide a decision on your access application by 13 June 2018. However, in accordance with section 41 of the Act, an extension until 18 July 2018 was agreed. The due date has been further extended to 8 August 2018 due to third party consultation.

Third Party Consultation

In making this decision, I completed consultation with relevant third parties in accordance with section 38 of the Act. The views of identified third parties were taken into account in making this decision.

Decision on access

A search of documents was conducted and resulted in 71 documents being identified that fall with the scope of your request.

I have decided to grant full access to 51 documents, partial access to 19 documents and fully exempt from release the remaining document. Four documents have been withheld pending the third party review period in accordance with section 38(6)(b) of the Act. The information redacted in the documents is contrary to the public interest to release under

Schedule 1 of the Act or would, on balance, be contrary to the public interest to release under the test set out in section 17 of the Act.

I have included as Attachment A to this letter the schedule of relevant documents. This provides a description of each document that falls within the scope of your request and the access decision for each of those documents. The documents to be released to you are provided as Attachment B to this letter.

In accordance with section 54(2) of the Act a statement of reasons outlining my decision is below.

Statement of Reasons

In reaching my access decision, I have taken the following into account:

- the Act;
- the content of the documents that fall within the scope of your request;
- the views of relevant third parties; and
- the *Human Rights Act 2004*.

Exemptions claimed

My reasons for deciding not to grant access to the components of these documents are as follows:

Legal Professional Privilege (Schedule 1 of the Act)

Documents Ref No. 18, 56, 58, 59 and 71 contain advice provided by the Government Solicitor Office (GSO). I consider the advice is subject to legal professional privilege as it was brought into existence for the dominant purpose of providing a legal opinion in relation to those decisions. I am satisfied that the communications were made in circumstances of confidentiality and were provided by an independent legal adviser satisfying the requirements to attract legal professional privilege. For this reason, I have decided to exempt from release this information.

Cabinet Information (Schedule 1 of the Act)

Documents Ref No. 56-57, 59-62 and 71 contain information that was prepared and brought into existence for consideration by Cabinet. The information in these documents is deliberative in nature and includes advice regarding the mixed public housing and Defence Housing Australia development.

In reviewing the documents, I note the requirements of schedule 1 section 1.6(2) of the Act which states that the exemption for Cabinet Information does not apply to 'purely factual information' unless the disclosure of the information would involve the disclosure of a deliberation or decision of Cabinet and the fact of the deliberation or decision that has not been officially published. In the case of *Parnell & Dreyfus and Attorney-General's Department* [2014] AICmr 71, the Australian Information Commissioner stated that the term 'purely factual material' does not extend to factual material that is an integral part of the deliberative content and purpose of a document, or is embedded in or intertwined

with the deliberative content in such a manner that it is impractical to separate it from the other content.

Having reviewed the documents, I consider that the purely factual information within the documents identified is an integral part of the deliberative content and as stated by the Commissioner, the analysis and views in the [documents] would be robbed of their essential meaning without incorporation of this material. I am satisfied that disclosure of this purely factual information would involve the disclosure of a deliberation or decision of Cabinet.

Having considered the information contained in the documents, I am satisfied that disclosure of such information contained in documents Ref No. 59 and 61 would be contrary to public interest pursuant to schedule 1 section 1.6 of the Act.

Public Interest Test (Schedule 2 of the Act)

The Act has a presumption in favour of disclosure. As a decision maker I am required to decide where, on balance, public interests lies. As part of this process I must consider factors favouring disclosure and non-disclosure.

In *Hogan v Hinch* (2011) 243 CLR 506, [31] French CJ stated that when 'used in a statute, the term [public interest] derives its content from "the subject matter and the scope and purpose" of the enactment in which it appears'. Section 17(1) of the Act sets out the test, to be applied to determine whether disclosure of information would be contrary to the public interest. These factors are found in subsection 17(2) and Schedule 2 of the Act.

Factors favouring disclosure (Schedule 2 section 2.1)

Taking into consideration the information contained in the documents found to be within the scope of your request, I have identified that the following public interest factors in favour of disclosure are relevant to determine if release of the information contained within these documents is within the 'public interest':

- (a) *disclosure of the information could reasonably be expected to do any of the following:*
 - (i) *promote open discussion of public affairs and enhance the government's accountability;*
 - (ii) *contribute to positive and informed debate on important issues or matters of public interest;*
 - (viii) *reveal the reason for a government decision and any background or contextual information that informed the decision;*

Having considered the factors identified as relevant in this matter, I consider that release of the information within the scope of the request may promote open discussion of public affairs and enhance the government's accountability. The documents identified contain information relating to specific land matters which I consider is of public interest. There are a number of Procurement Plan Minutes including risk treatment and evaluation plans that detail how the projects are to be managed, the timeframe and the estimated value. Moreover, the information contained in the Minutes of the Standing Proposals

Meetings details advice provided by the Government Procurement Board in response to the proposals. I consider the release of the information identified could inform the community the considerations of relevant land agencies and the Government Procurement Board in making those land related decisions. As a result, the release of the documents identified could enhance the Directorate's accountability and contribute to positive and informed debate on land matters. I am satisfied that the public interest in increasing transparency and accountability of the Directorate carries significant weight.

Factors favouring non-disclosure (Schedule 2 section 2.2)

As required in the public interest test set out in section 17 of the Act, I have also identified the following public interest factors in favour of non-disclosure that I believe are relevant to determine if release of the information contained within these documents is within the 'public interest':

- (a) *disclosure of the information could reasonably be expected to do any of the following:*
 - (ii) *prejudice the protection of an individual's right to privacy or any other right under the Human Rights Act 2004;*
 - (viii) *prejudice the economy of the Territory;*
 - (xi) *prejudice trade secrets, business affairs or research of an agency or person;*

When considering the documents and factors in favour of non-disclosure, I have considered the personal information contained in the documents, including names, signatures and contact information. I am satisfied that the names, signatures and contact information of government employees should be released as these individuals were acting in their official capacity and the personal information being released is done so in relation to these individuals exercising their delegations in a work related capacity. I do not consider the release of this information is unreasonable or could prejudice their right to privacy.

However, I consider it is unreasonable to release the names and signatures of individuals that are not ACT Government employees as this is personal information that is not publicly available. I also consider the release of plans within the valuation reports is unreasonable as the internal design of the properties is personal information of the occupants. I am of the opinion that release of this information may prejudice the protection of the individual right to privacy or any other right under the *Human Rights Act 2004*. I am satisfied that this factor favouring non-disclosure should be afforded very significant weight as it relates to individual privacy.

On reviewing the information regarding the valuation of properties of an ongoing development project, I consider the release of the valuation may prejudice the economy of the Territory. The release of the valuation information may adversely affect future sale of those properties that consequently could prejudice the economy of the Territory. I am satisfied that this factor should be afforded significant weight.

Having reviewed the documents identified, I also consider that the release of certain information could prejudice business affairs of two businesses. In the case of *Re Mangan and The Treasury* [2005] AATA 898 the term 'business affairs' was interpreted as meaning 'the totality of the money-making affairs of an organisation or undertaking as distinct from its private or internal affairs'. Schedule 2 section 2.2 allows for government information to be withheld from release if disclosure of the information could reasonably be expected to prejudice the trade secrets, business affairs or research of an agency or person.

The information in question is related to valuation rationale and methodologies adopted by the businesses. This is commercial-in-confidence information that if released could provide competitors of the businesses confidential procedures used by them when drawing their conclusions. Consequently, the release of the information could adversely impact the current and future business activities of these businesses.

Noting the pro-disclosure intent of the Act, I am satisfied that redacting only the information that is not in the public interest to release, while releasing the rest of the documents will ensure the intent of the Act is met and will provide you with access to the majority of information held by CMTEDD within the scope of your request.

Additional Information

Documents Ref No. 63, 65, 67 and 69 have been withheld pending the third party review period.

Charges

Pursuant to *Freedom of Information (Fees) Determination 2017 (No 2)* processing charges are applicable for this request because the total number of folio's to be released to you exceeds the charging threshold of 50 pages. However, the charges have been waived in accordance with section 107 (2)(e) of the Act.

Online publishing – Disclosure Log

Under section 28 of the Act, CMTEDD maintains an online record of access applications called a disclosure log. Your original access application and my decision in response to your access application will be published in the CMTEDD disclosure log on 14 August 2018. Your personal contact details will not be published. You may view CMTEDD disclosure log at: <https://www.cmtedd.act.gov.au/functions/foi/disclosure-log>.

Ombudsman Review

My decision on your access request is a reviewable decision as identified in Schedule 3 of the Act. You have the right to seek Ombudsman review of this outcome under section 73 of the Act within 20 working days from the day that my decision is published in the CMTEDD disclosure log, or a longer period allowed by the Ombudsman.

If you wish to request a review of my decision you may write to the Ombudsman at:

The ACT Ombudsman

GPO Box 442

CANBERRA ACT 2601

Via email: actfoi@ombudsman.gov.au

ACT Civil and Administrative Tribunal (ACAT) Review

Under section 84 of the Act, if a decision is made under section 82(1) on an Ombudsman review, you may apply to the ACAT for review of the Ombudsman decision. Further information may be obtained from the ACAT at:

ACT Civil and Administrative Tribunal

Level 4, 1 Moore St

GPO Box 370

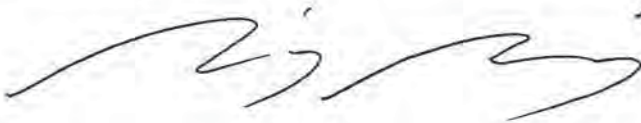
Canberra City ACT 2601

Telephone: (02) 6207 1740

<http://www.acat.act.gov.au/>

Should you have any queries in relation to your request please contact me by telephone on 6207 7754 or email CMTEDDFOI@act.gov.au

Yours sincerely,



Daniel Riley

Information Officer

Information Access Team

Chief Minister, Treasury and Economic Development Directorate

8 August 2018



ACT
Government

Chief Minister, Treasury and
Economic Development

FREEDOM OF INFORMATION REQUEST SCHEDULE

NAME		WHAT ARE THE PARAMETERS OF THE REQUEST			Reference NO.	
[REDACTED]		The following proposals submitted to the Procurement Board and the advice provided in response by the Procurement Board.			CMTEDDFOI 2018-0093	
Ref No	Page number	Description	Date	Status	Reason for Exemption	Online Release Status
17 Jul 2012 Presentation						
1	1-3	Paper presented on 17 Jul 2012 – Panel of Commercial and Residential Property Agents Minute	3/7/2012	Full	n/a	Yes
2	4-7	Paper presented on 17 Jul 2012 – Procurement Plan Minute (PPM)	7/2012	Full	n/a	Yes
3	8-12	Attachment A to PPM – Risk Plan	18/4/2012	Full	n/a	Yes
4	13-26	Attachment B to PPM – Evaluation Plan	undated	Full	n/a	Yes
5	27-29	Advice for paper presented on 17 Jul 2012 – Minute 12/2012	17/7/2012	Partial	Sch 2 s2.2(a)(ii)	Yes
19 Nov 2013 Presentation						
6	30	Advice for the 19 Nov 2013 meeting – Minute 22/2013 <i>Please note that this was an update to the Board and the papers were presented on 10 Dec 2013.</i>	19/11/2013	Full	Full release of relevant information. Out of scope information has been redacted.	Yes
10 Dec 2013 Presentation						
7	31-33	Paper presented on 10 Dec 2013 – PPM	4/12/2013	Full	n/a	Yes
8	34-43	Attachment A to PPM – Risk Plan	3/12/2013	Full	n/a	Yes
9	44-51	Attachment B to PPM – Evaluation Plan	undated	Full	n/a	Yes

10	52-53	Attachment C to PPM – Probity Statement	undated	Full	n/a	Yes
11	54-55	Paper presented on 10 Dec 2013 – CTL Estate Development Plan – Site Images	undated	Full	n/a	Yes
12	56-58	Advice for paper presented on 10 Dec 2013 – Minute 25/2013	10/12/2013	Full	Full release of relevant information. Out of scope information has been redacted.	Yes
29 Apr 2014 Presentation						
13	59-60	Advice for the 29 Apr 2014 meeting – Minute 9/2014 <i>Please note that this was an update to the Board and no papers were presented at this meeting.</i>	29/4/2014	Full	Full release of relevant information. Out of scope information has been redacted.	Yes
17 Mar 2015 Presentation						
14	61-63	Paper presented on 17 Mar 2015 – PPM	12/2014	Full	n/a	Yes
15	64-75	Attachment A to PPM – Risk Plan	1/12/2014	Full	n/a	Yes
16	76-93	Attachment B to PPM – Evaluation Plan	undated	Full	n/a	Yes
17	94-96	Attachment C to PPM – Probity Plan	undated	Full	n/a	Yes
18	97-100	Paper presented on 17 Mar 2015 – Brief	12/3/2015	Partial	Sch 1 s1.2	Yes
19	101	Attachment A to previous brief – General Arrangement Plan	undated	Full	n/a	Yes
20	102-134	Attachment B to previous brief – West Basin Stage 1A Procurement Strategy Attachment C to previous brief – Master Program <i>(this document has not been provided to the Board)</i>	10/2014	Partial	Sch 2 s2.2(a)(ii)	Yes
21	135-137	Attachment D to previous brief – Project Brief - EXTRACT	13/12/2014	Full	n/a	Yes
22	138-140	Advice for paper presented on 17 Mar 2015 – Minute 22/2014-15	17/3/2015	Partial	Sch 2 s2.2(a)(ii)	Yes
26 May 2015 Presentation						
23	141-143	Paper presented on 26 May 2015 – Strategic Demolition and Remediation PPM	21/5/2015	Full	n/a	Yes

24	144-153	Attachment 1 to PPM – Strategic Risk Management Plan	5/2015	Full	n/a	Yes
25	154-163	Attachment 2 to PPM – Evaluation Plan	undated	Full	n/a	Yes
26	164-165	Attachment 3 to PPM – Probity Plan	undated	Full	n/a	Yes
27	166-168	Paper presented on 26 May 2015 – Brief to DG - LDA Strategic Procurement	5/2015	Full	n/a	Yes
28	169	Attachment A to previous brief	undated	Full	n/a	Yes
29	170-173	Advice for paper presented on 26 May 2015 – Minute 29/2014-15	26/5/2015	Full	Full release of relevant information. Out of scope information has been redacted.	Yes
7 Jul 2015 Presentation						
30	174-176	Advice for the 7 Jul 2015 meeting – Minute 1/2015-16 <i>Please note that this was an update to the Board as the initial meeting with the Board was on the 26 May 2015 and no papers were presented at this meeting.</i>	17/7/2015	Full	Full release of relevant information. Out of scope information has been redacted.	Yes
26 Apr 2016 Presentation						
31	177-181	Paper presented on 26 Apr 2016 – Variations (Original Procurement Plan – see Ref No. 7)	19/4/2016	Full	n/a	Yes
32	182-185	Advice for paper presented on 26 Apr 2016 – Minute 29/2015-16	26/4/2016	Full	Full release of relevant information. Out of scope information has been redacted.	Yes
13 Dec 2016 Presentation						
33	186-189	Paper presented on 31 Jan 2017 – Qualified Contractors PPM <i>Please note that the paper was presented on 31 Jan 2017 instead of 13 Dec 2016.</i>	1/2017	Full	n/a	Yes
34	190-202	Attachment A to PPM – Risk Plan	12/1/2017	Full	n/a	Yes
35	203-216	Attachment B to PPM – Evaluation Plan	undated	Full	n/a	Yes
36	217-218	Attachment C to PPM – Probity Plan	undated	Full	n/a	Yes

37	219-220	Advice for paper presented on 31 Jan 2017 – 15/2016-17	31/1/2017	Full	Full release of relevant information. Out of scope information has been redacted.	Yes
2 May 2017 Presentation						
38	221-227	Paper presented on 2 May 2017 – LDA Strategic Procurement – Construction PPM	4/2017	Full	n/a	Yes
39	228-240	Attachment A to PPM – Risk Plan	4/2017	Full	n/a	Yes
40	241-255	Attachment B to PPM – Evaluation Plan	undated	Full	n/a	Yes
41	256-257	Attachment C to PPM – Probity Plan	undated	Full	n/a	Yes
42	258	Attachment D to PPM – Site Plan	undated	Full	n/a	Yes
43	259-261	Paper presented on 2 May 2017 – Whole Procurement Plan signed	21/4/2017	Full	n/a	Yes
44	262-271	Attachment A to PPM – Risk Plan	4/2017	Full	n/a	Yes
45	272-277	Attachment B to PPM – Evaluation Plan	undated	Full	n/a	Yes
46	278-279	Attachment C to PPM – Probity Plan	undated	Full	n/a	Yes
47	280-281	Advice for paper presented on 2 May 2017 – Minute 22/2016-17	2/5/2017	Full	Full release of relevant information. Out of scope information has been redacted.	Yes
23 May 2017 Presentation						
48	282	Paper presented on 23 May 2017 – Cover Letter	17/5/2017	Full	n/a	Yes
49	283-288	Paper presented on 23 May 2017 – Briefing Minute	17/5/2017	Full	n/a	Yes
50	289-291	Paper presented on 23 May 2017 – Endorsed PPM (Ref No.14)	12/2014	Full	n/a	Yes
51	292-302	Paper presented on 23 May 2017 – PPM Attachment A (1)	1/12/2014	Full	n/a	Yes
52	303-307	Paper presented on 23 May 2017 – PPM Attachment A (2)	4/2/2015	Full	n/a	Yes

53	308-331	Paper presented on 23 May 2017 – CTTL West Basin Foreshore Project Brief <i>(Attachment A-C have not been provided to the Board)</i>	13/12/2014	Full	n/a	Yes
54	332-344	Paper presented on 23 May 2017 – Risk Register	27/4/2016	Full	n/a	Yes
55	345-346	Advice for paper presented on 23 May 2017 – Minute 24/2016-17	23/5/2017	Full	Full release of relevant information. Out of scope information has been redacted.	Yes
28 Nov 2017 Presentation						
56	347-352	Paper presented on 28 Nov 2017 – West Belconnen Joint Venture Procurement Minute	22/11/2017	Partial	Sch 1 s1.2 s1.6	Yes
57	353-354	Attachment A to Minute	undated	Partial	Sch 1 s1.6	Yes
58	355-357	Advice for paper presented on 28 Nov 2017 – Minute 13/2017-18	28/11/2017	Partial	Sch 1 s1.2 Sch 2 s2.2(a)(ii)	Yes
6 Mar 2018 Presentation						
59	358-361	Paper presented on 6 Mar 2018 – PPM	22/2/2018	Partial	Sch 1 s1.2 s1.6	Yes
60	362-363	Attachment 1 to PPM – Mixed Public Housing and DHA Developments	undated	Partial	Sch 1 s1.6	Yes
61	364-369	Attachment 2 to PPM – 17/132/BUD Business Case – Mixed public housing and defence housing developments	undated	Exempt	Sch 1 s1.6	No
62	370-374	Attachment 3 to PPM – Risk Management Plan	8/2017	Partial	Sch 1 s1.6	Yes
63	375-422	Attachment 4 to PPM – Valuation Report – Block 1 Section 230 <i>Please note that this document has been withheld pending third party review period</i>	18/6/2017	Partial	Sch 2 s2.2(a)(ii)(viii)(xi)	Yes
64	423-464	Attachment 5 to PPM – Valuation Report - Block 1 Section 230	6/2017	Partial	Sch 2 s2.2(a)(ii)(viii)(xi)	Yes
65	465-513	Attachment 6 to PPM – Valuation Report - Block 4 Section 233 <i>Please note that this document has been withheld pending third party review period</i>	18/6/2017	Partial	Sch 2 s2.2(a)(ii)(viii)(xi)	Yes

66	514-572	Attachment 7 to PPM – Valuation Report - Block 4 Section 233	6/2017	Partial	Sch 2 s2.2(a)(ii)(viii)(xi)	Yes
67	573-623	Attachment 8 to PPM – Valuation Report – Block 9 Section 39 <i>Please note that this document has been withheld pending third party review period</i>	18/6/2017	Partial	Sch 2 s2.2(a)(ii)(viii)(xi)	Yes
68	624-683	Attachment 9 to PPM – Valuation Report – Block 9 Section 39	6/2017	Partial	Sch 2 s2.2(a)(ii)(viii)(xi)	Yes
69	684-731	Attachment 10 to PPM – Valuation Report – Block 3 Section 37 <i>Please note that this document has been withheld pending third party review period</i>	18/6/2017	Partial	Sch 2 s2.2(a)(ii)(viii)(xi)	Yes
70	732-789	Attachment 11 to PPM – Valuation Report – Block 3 Section 37	6/2017	Partial	Sch 2 s2.2(a)(ii)(viii)(xi)	Yes
71	790-791	Advice for paper presented on 6 Mar 2018 – Minute 18/2017-18	6/3/2018	Partial	Sch 1 s1.2 s1.6	Yes
Total No of Docs						
71						



Clearance and Assessment Sheet

TSY

Subject: Panel of Commercial and Residential Property Agents		
A/g Director / Catriona Vigor	<i>Catriona Vigor</i>	Date: 2/7/12
Contact Officer: Renae Boege	<i>Renae Boege</i>	Ext: 54592



MINUTE

Subject: Panel of Commercial and Residential Property Agents

To: Executive Director
Shared Services Procurement

Critical date for consideration: 11 July 2012 for consideration by the ACT Government Procurement Board in July 2012.

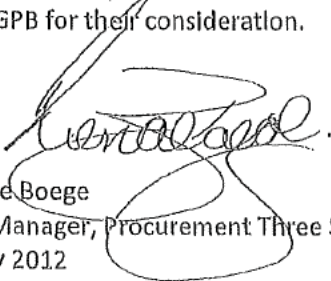
Purpose: To seek approval of the attached Procurement Plan Minute for the 2012-2016 Panel of Commercial and Residential Property Agents.

Key Points:

- Operational protocols require the Executive Director to review and approve all procurements of \$5 million or above.
- The attached Strategic Procurement Plan has been prepared by the Land Development Agency (LDA), of the Economic Development Directorate (EDD), with input from the Goods & Services Procurement Branch.
- The value of the Strategic Procurement Plan Minute is \$12 million for 2012-2016.
- EDD have requested that the Procurement Plan be presented to the Government Procurement Board (GPB) at the sitting scheduled for 10 July 2012.
- EDD wishes to enter into an 'open panel arrangement' with one (1), some or more providers, of high technical capability, to deliver property sale services on behalf of the Territory. EDD will continue to engage current providers on an 'as required' basis, through the existing panel arrangement, until the new panel is in place.
- The Services for the new arrangement are within scope of the previous arrangement, with increased sensitivity in engaging providers at a high technical ability. Walter Partners and Shared Services Procurement, Goods and Services Branch, have assisted EDD in criteria development based around skills, experience and marketing ability, to ensure desired outcomes are achieved, through the evaluation of tenders.

Recommendations:

- That you approve the Procurement Plan Minute prepared for the 2012-2016; Panel of Commercial and Residential Property Agents to enable lodgement with the GPB for their consideration.



Renae Boege
A/g Manager, Procurement Three Section
2 July 2012



Noted / Approved / Not approved / Please discuss
Peter Murray 3 / 7 / 2012



Procurement Plan Minute

PROCUREMENT OVERVIEW																	
To	Mr David Dawes Chief Executive Officer Land Development Agency (LDA)																
Name of Project	Panel of Commercial and Residential Property Agents																
Purpose	Establishment of a Real Estate Agents Panel for the next three (3) years, to provide property services to the Territory.																
Estimated value (\$)	\$12,000,000.00 GST inc.																
Timing/urgency	<p>Indicative timeframe:</p> <table border="0"> <tr> <td>Pre-Tender Consultation</td> <td>14/02/2012</td> </tr> <tr> <td>Government Procurement Board Approval</td> <td>July 2012</td> </tr> <tr> <td>RFT advertised</td> <td>August 2012</td> </tr> <tr> <td>Industry briefing</td> <td>August 2012</td> </tr> <tr> <td>RFT closes</td> <td>September 2012</td> </tr> <tr> <td>Approval of Tender Evaluation Report</td> <td>September 2012</td> </tr> <tr> <td>Contract awarded</td> <td>September/October 2012</td> </tr> <tr> <td>Debrief unsuccessful tenderers</td> <td>September/October 2012</td> </tr> </table> <p>(Note: timings are estimates and may change after the Procurement Plan is signed)</p>	Pre-Tender Consultation	14/02/2012	Government Procurement Board Approval	July 2012	RFT advertised	August 2012	Industry briefing	August 2012	RFT closes	September 2012	Approval of Tender Evaluation Report	September 2012	Contract awarded	September/October 2012	Debrief unsuccessful tenderers	September/October 2012
Pre-Tender Consultation	14/02/2012																
Government Procurement Board Approval	July 2012																
RFT advertised	August 2012																
Industry briefing	August 2012																
RFT closes	September 2012																
Approval of Tender Evaluation Report	September 2012																
Contract awarded	September/October 2012																
Debrief unsuccessful tenderers	September/October 2012																
Tender Number	18426.110																
Is Government Procurement Board sign off required?	Yes																
Is ACT Government Solicitor consultation required?	No, however Myer Vandenberg Lawyers (was engaged by EDD) assisted in preparing the Request for Tender (RFT) and will support in reviewing the Panel Deed.																

PROCUREMENT REQUIREMENTS	
Objective or scope of works or services to be provided	<p>The current Panel Agreement for Commercial Property Agents expired in February 2012, was extended to June 2012 and is about to be extended again to 30 September 2012. LDA is commencing the process to form a new Panel to assist in the sale of Territory land by the LDA.</p> <p>Documentation supporting project requirements can be found at :</p>

	Attachment A – Risk Plan Attachment B – Evaluation Plan
Type	Services
Funding	Funding from the Economic Development Directorate by means of the sale of ACT Government land.
Consultation (including pre tender)	Pre Tender Consultation closed on 14 February 2012. In addition, an Industry Briefing is intended be held in May 2012, one (1) week after the advertisement of the RFT.

PROCUREMENT RISK	
Risk	Medium – Please refer to Attachment A – Risk Plan

Procurement Methodology	
Description of the procurement method to be used	<p>Public Tender to establish an open panel of two (2) categories, namely residential and commercial. Pricing is to be assessed as either 'acceptable' or 'not acceptable' and may affect Tender ranking when finalising the Evaluation Process.</p> <p>The Territory may invite Tenders to expand either the categories or number of panel members, at a later date, through a further public process and using the same evaluation methodology, where possible.</p>
Evaluation Methodology	<p>The Evaluation Process will be divided into the following phases:</p> <ul style="list-style-type: none"> a) receipt and registration of Tenders; b) Stage 1 – A threshold Criterion; c) Stage 2 – Assessment of Weighted Criteria; d) Stage 3 – Value for Money Assessment (Technical Assessment, Risk and Cost); and e) Tender Evaluation Report with recommendations. <p>See Attachment B – Evaluation Plan, for Stage breakdown.</p> <p>Registration of Tenders</p> <p>Tenders will be opened as soon as practicable following the Tender closing time in accordance with Shared Services Procurement's policy for Tender Opening.</p>
Evaluation Criteria	Refer to Attachment B – Evaluation plan
Is this suitable to be a Social Procurement?	No

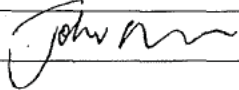
EVALUATION TEAM			
Name	1. Clint Peters	2. Julia Forner	3. Jody Chalmers
Position	Chair	Member	Member
Agency	EDD	EDD	EDD
Statement on team composition	All members have sufficient experience to support the procurement and evaluation process.		

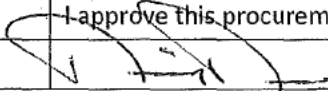
Contract Management	
Number of contracts	The number of Panel Deeds to be awarded will be determined by the outcome of the evaluation.
Contract management	These Deeds will be managed in-house by an experienced Territory Contract Officer, from LDA. 'Fee proposals' will be offered to all panel members, as work becomes available. Fee proposals submitted from panel members will conform to their pricing schedule, as previously supplied in their Tender submission or at a fee agreed by all parties, as may be influenced by CPI.
Period of contract(s)	Three (3) years with the provision for up to one (1) by 12 month extension. The option to extend may be exercised on one or some or all of the Panel Deeds. The maximum term of these Panel Deeds will not exceed four (4) years.
Panel details	<p>a. The Suppliers will be engaged on the basis of:</p> <ul style="list-style-type: none"> a) value for money; b) ability to perform work within the necessary time frame; c) availability of resources/resource capacity; d) areas of special expertise; e) absence of any conflicts of interest; and f) performance during this contract period. <p>b. When EDD or any of the other relevant entity requires work they will request a fee proposal from at all of the Suppliers on the Panel. This will be assessed against the standard brief and any other project specific requirements addressed in the invitation for the fee proposal prior to their engagement. The invitation requires the Provider to comply with the Panel rates specified in Schedule 4, Pricing Schedule and conditions of engagement as per the Agreement.</p> <p>c. As the Contracts will be set up under an Open Panel Arrangement, it is intended that additional Suppliers who meet the Evaluation Criteria may be added to the Panel and that existing Panel members can add extra services to their Contract during the term of the Contract. Whilst this arrangement is being primarily put in place for use by EDD, other Territory Government Agencies may seek to access this Panel Arrangement under the agreed terms and conditions if agreed to by the parties.</p>

AUSTRALIAN FREE TRADE AGREEMENTS (FTAs)	
Does the AUSFTA / Australia-Chile FTA apply?	Yes.

AUSTRALIAN GOVERNMENT FUNDING	
Is there Australian Government funding attached to the procurement?	No.

SHARED SERVICES PROCUREMENT RECOMMENDATION			
Project Officer	Josh Faulkner	Signature and Date	Please refer to minute for approval/signatures.
		Phone Number	
Manager	Renae Boege	Signature and Date	
Director / Executive Director	Catriona Vigor	Signature and Date	
Executive Director	Peter Murray	Signature and Date	

AGENCY ENDORSEMENT			
Name	John Mason	Phone Number	50398
Position	Valuations and Sales Manager – Economic Development Directorate		
Signature		Date	5/7/12.

DIRECTOR GENERAL/DELEGATE APPROVAL			
Name	Mr David Dawes		
Position	Director General – Economic Development Directorate/ CEO Land Development Agency		
Statement	I approve this procurement plan and the relevant attachments		
Signature		Date	6/7/12.

RISK PLAN AND MATRIX

ATTACHMENT A

The Risks should be assessed using the following Consequence and Likelihood Scales and the Risk Analysis Matrix, developed in accordance with Australian Standard AS/NZS ISO 31000:2009. Page 8 of 791

CONSEQUENCES						
	Insignificant	Minor	Moderate	Major	Catastrophic	
General	Negligible impact upon objectives	Minor effects that are easily remedied	Some objectives affected	Some important objectives cannot be achieved	Most objectives cannot be achieved	
Community	Injuries or condition not requiring medical attention	Minor injury or First Aid Treatment needed	Serious injury needing hospitalisation, multiple medical treatment cases	Life threatening injuries, irreversible disability	Death/s, multiple life threatening injuries, irreversible disabilities	
Property (including intangibles eg IT data & intellectual property)	Slight (non structural) damage or loss of public/private goods, assets and data. Possible small compensation.	Minor (structural) damage or loss and liability for compensation	Significant damage or loss involving possible legal action for compensation	Serious damage or loss requiring operational changes involving legal action for significant compensation.	Extensive damage or loss, Business Continuity Plans activated, very heavy legal and compensation costs.	
Financial	Possible unavoidable Expenditure resulting in Budgetary losses of up to 1% (or <\$5K)	Up to 5% of budget (or <\$50K)	Up to 20% of budget (or <500K)	Up to 40% of budget (or <\$5M)	Greater than 40% of budget (or >\$5M)	
Environment	Negligible damage and loss of flora and fauna, degradation and/or loss of environmental amenity	Short term effects not affecting ecosystem functioning	Moderate environmental impacts, able to be contained and repaired in medium term	Long term environmental impairment of ecosystem functions	Widespread, long-term environmental impairment of more than one ecosystem	
Reputation	Minor adverse local attention, internal review	Attention from local media, scrutiny required by internal committees	Significant media attention, scrutiny required by external committee, Auditor General etc	Intense public, political and media scrutiny, damage to organisation	Assembly inquiry or Commission of inquiry, adverse national media	

LIKEHOOD	Event is expected to occur in most circumstances	Almost Certain	Medium	High	High	Very High	Very High
	Event will probably occur on most circumstances	Likely	Medium	Medium	High	High	Very High
	Event may occur at some time	Possible	Low	Medium	High	High	High
	Event is not expected to occur	Unlikely	Low	Low	Medium	High	High
	Event is likely to occur only in exceptional circumstances	Rare	Low	Low	Medium	Medium	High

RISK MATRIX						
-------------	--	--	--	--	--	--

- Low Risk:** Unlikely to require allocation of resources, manage by routine procedures.
- Medium Risk:** Must be brought to attention of manager, resources required to address risk must be allocated.
- High Risk:** Senior management action required, risk treatments applied. Responsibility must be specified. Subject to regular monitoring.
- Very High Risk:** Immediate action required. Senior executive attention needed with action plans and management responsibility specified. All possible treatments to be put in place to reduce risk.

RISK REGISTER

Identify the risks which could affect the successful outcome of the procurement and group by type of risk such as:

1. **Procurement Risks:** e.g. delays, process runs over time, no suitable tenders received, statement of requirements inadequately defined
2. **Contract Risks:** e.g. failure of contractor to meet performance, budgetary or quality standards, contractor becomes insolvent
e.g. poor contract management
3. **External Risk Factors:** e.g. weather delays; adverse economic events- interest rate increases or exchange rate movements.
4. **Project Risks:** e.g. changes in policy directions, change in scope.

Project: ...Real Estate Agents Panel RFT.....Date: ...9 December 2011.....Reviewed by: ...Josh Faulkner.....Date: ...18 April 2012.....

Risk No	The Risk (Cause) What can happen and how	Consequence Rating Describe the consequence	Likelihood Rating	Level of Risk Rating ** (refer Matrix)	Risk Priority Ranking	How are Risks to be Managed?	Consequence Rating after Treatment	Likelihood Rating after Treatment	Level of Risk Rating after Treatment
1	Procurement Processes cause time delays in advertising to market.	Minor	Unlikely	Low	1	Set achievable deadlines prior to expiry of current Panel extension	Minor	Unlikely	Low
2	Staff conflicts of interest in the evaluation stage of Procurement processes.	Moderate	Unlikely	Medium	4	Identified conflicted LDA staff will not be designing the evaluation process, except in a team approach consistent with probity advice if warranted. Conflicted LDA staff have been removed from the evaluation process and declarations of confidentiality, by those involved, have been signed.	Moderate	Rare	Low

3	No response to the RFT - inability to engage a Supplier to deliver the Services.	<p>Moderate</p> <ol style="list-style-type: none"> 1. Wasted administrative effort in developing the RFT and other procurement documentation. 2. Alternate procurement methodology needs to be adopted in order to obtain the Services. 3. Delay in commencing the Services. 	Unlikely	Low	7	Tenderers will be provided with an adequate amount of time in which to submit a Tender response and have been given prior background information via Pre-Tender (Industry) Consultation.	Moderate	Rare	Low
4	Prices submitted by Tenderers exceed capped prices.	<p>Moderate</p> <ol style="list-style-type: none"> 1. Potential time delays and/or reduction in Scope of Services. 2. Negotiations through a Best and Final Offer 	Unlikely	Medium	5	LDA will identify to SSP (not publicly) capped pricing in which any figure in excess will be deemed 'unacceptable'. The Territory may request a BAFO in such circumstances.	Moderate	Unlikely	Low
5	Territory does not achieve Value for Money.	<p>Moderate</p> <ol style="list-style-type: none"> 1. Loss of profit to the Territory 	Possible	Medium	2	The Territory to ensure procurement guidelines are followed with heavy emphasis on Supplier technical competency and capability.	Moderate	Rare	Medium

7	Delay in land release resulting in time-cost to the LDA, in utilising the Panel arrangement.	Minor 1. May result in delay of Service delivery.	Unlikely	Low	9	Management of the procurement process. Significant time has been allowed to conduct the process.	Minor	Unlikely	Low
8	A Supplier does not have sufficient staff numbers to perform Services for a period of time.	Minor 1. Reduced or unsatisfactory service levels.	Possible	Medium	6	Tenderers will be required to provide details of their Agents and relevant performance prior to engagement. Territory contract officer will monitor performance of Contractor.	Minor	Unlikely	Low
9	A Supplier uses staff without adequate skills/qualifications or deliberately engages in sub-standard work.	Minor 1. Reduced or unsatisfactory service levels.	Possible	Medium	3	Contractor will be vetted for a history of quality work and relevant experience. Territory contract officer will monitor performance of Supplier and will raise unsatisfactory performance against service levels as a performance matter.	Minor	Unlikely	Low

10	Work Health Safety (WHS) including current legislative enforcements and requirements around property surveying and asbestos.	Moderate	Unlikely	Medium	10	Measures will be documented, in the RFT and draft Deed, to ensure Suppliers have adequate processes in place to accommodate 'WHS' requirements when on site for both residential and commercial categories.	Moderate	Rare	Low

** Separate Risk Treatment Plan required for 'High' and 'Very High' risks.

Attachment B

EVALUATION PLAN

1. EVALUATION OVERVIEW

Aim

This evaluation plan details how tenders for the Panel of Commercial and Residential Real Estate Agents are to be evaluated. This document sets out the roles of Tender Evaluation Team (TET) and their responsibilities, the evaluation methodology and evaluation criteria by which Tenders received will be evaluated.

The TET detailed below has been formed to evaluate the Responses for the above procurement. All members of the TET are aware of their responsibilities and obligation to demonstrate impartiality and equity to all Tenderers.

Role

The TET will be responsible for:

- a) maintaining probity;
- b) evaluating the Tenderers in accordance with the criteria and methodology;
- c) documenting the evaluation process;
- d) preparing a Tender Evaluation Report;
- e) seek Director General or Delegate approval to proceed with Contracts with the preferred Tenderers; and
- f) debriefing unsuccessful Tenderers.

Members

1. Evaluation Team			
Name	1. Clint Peters	2. Julia Forner	3. Jody Chalmers
Position	Chair	Member	Member
Agency	EDD	EDD	EDD
Statement on team composition	All members have sufficient experience to support the evaluation and the procurement process.		

Members of the TET are personally appointed and should not be withdrawn or replaced without the approval of the Director General or Delegate and in conjunction with probity advice (if required).

Specialist Advice and Support

The TET may, as required, utilise specialist advice to assist in the evaluation process.

The areas of experience may include:

- a) technical analysis;
- b) financial assessment;
- c) probity; and
- d) legal issues.

2. EVALUATION PROCESS AND CRITERIA

PROCUREMENT APPROACH

The Land Development Authority (LDA) (acting as the ACT Government) is seeking to establish a Panel of Commercial and Residential Real Estate Agents (Agents) to administer land sales on behalf of the ACT Government. The required skills will be sourced by approaching the market via an open Request for Tender (RFT).

Tenderers will be able to Tender for one or both of the following two categories of Services:

- 1) Commercial and/or
- 2) Residential.

Respondents will also be asked to submit pricing for Real Estate Market Consultancy Services and Auctioneering Services however these prices will not form part of the evaluation.

EVALUTION CRITERIA

Tenders will be assessed against the following Evaluation Criteria.

Stage 1 - Evaluation Criteria - Threshold

The table below shows the criteria that will be used to assess Tenderers for Stage 1 of the Evaluation Process.

Criterion Reference	Attachment Reference	Criterion
i)	1	Canberra Base: the Tender will pass if the Tenderer has a Canberra office as at RFT close (but the Tenderer may be a national or international business).

Stage 2 – Evaluation Criteria - Weighted

Weighted Criteria		Weighting %
a)	<p>Relevant Experience and Capacity [CATEGORY SPECIFIC CRITERION]</p> <p>The Tenderer's demonstrated relevant experience in administering land sales (Residential and / or Commercial – as applicable).</p>	40%
b)	<p>Marketing Ability [CATEGORY SPECIFIC CRITERION]</p> <p>The extent to which the Tenderer demonstrates sound knowledge of successful market scoping, understanding and sales principles, and the ability to develop and execute an appropriate and effective Marketing Strategy (Residential and / or Commercial – as applicable).</p>	40%
c)	<p>Governance and Management [COMMON CRITERION]</p> <p>The Tenderer's demonstrated experience, capability and capacity to successfully govern, plan and manage land sales in accordance with the ACT Government's requirements. This includes general effective management of operational requirements, strategic governance and planning and office administration.</p>	10%
d)	<p>Liaison Services and Reporting [COMMON CRITERION]</p> <p>The Tenderer's demonstrated approach to providing ad hoc liaison and consultation services to the Territory. This includes client/stakeholder liaison and negotiation, facilitation and provision of reporting in line with ACT Government requirement (e.g. pre and post-sales data).</p>	10%
Unweighted Criteria		
e)	<p>Risk</p> <p>The TET will consider any risk(s) associated with the Tenders, including any indicated concerns or reservations relating to the draft Agreement and matters raised by Referees or matters relevant to Work Health and Safety. The Tender is to provide information relating to how it proposes to manage Work, Health and Safety matters relevant to delivering its Services.</p>	N/A
f)	<p>Cost</p> <p>Tenderers are to respond to cost by populating the Pricing Schedule at Attachment B.1 of this document and to be supplied in the RFT. The TET will assess price, as acceptable or not acceptable and as a risk component to the Territory. Costs may impact the placing in which a Tender is ranked following the <u>Stage 2 – Technical Evaluation</u>.</p>	N/A

Stage 2 Criteria Categories

This procurement will distinguish between “Common” and “Category Specific” criteria as follows:

- “Category Specific” criteria (criteria A and B) for each Tender will be assessed and awarded a score out of 10 for Evaluation Criteria A and B for each category of Service for which the Tenderer has applied;
- “Common” criteria (Criteria C and D) will be assessed once regardless of whether a Tenderer has applied for a single category (i.e. Commercial or Residential) or for both categories (i.e. Commercial and Residential). A score out of 10 for Evaluation Criteria C and D will apply across all categories (i.e Residential and/or Commercial) for which the Tenderer has applied.

The application of this approach is described in more detail later in this Evaluation Plan.

EVALUATION METHODOLOGY

The evaluation of Tender responses to this RFT will be divided into the following phases:

- a) receipt and registration of Tenders;
- b) compliance
- c) **Stage 1** – Threshold Criteria;
- d) **Stage 2** – Assessment of Weighted Technical Criteria;
- e) **Stage 3** - Value for Money Assessment (consideration of weighted criteria and unweighed criteria [Risk and Cost]); and
- f) Tender Evaluation Report with recommendations.

These stages are described in detail below

Receipt and registration of Tenders

Tenders will be opened as soon as practicable following the Tender closing time in accordance with Shared Services Procurement’s policy for Tender Opening.

Compliance

- 1) Tenders will be assessed for formal compliance with the requirements of the RFT. Assessment for formal compliance will include the following factors:
 - i) receipt of Tenders prior to the closing date and time;
 - ii) submission of a completed Declaration by Tenderer Schedule;
 - iii) Licensing: the Tenderer will comply if the Tenderer is a Licensed Agent under the Agents Act 2003 (ACT) as at RFT close.
 - iv) Insurance: the Tenderer will comply if the Tenderer provides evidence of the Tenderer’s professional indemnity and public liability insurances (a minimum professional indemnity insurance of \$5.0 million and public liability insurance of \$10.0 million is required) and the insurances are current as at RFT close.
- 2) Where a Tender is non-compliant, the Tender may be:
 - a) rejected and not considered any further;
 - b) accepted by ignoring any non-conformance in the Tender; or
 - c) if possible without impacting on the probity of the RFT process allow the Tenderer to correct any non-conformance.

Stage 1 – Threshold Criterion

- 3) Tenderers will then be assessed against the threshold criterion as detailed on page two of this plan.
- 4) Where a Tender is non-conforming, the Tender may be:
 - a) rejected and not considered any further;
 - b) accepted by ignoring any non-conformance in the Tender; or
 - c) if possible without impacting on the probity of the RFT process allow the Tenderer to correct any non-conformance.
- 5) All compliant and conforming Tenders received will move to Stage 2.

Stage 2 – Assessment of Weighted Criteria

- 1) Tenders will be evaluated by individual TET members against each criterion at Stage 2, and will be scored out of 10 using the scoring regime at **Attachment 1**.
- 2) In evaluating Tenders, both individually and collectively, the TET will:
 - (a) use the scoring scale at **Attachment 1** to score each weighted evaluation criterion for each Tender from 0 – 10, in relation to how well the Tender satisfies each of the criterion;
 - (b) award a score out of 10 for Evaluation Criteria A and B for each category of Service for which the Tenderer has applied;
 - (c) award a score out of 10 for Evaluation Criteria C and D which will apply to all categories of Service for which the Tenderer has applied;
 - (d) Make notes (i.e. record a supporting narrative) to justify the assessment;
 - (e) note any issues or risks for further consideration in a Risk Register, including for follow up, for example, in any reference checks, site visits or presentations.
- 3) Individual TET members will first allocate an individual score against each weighted criterion in accordance with (a) (b) and (c) above.
- 4) TET members will record individual scores as per the Scoring Table (examples of scoring by single/dual categories are also provided below).
- 5) At the completion of all of the TET's members' individual assessments, a moderated session will be undertaken to derive an agreed consensus group for each weighted criterion for one or both categories in accordance with (a), (b) and (c) above.
- 6) The agreed TET scores will then be multiplied by the criteria weighting to obtain a total weighted score for each criterion and each category.
- 7) The Tenders will be ranked in accordance with their total weighted score from highest to lowest. At this stage this will be based on technical assessment only.

Scoring Table

Weighted Criteria	Residential Category (out of 10)	Commercial Category (out of 10)	%	Notes
a) Relevant Experience and Capacity (Category Specific Criterion)			40%	
b) Marketing Ability (Category Specific Criterion)			40%	
c) Governance and Management (Common Criterion)			10%	
d) Liaison Services and Reporting (Common Criterion)			10%	
TOTAL			100%	

Example of the scoring for an Agent who has applied for a single category (Residential)

Weighted Criteria	Residential Category (out of 10)	Commercial Category (out of 10)	%	Notes
a) Relevant Experience and Capacity (Category Specific Criterion)	8	X	40%	
b) Marketing Ability (Category Specific Criterion)	7	X	40%	
c) Governance and Management (Common Criterion)	6	X	10%	
d) Liaison Services and Reporting (Common Criterion)	5	X	10%	
TOTAL	26	X	100%	

Example of the scoring for an Agent who has applied for both categories (Residential and Commercial)

Weighted Criteria	Residential Category (out of 10)	Commercial Category (out of 10)	%	Notes
a) Relevant Experience and Capacity (Category Specific Criterion)	8	6	40%	
b) Marketing Ability (Category Specific Criterion)	7	5	40%	
c) Governance and Management (Common Criterion)	6 (same score)		10	
d) Liaison Services and Reporting (Common Criterion)	5 (same score)		10	
TOTAL	26	22	100%	

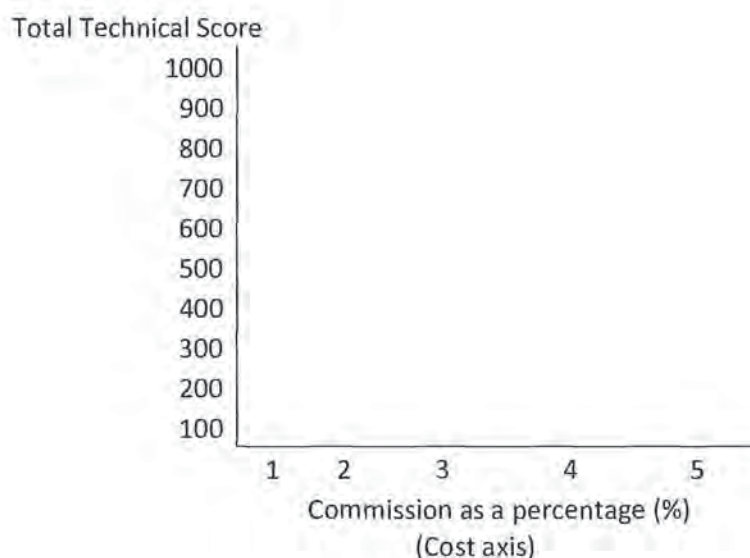
Offer Definition

- 8) During the evaluation process, the ACT Government may undertake offer definition activities with Tenderer(s) (or short-listed Tenderer(s) if a short-listing process has occurred) to:
- further define or refine aspects of one or more Tenderer(s)'s offers; and
 - ensure, to the maximum extent practicable, all critical issues and risks relating to the proposed Tender (including terms and conditions of Contract) are resolved.
- 9) Offer definition activities may include:
- information sessions to be conducted by the ACT Government;
 - site visits, presentations and/or demonstrations;
 - the conduct of risk reduction workshops; and
 - the provision of revised offers.
- 10) Where offer definition activities are undertaken, the evaluation process/TET will have regard to any deliverables submitted by Tenderers as part of an offer definition activity. Where any adjustment to scoring is made as a result of offer definition activities, the TET must keep a record of the original score, the amended score and, where appropriate, narrative to support the adjustment.
- 11) If the ACT Government does undertake offer definition activities, Tenderers (or short-listed Tenderer(s) if a short-listing process has occurred) will be advised:
- that they are invited to participate in an offer definition activity;
 - of the details of the specific activities which will form part of the offer definition activity and the processes which will apply, including the basis on which Tenderers may be permitted to make a revised offer; and
 - of the probity arrangements which will govern the offer definition activity.

Stage 3 – Value for Money Assessment

Cost Assessment (unweighted criteria)

- 12) After the TET has reached an agreed consensus score for each weighted (technical) criteria, for each Tender, the TET will rank all tenders according to their consensus technical score and in order of highest to lowest.
- 13) The TET will open pricing envelopes, taking into consideration the price against the technical score, to determine associated risks in a value for money outcome, for each tender.
- 14) In considering prices:
 - i. The TET may apply the relevant pricing from the submitted Pricing Schedules, to one (1) consistent example of a proposed sale in the 'Fictitious Kenny site', at **Attachment B.2** of this document. The TET will then be able to compare costs, across several categories, in the Pricing Schedule.
 - ii. The TET will then plot, on the below template graph, the technical to cost value, for each category, using a total technical score axis and a cost axis (based on one (1) consistent example from Fictitious Kenny Site) and will consider the relative value for money associated with each respective Tender for each category and be mindful of any risks. Acceptability of cost in the context of the VFM assessment will then be determined.



- 15) The TET may undertake a financial viability check of one, some or all preferred Tenderers through a financial assessment analysis.

Risk Assessment (unweighted criterion)

- 16) The TET will maintain, through the evaluation, a Risk Register within which will be recorded any significant risk to the Territory presented by a Tender.
- 17) The TET will undertake a risk assessment of the risks identified through the evaluation process.
- 18) The risk assessment is the TET's considered assessment of the risk associated with each Tender.
- 19) The risk assessment may give rise to a range of specific questions and issues that need to be addressed by further investigations and clarifications which will be managed by the TET Chair and in accordance with approved clarification processes and probity principles (and may be undertaken as per an offer definition activity).

Value for Money

- 20) The Territory's objective in evaluating Tenders is the attainment of best value for money and not necessarily the lowest price.
- 21) A value for money assessment will be made having regard to ACT Government's requirements as specified in the RFT, and having regard to the outcome of the technical assessment against the weighted criteria (A-D), cost and risk of each Tender, for each category.

RECOMMENDATION

- 1) The TET will recommend to the Delegate the maximum number of Tenderers for inclusion on the Panel of Commercial and Residential Real Estate Agents, for each category, who represents value for money to the Territory, having considered all the relevant information, technical merit, cost and risks.

3. EVALUATION REPORT AND LETTERS OF DECLINE/DEBRIEFINGS**Evaluation Report**

- 1) The TET will prepare the following information for inclusion with the Evaluation Report.
 - a) background to the process;
 - b) an outline of the evaluation process, including a summary of finding, comments and scores against each criteria for each tender;
 - c) summary of presentation outcomes, if applicable;
 - d) value for money ranking in each category (overview of VFM assessment – technical, risk and cost);
 - e) proposed methods for management of any residual risks;
 - f) identification of any issues which should be resolved by negotiation; and
 - g) recommendations to the Director General or approving Delegate.
- 2) The Territory may enter into Contract negotiations with those Tenderers deemed technically competent and of acceptable risk in delivering the required Services.
- 3) The Territory may decline to enter into Contract negotiations with those Tenderers deemed to possess too great a risk in delivering the required Services.

Letters of Decline / Debriefings

Letters of decline will be sent to all unsuccessful Tenderers. Letters of decline and debriefings will comply with the requirements outlined in Procurement Circular 2007/05 *Debriefing Unsuccessful Tenderers*.

ATTACHMENT 1

Scoring Scale

Descriptor	Sample Commentary	Rating
Superior	Highly convincing and credible. Response demonstrates superior capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Comprehensively documented with all claims fully substantiated.	10
Outstanding	Highly convincing and credible. Response demonstrates outstanding capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Documentation provides complete details. All claims adequately demonstrated and substantiated.	9
Excellent	Response complies, is convincing and credible. Response demonstrates excellent capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Some minor lack of substantiation but the Tenderer's overall claim is supported.	8
Very Good	Response complies, is convincing and credible. Response demonstrates very good capability, capacity and experience, relevant to, or understanding of, the requirements of the Evaluation Criterion. Minor uncertainties and shortcomings in the Tenderer's claims or documentation.	7
Good	Response complies and is credible but not completely convincing. Response demonstrates adequate capability, capacity and experience, relevant to, or understanding of, the requirements of the Evaluation Criterion. Tenderer's claims have some gaps.	6
Adequate	Response has minor omissions. Credible but barely convincing. Response demonstrates only a marginal capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion.	5
Reservations	Barely convincing. Response has shortcomings and deficiencies in demonstrating the Tenderer's capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Medium risk. Price: Price is medium to high (Compared to Table. 1). Price poses medium risks.	4
Poor	Unconvincing. Response has significant flaws in demonstrating the Tenderer's capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion.	3
Very Poor	Unconvincing. Response is significantly flawed and fundamental	2

	details are lacking. Minimal information has been provided to demonstrate the Tenderer's capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion.	
Inadequate	Response is totally unconvincing and requirements have not been met. Response has inadequate information to demonstrate the Tenderer's capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion.	1
Not Acceptable	Tenderer was not evaluated as it did not provide any requested information and/or contravened nominated restrictions.	0

ATTACHMENT B.1 - PRICING SCHEDULE

1. Tenderers are required to complete and provide the pricing below.
2. Tenderers should note that if they are only tendering for the Residential Categories, they are not required to complete the pricing schedule in relation to the Commercial Categories, and vice versa.
3. Tenderers' scores will not be affected by the number of categories they provide pricing schedules for.

Fill in the green cells only.

All rates, fees and charges will be GST inclusive.

PART A - Commercial, Industrial, Medium/high density Multi-Unit sites, Englobo (Including GST) (Maximum Rate)				
Block Sale				
Above	Under	Rate %	or Flat Rate Fee	
\$ -	\$ 500,000	\$0 Inc GST	\$0 Inc GST	
\$ 500,001	\$ 1,000,000	\$0 Inc GST	\$0 Inc GST	
\$ 1,000,001	\$ 2,000,000	\$0 Inc GST	\$0 Inc GST	
\$ 2,000,001	\$ 3,000,000	\$0 Inc GST	\$0 Inc GST	
\$ 3,000,001	\$ 5,000,000	\$0 Inc GST	\$0 Inc GST	
\$ 5,000,001	\$ 10,000,000	\$0 Inc GST	\$0 Inc GST	
\$ 10,000,001	\$ 50,000,000	\$0 Inc GST	\$0 Inc GST	
\$ 50,000,001	\$ 100,000,000	\$0 Inc GST	\$0 Inc GST	

For Commercial, Industrial, Medium/High Density Multi-Unit and Englobo Block sale charge a Commission Rate or a Flat Rate fee. Only select one fee option per bracket

PART B - Single Dwelling Residential Land Sales per Block (Including GST) (Maximum Rate)				
Number of Blocks		% Rate per Block	Flat Fee per Block	
0	50	0.00% Inc GST	0.00% Inc GST	
51	150	0.00% Inc GST	0.00% Inc GST	
151	450	0.00% Inc GST	0.00% Inc GST	
451	+	0.00% Inc GST	0.00% Inc GST	

For All Residential Land Sales you can select to charge a Commission Rate or a Flat Rate fee. Only select one fee option per bracket

PART C Real Estate Market Consultancy Services (Including GST) (Maximum Rate)	
Position	Hourly Rate
1. Enter	\$0 Inc GST
2. Enter	\$0 Inc GST
3. Enter	\$0 Inc GST
4. Enter	\$0 Inc GST

For Real Estate Market Consultancy Services, fill in the position and the hourly rate Only

PART D - Auctioneering Services (Including GST) (Maximum Rate)	
Type	Fee for Service
\$ Fee Per Sale or	\$0 Inc GST
\$ Fee Per Hour	\$0 Inc GST

For Auctioneering Services, fill in a fixed dollar per sale rate or per hour rate Only. Only select one fee option

PART E - Pricing Assumptions	
Insert Assumptions	

Reserves for fictitious sites in Kenny for Agents Panel RFT.

1. Sales of 125 single residential blocks (residential category) – Average price \$275,000
– Total value \$34,375,000
2. Sale of Multi Unit Site with a maximum of 150 dwellings (residential category) -
\$35,000 per max dwelling – Total value \$5,250,000.
3. Sale of Englobo site of up to 500 dwellings with 20% affordable (residential category)
- \$55,000 per max dwellings – Total value \$27,500,000
4. Sale of an industrial site, zoned IZ2 containing 15 blocks ranging in size from 2,000
sqm to 7,500 sqm (commercial category). Average sale price of \$300 per sqm.
 - Block 1 - 2,000 sqm – sale price \$600,000
 - Block 2 - 2,500 sqm – Sale price \$750,000
 - Block 3 – 3,000sqm – Sale price \$900,000
 - Block 4 – 3,500 sqm – Sale price \$1,050,000
 - Block 5 - 3,750 sqm – Sale price \$1,125,000
 - Block 6 – 4,500 sqm – Sale price \$1,350,000
 - Block 7 – 4,750 sqm - Sale price \$1,425,000
 - Block 8 – 5,000 sqm - Sale price \$1,500,000
 - Block 9 – 5,250 sqm - Sale price \$1,575,000
 - Block 10 – 5,500 sqm - Sale price \$1,650,000
 - Block 11 – 5,750 sqm - Sale price \$1,725,000
 - Block 12 – 6,000 sqm - Sale price \$1,800,000
 - Block 13 – 6,250 sqm - Sale price \$1,875,000
 - Block 14 – 6,500 sqm - Sale price \$1,950,000
 - Block 15 – 7,500 sqm - Sale price \$2,250,000
5. Sale of a Commercial site zoned CZ4 (commercial category) – Local Centre – shop,
restaurant, service station, residential – Sale price - \$1,450,000

MINUTES - draft to be updated
12/2012

Government Procurement Board Standing Proposals Meeting
Tuesday 17 July 2012, 8.30 am
Conference Room, Level 1, Dame Pattie Menzies House, Dickson

Attendees: Mr George Tomlins (Acting Chair), Ms Diane Fielding, Mr Cliff Carey, Ms Leanne Cover, Mr Bob Samarcq, Ms Jill Divorty, Ms Bev Wagg (Minutes), Ms Robyn Unger (Minutes).

1. Apologies

Ms Sue Morrell, Ms Rosemary Kennedy, Ms Jan Pearse

2. Invited Proponents

(i) Hamish McNulty, Executive Director, Infrastructure & Capital Works, LDA
Ron Maginness, Project Consultant, EDD
Peter Rea, Procurement Officer, SSP

(ii) Grant Doran, Acting Director Operations, SSICT
Peter Degraaff, Senior Manager ICT, SSP
Michael Thomas, Manager ICT, SSP


(iii) Julia Forner, Senior Manager, LDA
John Mason, Sales and Valuations Manager, LDA
Sch 2 s2.2(a), Procurement Consultant, Walter Partners
Daren Stinson, Assistant Manager, SSP
Josh Faulkner, Procurement Officer, SSP

3. Conflict of Interest

No conflicts of interest were declared.

4. Procurement Plans Considered

(i) Out of Scope



(ii)

Out of Scope



- (iii) **GPB 871 – Panel of Commercial and Residential Property Agents**
Ms Forner, Mr Mason, Sch 2, Mr Partners, Mr Stinson and Mr Josh Faulkner attended and answered questions from the Board.

The Board noted that:

- a) the evaluation criteria will include the Tenderer Response Form;
- b) the current panel was initially engaged for 3 years then extended for 1 year and did not distinguish between commercial and residential land release as is proposed for the next panel;
- c) for administrative practicality only a relevant selection of panellists should be approached when property sale services are required;
- d) tenderers will be required to provide information about their services and strategies in relation to affordable housing;
- e) the panel will not be involved in direct sales, for example to non-government organisations; and
- f) the industry briefing will occur after the tenders are advertised.

Board Decision:

The Board Endorsed the proposal submitted by the Land Development Agency, Economic Development Directorate to establish a panel of commercial and residential property agents to provide property services to the Territory, involving a total estimated value of \$12,000,000 including GST, for a maximum period of four years comprising an initial period of three years with provision for extension of one year, subject to the following:

1. Reflecting caretaker convention the Tender documentation should include a statement regarding the implications of the election and the possibility that the tender process might not be completed.

5. **Previous Minutes**

Out of Scope

6. **Action Items Outstanding**

Out of Scope

7. **Other Business**

Out of Scope

Meeting ended: am

APPROVED

Mr George Tomlins
Acting Chair

MINUTES

22/2013

Government Procurement Board Standing Proposals Meeting

8.30 am Tuesday 19 November 2013

Macarthur House, Level 5 Meeting Room, 12 Wattle Street Lyneham

1. Attendees:

Bronwen Overton-Clarke (acting Chair), Stephen Goggs, Roger Broughton, Richard Bear, Di Fielding, Ben Power (Secretariat)

2. Apologies

Sue Morrell, Bob Samarcq, Jill Divorty

3. Conflict of Interest

No conflicts of interest were declared.

4. Procurement Plans for Consideration

No procurement plans were presented for consideration.

5. Other Business

The Board received a presentation on the City to the Lake project, conducted by representatives from the Land Development Agency, Economic Development Directorate and Shared Services Procurement.

6. Minutes from Previous Meeting

Out of Scope

7. Action Items Outstanding and Other Business

Out of Scope

Meeting ended: 9:40 am

Bronwen Overton-Clarke
A/g Chair



Procurement Plan Minute

PROCUREMENT OVERVIEW															
To	Chief Executive Officer														
Name of Project	City to the Lake Precinct – Estate Development Plan - Consultancy														
Purpose	This minute seeks your agreement to procuring a Consultant to prepare and lodge an Estate Development Plan (EDP) for Works Approval.														
Estimated value (\$)	\$5.0 million (excl GST)														
Timing/urgency	<p>Indicative timeframe:</p> <table border="0"> <tr> <td>RFT advertised</td> <td>14/12/2013</td> </tr> <tr> <td>Brief to Industry/Site Inspection</td> <td>17/01/2014</td> </tr> <tr> <td>RFT Closes</td> <td>20/02/2014</td> </tr> <tr> <td>Evaluation Report completed and submitted</td> <td>6/03/2014</td> </tr> <tr> <td>Approval of Delegate</td> <td>13/03/2014</td> </tr> <tr> <td>Contract Awarded</td> <td>March 2014</td> </tr> <tr> <td>Debrief Unsuccessful Tenderers</td> <td>March 2014</td> </tr> </table> <p>(Note: timings are estimates and may change after the Procurement Plan is signed)</p>	RFT advertised	14/12/2013	Brief to Industry/Site Inspection	17/01/2014	RFT Closes	20/02/2014	Evaluation Report completed and submitted	6/03/2014	Approval of Delegate	13/03/2014	Contract Awarded	March 2014	Debrief Unsuccessful Tenderers	March 2014
RFT advertised	14/12/2013														
Brief to Industry/Site Inspection	17/01/2014														
RFT Closes	20/02/2014														
Evaluation Report completed and submitted	6/03/2014														
Approval of Delegate	13/03/2014														
Contract Awarded	March 2014														
Debrief Unsuccessful Tenderers	March 2014														
Tender Number															
Is Government Procurement Board sign off required?	Yes.														
Is ACT Government Solicitor consultation required?	No, ACT Government Solicitor has provided advice previously on EDP consultancies, and this is well established process with standard contractual arrangements.														

PROCUREMENT REQUIREMENTS	
Objective or scope of works or services to be provided	<p>The objective is to engage a planning and design consultant to undertake the design of an Estate Development Plan (EDP) for the West Basin estate and waterfront to be submitted for Works Approval. The works include estate development master planning of the greater City to the Lake precinct.</p> <p>As well as an approved EDP, the Consultant would also provide detail design services for waterfront precinct in West Basin.</p>
Type	Goods and Services
Funding	A funding envelope of \$5 million (excl GST) has been provided by LDA for the City to the Lake precinct and related purposes. Funding would be

	provided from the funding envelope for this Project.
Site	Parts of the Divisions of Acton, City and Parkes
Consultation (including pre tender)	Public consultation on City to the Lake precinct was conducted in the first half of 2013. No further consultation is required for this procurement.

PROCUREMENT RISK	
Risk	The Risk Plan is at <u>Attachment A</u> .

PROCUREMENT METHODOLOGY	
Description of the procurement method to be used	Public Tender restricted to firms with prequalification CE - engineering consultant with superintendence.
Evaluation	The Evaluation Plan is at <u>Attachment B</u> . The Probity Statement is at <u>Attachment C</u> .
Is this suitable to be a Social Procurement?	No.

EVALUATION TEAM			
Name	1. Tom Gordon	2. Michael Prendergast	3. Stephen Wallace
Position	Chair	Member	Member
Agency	LDA	LDA	LDA
Statement on team composition	Each team member has relevant professional qualifications and experience in the design and development industries.		


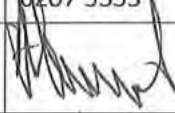
CONTRACT MANAGEMENT	
Number of contracts	One
Contract management	The contract will be managed by a project officer from the LDA.
Period of contract(s)	Two years for the EDP. If detail design and construction services options are exercised by the LDA, the contract period would be 5 years (including the construction defects liability period).

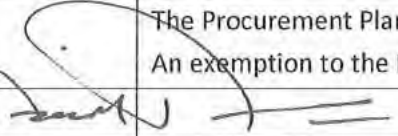
AUSTRALIAN FREE TRADE AGREEMENTS (FTAs)	
Does the AUSFTA / Australia-Chile FTA apply?	Yes. Please note the tender period will be greater than the threshold requirement of 30 days.

AUSTRALIAN GOVERNMENT FUNDING	
Is there Australian Government funding attached to the procurement?	No.

EXEMPTIONS	
Exemption Type	Noting the Goods and Services threshold of \$1 million (incl GST), an exemption is sought to the Pre-Tender Industry Consultation process.
Reason for Exemption	The procurement process proposed for this type of work is well-established amongst the appropriately prequalified potential tenders. No extra benefit can be anticipated by conducting such consultation.

QA VERIFICATION BY BUSINESS SUPPORT UNIT
The Business Support Unit confirms all relevant details have been entered into the Contract Monitoring database and that this document reflects the latest version.

LDA RECOMMENDATION			
Project Director	Tom Gordon	Signature and Date	 4.12.13
		Phone Number	6207 5553
Deputy Director General	Dan Stewart	Signature and Date	 04.12.13

CHIEF EXECUTIVE OFFICER APPROVAL			
Name	David Dawes		
Position	Chief Executive Officer		
Statement	The Procurement Plan and attachments are approved. An exemption to the Pre-Tender Industry Consultation process is agreed.		
Signature		Date	4/12/2013.

LDA RISK PLAN AND MATRIX

The Risks should be assessed using the following Consequence and Likelihood Scales and the Risk Analysis Matrix, developed in accordance with Australian Standard AS/NZS ISO 1000:2009.	CONSEQUENCES					
		Insignificant	Minor	Moderate	Major	Catastrophic
	General	Negligible impact upon objectives	Minor effects that are easily remedied	Some objectives affected	Some important objectives cannot be achieved	Most objectives cannot be achieved
	Community	Injuries or condition not requiring medical attention	Minor injury or First Aid Treatment needed	Serious injury needing hospitalisation, multiple medical treatment cases	Life threatening injuries, irreversible disability	Death/s, multiple life threatening injuries, irreversible disabilities
	Property (including intangibles eg IT data & intellectual property)	Slight (non structural) damage or loss of public/private goods, assets and data. Possible small compensation.	Minor (structural) damage and liability for compensation	Significant damage or loss involving possible legal action for compensation	Serious damage or loss requiring operational changes and involving legal action for significant compensation.	Extensive damage or loss, Business Continuity Plans activated, very heavy legal and compensation costs.
	Financial	Possible unavoidable Expenditure resulting in Budgetary losses of up to 1% (or <\$5K)	Up to 5% of budget (or <\$50K)	Up to 20% of budget (or <\$00K)	Up to 40% of budget (or <\$5M)	Greater than 40% of budget (or >\$5M)
	Environment	Negligible damage and loss of flora and fauna, degradation and/or loss of environmental amenity	Short term effects not affecting ecosystem functioning	Moderate environmental impacts, able to be contained and repaired in medium term	Long term environmental impairment of ecosystem functions	Widespread, long-term environmental impairment of more than one ecosystem
Reputation	Minor adverse local attention, internal review	Attention from local media, scrutiny required by internal committees	Significant media attention, scrutiny required by external committee, Auditor General etc	Intense public, political and media scrutiny, damage to organisation	Assembly inquiry or Commission of inquiry, adverse national media	
LIKEHOOD	Event is expected to occur in most circumstances	Almost Certain	<i>Medium</i>	<i>High</i>	<i>High</i>	<i>Very High</i>
	Event will probably occur on most circumstances	Likely	<i>Medium</i>	<i>Medium</i>	<i>High</i>	<i>Very High</i>
	Event may occur at some time	Possible	<i>Low</i>	<i>Medium</i>	<i>High</i>	<i>High</i>
	Event is not expected to occur	Unlikely	<i>Low</i>	<i>Low</i>	<i>Medium</i>	<i>High</i>
	Event is likely to occur only in exceptional circumstances	Rare	<i>Low</i>	<i>Low</i>	<i>Medium</i>	<i>Medium</i>
RISK ASSESSMENT MATRIX						

- Low Risk:** Unlikely to require allocation of resources, manage by routine procedures.
- Medium Risk:** Must be brought to attention of manager, resources required to address risk must be allocated.
- High Risk:** Senior management action required, risk treatments applied. Responsibility must be specified. Subject to regular monitoring.
- Very High Risk:** Immediate action required. Senior executive attention needed with action plans and management responsibility specified. All possible treatments to be put in place to reduce risk.

Risk Register

Identify the risks which could affect the successful outcome of the procurement, grouped by type. *(Insert or delete rows as needed)*

No.	The Risk (Cause) What can happen and how and then group by type.	Consequence Describe the consequence	Consequence Rating	Likelihood Rating	Risk Rating * (refer to Matrix)	Risk Priority	How are Risks to be Treated?	Consequence Rating after Treatment	Likelihood Rating after Treatment	Level of Risk Rating after Treatment
Tendering Phase										
T1	<u>Category: Tender Process</u> Inadequate/ insufficient submissions	<ul style="list-style-type: none"> Delay to program LDA expectation not met May need to retender 	Moderate	Rare	Medium	1	<ul style="list-style-type: none"> Advertise RFT in a range of media including, local paper, ACT Government Procurement website and LDA's website Provide a comprehensive scope of works in the RFT with defined milestones and clear timeframes 	Moderate	Rare	Medium
T2	<u>Category: Tender Process</u> Unable to select suitable submission	<ul style="list-style-type: none"> Delay to program LDA expectation not met May need to retender 	Moderate	Rare	Medium	3	<ul style="list-style-type: none"> Provide a comprehensive scope of works in the RFT with defined milestones and clear timeframes Follow approved Evaluation Plan 	Moderate	Rare	Medium
T3	<u>Category: Tender Process</u> Unrealistic tender price	<ul style="list-style-type: none"> Delay to program LDA expectation not met May need to retender 	Moderate	Unlikely	Medium	2 Unlikely	<ul style="list-style-type: none"> Review previous tenders for similar projects to obtain an idea of cost and include in business planning. Allow adequate contingency in the budget. Advise delegate of situation and seek approval for additional funds Possibly retender 	Moderate	Rare	Medium
T4	<u>Category: Tender Process</u> Potential conflict of interest/probity issues arise	<ul style="list-style-type: none"> Delay to program May need to retender 	Minor	Unlikely	Low	4	<ul style="list-style-type: none"> Follow approved Probity Plan Advise delegate of any relevant situation and obtain advice from probity officer in ACTGS 	Minor	Rare	Low
T5	<u>Category: Tender Process</u> Best potentially available value for money is not achieved due to competent potential tenderers not responding to the RFT due to perceptions of potential size of public tender field.	<ul style="list-style-type: none"> Higher price Poor quality outcome Potential need to retender to attract competent supplier. 	Minor	Unlikely	Low	5	<ul style="list-style-type: none"> Evaluation criteria are specific to ensure past experience is relevant to works of similar scope and nature RFT scope of services brief clearly articulates requirements 	Minor	Unlikely	Low

Contract Phase

C1	<u>Category: Project</u> Possible contaminated soil	<ul style="list-style-type: none"> Increased development costs Reduced returns to Territory Possible risk to human health Delay of release/ program 	<u>Minor</u>	<u>Possible</u>	<u>Medium</u>	8	<ul style="list-style-type: none"> Undertake environmental site assessment studies to identify any risk and relevant remediation works Ensure report and any actions are provided to the successful consultant 	<u>Minor</u>	<u>Unlikely</u>	<u>Low</u>
C2	<u>Category: Project</u> Poor document control	<ul style="list-style-type: none"> Increase costs Time delays Lack of trust in competence 	<u>Minor</u>	<u>Possible</u>	<u>Medium</u>	7	<ul style="list-style-type: none"> Ensure consultant's documentation Quality Assurance has been applied Carry out quality checks on documentation Monitor work constantly throughout project All documentation to be submitted to LDA and authorised prior to distribution to others Hold regular design reviews 	<u>Minor</u>	<u>Unlikely</u>	<u>Low</u>
C3	<u>Category: Finance</u> Supplier becoming insolvent and goes out of business	<ul style="list-style-type: none"> Increased costs Time delays Abortive works 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>	3	<ul style="list-style-type: none"> Carry out financial rating checks during tender evaluation (if required) Undertake financial assessment if required Follow approved Procurement Plan 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>
C4	<u>Category: Political, Media, Community</u> Government changing policy direction	<ul style="list-style-type: none"> Land development delayed 	<u>Minor</u>	<u>Possible</u>	<u>Medium</u>	10	<ul style="list-style-type: none"> LDA Executive to maintain regular liaison with Government and provide advice to emerging policy including potential impacts to land release Allow flexibility in estate design to respond to new directions in planning policy, etc Assess the supply/ demand for land and analyse this prior to committing to the commencement of works 	<u>Minor</u>	<u>Unlikely</u>	<u>Low</u>
C5	<u>Category: Contractual Issues</u> Poor time performance	<ul style="list-style-type: none"> Delay in approvals Delay in land sales Delay in revenue to Territory Delay in documentation, rushed preparation of construction/ tender documentation 	<u>Minor</u>	<u>Possible</u>	<u>Medium</u>	6	<ul style="list-style-type: none"> Follow Evaluation Plan and assess past performance, team skills and current work commitments and resourcing Ensure realistic time period in RFT Clear milestones for delivery in RFT Regular PCG meetings to monitor progress and address issues Timely decision making Avoid unnecessary changes in scope 	<u>Minor</u>	<u>Unlikely</u>	<u>Low</u>
C6	<u>Category: Project</u> Misinterpretation of LDA's requirements	<ul style="list-style-type: none"> LDA expectations not met Delay in land release and revenue 	<u>Minor</u>	<u>Possible</u>	<u>Medium</u>	9	<ul style="list-style-type: none"> Provide comprehensive and defined scope of works Undertake inception meeting to confirm requirements and provide necessary exchange of information Regular PCG meetings Clear, concise correspondence of all instructions/decisions 	<u>Minor</u>	<u>Unlikely</u>	<u>Low</u>

C7	<u>Category: Project</u> Due diligence not complete by award of contract – unforeseen constraints	<ul style="list-style-type: none"> Delay to program Delay to land sales Increased costs 	<u>Minor</u>	<u>Possible</u>	<u>Medium</u>	5	<ul style="list-style-type: none"> Undertake due diligence early in process Inform successful tenderer of studies completed and their findings and outstanding issues Agree on assumptions for outstanding issues 	<u>Minor</u>	<u>Possible</u>	<u>Low</u>
C8	<u>Category: Project</u> Significant delays in approvals	<ul style="list-style-type: none"> Delay to program Delay to land sales and revenue 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>	4	<ul style="list-style-type: none"> Develop design in accordance with Agency requirements and engage early with agencies to identify issues Pre-application meeting Obtain Agency endorsement prior to lodgement Monitor approvals process and liaise with relevant Agencies 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>
C9	<u>Category: Project</u> Poor Quality	<ul style="list-style-type: none"> Design not cost effective Not fit for purpose Below standard therefore delay approvals and asset not accepted 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>	2	<ul style="list-style-type: none"> Regular review of detail design drawings prior to issuing contracts, lodging for approvals Ensure consultant's documentation Quality Assurance has been applied 	<u>Moderate</u>	<u>Rare</u>	<u>Medium</u>
C10	<u>Category: Work, Health and Safety</u> Inadequate understanding of hazards associated with working on urban infill sites	<ul style="list-style-type: none"> Location of existing services (high pressure gas, water, sewer and electricity) not taken into account and damaged causing network disruption and serious injury Traffic management issues associated with a major arterial road not taken into account and serious injury occurs 	<u>Major</u>	<u>Rare</u>	<u>Medium</u>	1	<ul style="list-style-type: none"> Undertake due diligence early in the process Require contact with Dial Before You Dig before any potholing or investigative work is undertaken Provide comprehensive and defined scope of work that includes details on major utility infrastructure and adjacent arterial roads (and design work required within this zone) Ensure Safety in Design review is undertaken and that the report is included within the Construction RFT. Undertake inception meeting to confirm requirements and provide necessary exchange of information Regular PCG meetings Develop design in accordance with Agency requirements and engage early with agencies/ Regulator to identify issues 	<u>Major</u>	<u>Rare</u>	<u>Medium</u>

Project Planning Phase

P1	Delay in EPBC approval processes	<ul style="list-style-type: none"> Delayed land release and settlement targets 	<u>Moderate</u>	<u>Possible</u>	<u>High</u>	1	<ul style="list-style-type: none"> Early engagement of Heritage consultants to assess potential impact Allow reasonable approval timeframes Liaise with relevant agency representatives regarding upcoming applications/ referrals Stakeholder consultation to occur early in project to identify potential issues. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>
P2	Delay in NCA approval processes for waterfront design and EDP.	<ul style="list-style-type: none"> Delayed land release and settlement targets 	<u>Moderate</u>	<u>Possible</u>	<u>High</u>	2	<ul style="list-style-type: none"> Establish joint project governance with NCA; Ensure design principles for the waterfront and a clear functional design brief are established and agreed with NCA at the outset. Establish a PCG with senior NCA representation and have minimum 2 weekly meetings up to completion of FSP design. Establish a Design Review Panel jointly with NCA and ensure engagement with the panel at concept design and through design development. Liaise with relevant agency representatives regarding upcoming applications/ referrals Stakeholder consultation to occur early in project to identify potential issues. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>
P3	Lack of clarity of ownership of created assets	<ul style="list-style-type: none"> Delay with design acceptance and asset transfer Delayed land release and settlement targets 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>	4	<ul style="list-style-type: none"> Establish joint project governance with NCA and raise the issue of asset ownership (particularly West Basin waterfront) at the outset. Establish the value of gifted assets and the value of National Land to be consolidated with Territory Land as an early work priority. Ensure that any land transfer transactions occur independently of EDP design and approval 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>
P4	Delays to the design of upgrade to Parkes Way and Commonwealth Avenue	<ul style="list-style-type: none"> Unable to release land of some land within City to the Lake in some years' time. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>	5	<ul style="list-style-type: none"> Program this part of the land for medium or longer term release. Regular liaison with EDD requesting regular updates and project finalisation dates 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>

P5	Replacement parking strategy not accepted by Agencies/ Stakeholders.	<ul style="list-style-type: none"> • Delay in land release and settlement • Government's Sustainable Transport Strategy not achieved • Loss of revenue to Territory 	<u>Moderate</u>	<u>Possible</u>	<u>High</u>	3	<ul style="list-style-type: none"> • Consult with major stakeholders: <ul style="list-style-type: none"> ○ ESDD ○ TAMS ○ EDD ○ CIT ○ NCA to develop a temporary and long-term car parking strategy for CTL • Accelerate resolution of temporary car parking strategy in consultation with stakeholders • Undertake extensive industry consultation re demand for structured car park facilities to inform final development requirements and expectations. • Sales documents for West Basin land to include car parking requirements and timing. 	Page 38 of 791 <u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>
P6	Not all risks have been identified	<ul style="list-style-type: none"> • Potential increased costs • Delay/ inability to release and settle land. • Embarrassment to the Government 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>	6	<ul style="list-style-type: none"> • Establishment of Project Reference Group (PRG). • Regularly review of project processes and reporting to the LDA Board. • Rigorous due diligence 	<u>Moderate</u>	<u>Rare</u>	<u>Medium</u>

* Separate Risk Treatment Plan required for risks rated 'High' and 'Very High' prior to treatment.

Project: City to the Lake Prepared by: Stephen Wallace Date: 3.12.2013	Reviewed by: Tom Gordon Date: 3.12.2013
--	--

Risk Treatment Plan (required for all risks rated as **High** or **Very High** before Treatment)

The Risk: Delay in EPBC approval processes		Risk Priority Ranking: 1
Risk Rating Prior to Treatment: High Risk		
Risk Description: Land release and settlement delays		
Contributing Factors: <ul style="list-style-type: none"> • unidentified procedure with some unknown variables ie attitude to development within the Parliamentary Triangle and adjacent areas • prolonged approval process • Community aversion to development including influential surrounding residents 		
RISK TREATMENT PRACTICES		
Risk Treatment Description: <ul style="list-style-type: none"> • Early engagement of Heritage consultants to assess potential impact • Allow reasonable approval timeframes • Liaise with relevant agency representatives regarding upcoming applications/referrals • Stakeholder consultation to occur early in project to identify potential issues. 		
Likelihood Rating after Treatment: <u>Unlikely</u>	Consequence Rating after Treatment: <u>Moderate</u>	
RISK RANKING AFTER TREATMENT (RESIDUAL RISK) AND REQUIRED ACTION: Medium		
INTENDED MONITORING AND REPORTING OF ONGOING RISK LEVELS**		Responsibility
1	Regular discussion and meetings with NCA and Department of the Environment to assess progress	PM, PD
2	Regular monitoring and reporting by project manager.	PM
3	Regular review and reporting of corrective actions	PM
4		
EMERGENCY RESPONSE SHOULD CONTROL MEASURES FAIL		Responsibility
(insert details of emergency responses)		(insert name of person)

****Note:** Where the "Level of Risk Rating after Treatment" (ie the Residual Risk) is still at a "High" or "Very High" level, then risk monitoring is to be either:

- A. Elevated to a Supervisor level, or
- B. At a minimum, reported upon on a regular basis.

Risk Treatment Plan (required for all risks rated as **High** or **Very High** before Treatment)

The Risk: Replacement parking strategy not accepted by Agencies/ Stakeholders.		Risk Priority Ranking: 3
Risk Rating Prior to Treatment: High Risk		
Risk Description: Delay in land release and settlement, Government's Sustainable Transport Strategy not achieved and loss of revenue to Territory		
Contributing Factors: <ul style="list-style-type: none"> Inability to agree on the displacement and replacement car parking spaces. Unviable development option resulting in no bids from developers. Unreasonable Agency requirement for replacement and new generated parking standards. 		
RISK TREATMENT PRACTICES		
Risk Treatment Description: <ul style="list-style-type: none"> Consult with major stakeholders to develop a temporary and long-term car parking strategy for CTL: <ul style="list-style-type: none"> ESDD TAMS EDD CIT NCA Accelerate resolution of temporary car parking strategy in consultation with stakeholders Undertake extensive industry consultation re demand for structured car park facilities to inform final development requirements and expectations Sales documents for West Basin land to include car parking requirements and timing. 		
Likelihood Rating after Treatment: <i>Possible</i>		Consequence Rating after Treatment: <i>Moderate</i>
RISK RANKING AFTER TREATMENT (RESIDUAL RISK) AND REQUIRED ACTION: Medium		
INTENDED MONITORING AND REPORTING OF ONGOING RISK LEVELS**		
1	Monthly report to include commentary on any changes to scope, materials costs and the market conditions.	PM and PCG
2	<ul style="list-style-type: none"> Consult with major stakeholders to develop a temporary and long-term car parking strategy for the site: <ul style="list-style-type: none"> ESDD TAMSD EDD CIT NCA 	PM
EMERGENCY RESPONSE SHOULD CONTROL MEASURES FAIL		Responsibility
(insert details of emergency responses)		

****Note:** Where the "Level of Risk Rating after Treatment" (ie the Residual Risk) is still at a "High" or "Very High" level, then risk monitoring is to be either:

- Elevated to a Supervisor level, or
- At a minimum, reported upon on a regular basis.

Examples of Risks

Page 43 of 791

Construction Site problems—rock, foundation conditions Site identification—survey incorrect Faulty workmanship—plan not followed Disputes—contractors and/or unions Design errors, substandard quality control Construction method and programming of works Excessive escalation of project end costs Sub-contractors without permission/notification Supplier unable to supply goods	Contractual issues Inappropriate documentation Lack of adequate records Litigation, penalties Contractor does not meet KPIs Failure to supply goods Lack of clarity between government and contractor over liability Ethical suppliers—breach of contract. Monitoring and management plan Conflict of interest (legal or auditing consultants) Novation / assignment without permission Give or accept indemnities incorrectly Professional liability— designer or professional error	Technology / ICT Obsolescence No support after sale/purchase Does not perform as promised Lack of records (source codes) Difficult or no training Prototype difficulties Patent, copyright, intellectual property Lack of technical knowledge Transition issues— data migration difficulties Key personnel skills lacking Interface issues / costs Systems integration problems
Environment Liability for changing the environment—spills, leakages—but can include noise, dust. Can be as simple as wet ink on a brochure or draining wash up liquid into storm drains Need for land remediation	Insurance Wrong type, inadequate Incorrectly arranged or not arranged Cancelled during contract. Impact of liquidator of supplier on insurance	Reputation Loss of public support Loss of financial support Inability to attract contractors
Management / Administration Poorly trained / poor training. Breach of legislation Discrimination, wrongful act (libel, slander) Overcharging Poor billing practice	Viability of Contractor Insolvency, unable to continue Bonding and guarantee difficulties Inability or unwillingness to perform Retention of staff, attracting suitable staff	Project Scope of project poorly defined or changes Timeframes not feasible Transition problems
Personnel / Contractors / Consultants / LDA staff Inadequately trained, availability of trained staff Poor performance Expert personnel leave the company Not trust worthy Not physically capable Holidays sicknesses, strikes Known offenders engaged—schools, playgrounds	Finance Interest rate fluctuations or extension of time Withdrawal of promised finance / funding Cost overruns, poor estimating Delay Foreign exchange rate fluctuations	Political, Media, Community Change of government policy Economic downturn Pressure groups Media campaigns Negative community reaction causing delays, changes Answering negative media comment
Weather Delays Damage Reduction in takings Additional (protection) costs	Occupational Health & Safety Safe work place Danger to general public Chemical, vapour, dust, heat, noise, work practices	Security of Contract Products Burglary and theft, malicious damage, graffiti, arson.
Products Liability Loss, damage or destruction and/or injury, illness or death to third parties arising from faulty product Product dangers, volatility—fireworks, bad foods, chemicals, chemical products Fault in manufacture or process	Public Liability Negligence, (accidental) causing loss, damage or destruction to third party property and/or injury including illness and/or death to third parties	Fraud Pilferage or ghosting supplies services or staff Certifying incorrect quantities
Tender Process Delays Nil response Shortcomings in documentation, tender specifications Tender prices exceed budget Probity issues Selected procurement method inappropriate causes problems	Client Client unable to meet timeframes, changes requirements	Property and Assets Loss, damage, destruction, consequential loss, including loss of data Denial of access Air-chemical contamination Shutdown due to coronial inquiry

EVALUATION PLAN CONSULTANCY

1. AIM

This Evaluation Plan details the project timetable, the Evaluation Team, its responsibilities, the evaluation methodology, and the evaluation criteria by which offers received will be evaluated. The Request for Tender or other procurement documents **must** include the evaluation criteria and methodology as set out herein.

2. EVALUATION TEAM

The Evaluation Team detailed below has been formed to evaluate the responses for the stated project. All members of the Evaluation Team are aware of their responsibilities, and the need to demonstrate confidentiality, impartiality and equity to all respondents.

The Evaluation Team will be responsible for:

- (a) maintaining probity
- (b) evaluating the responses in accordance with the criteria and methodology
- (c) documenting the evaluation process
- (d) preparing an Evaluation Report
- (e) seek Chief Executive or delegate approval to proceed with a contract with the preferred respondent and
- (f) debriefing unsuccessful respondents.

The Evaluation Team will comprise:

Position	Name	Title	Department
Chairperson	Tom Gordon	Project Director	LDA
Member	Michael Prendergast	Senior Project Officer	LDA
Member	Stephen Wallace	Senior Project Officer	LDA

These members are experienced and knowledgeable regarding requirements set out in the Project Brief and the Evaluation Plan. Members of the Evaluation Team are personally appointed and will not be withdrawn or replaced without the written approval of the Chief Executive or delegate.

The Evaluation Team may, as required, utilise specialist advice to assist in the evaluation process. The areas of expertise may include:

- (a) technical analysis
- (b) financial assessment

- (c) probity
- (d) legal issues.

3. LATE RESPONSES

Where a late tender is received, the time and date of receipt must be noted on the document and endorsed by the recipient.

Late tenders and incomplete tenders may be admitted for evaluation at the absolute discretion of the Evaluation Team. In deciding whether to admit a late tender to evaluation, the Evaluation Team may take into account any factors it considers relevant, including without limitation:

- (a) whether the late tenderer is likely to have had an opportunity to obtain some unfair advantage from late submission
- (b) how late the tender is, the reasons given for lateness and evidence available
- (c) whether the tender was mishandled by the LDA, by an official postal service, or by a reputable delivery service and
- (d) evidence of unfair practices.

4. EVALUATION PROCESS

All tenders received will be assessed using the methodology outlined below. The methodology takes into consideration possible short listing of tenders and the process that will be used to assess value for money.

Initial Compliance Statement

The Tender Evaluation Team will examine each offer received against the requirements of the RFT and the evaluation criteria. Clarification or additional information, for example, tenderer contact information, may be sought from tenderers where this information does not materially impact on the compliance of the tender.

Nonconforming Tender

Any Tender that does not comply with the Request for Tender or the Project Brief or is incomplete may be deemed to be nonconforming and may be:

- (a) excluded from further consideration
- (b) accepted by ignoring any non-conformance in the tender or
- (c) if possible—accepted after the tenderer corrects the non-conformance.

Alternative Tender

An alternative tender will only be considered if accompanied by a conforming tender. Alternative tenders will initially be evaluated to determine if the tender could provide a product or service that meets the project objectives achieved by a conforming tender. If such a tender is considered not to provide such benefit, it may be excluded from further consideration.

Additional Information/Clarification

The Tender Evaluation Team may, in writing, seek additional information or clarification of tenders received where this information neither materially impacts on the conformance of the

tender (threshold criteria) nor alters the tendered price. All requests for clarification must be fully documented and appropriately filed.

Public Sector Offers

Any offers received from government bodies (Local, State, Territory or Commonwealth) will be evaluated using the principle of competitive neutrality as defined by the National Competition Policy i.e. offers should include all commercial costs that private sector organisations would include in their offers.

Evaluation

All compliant Tenders will be evaluated against the assessment criteria.

Any Proposal that does not meet all the threshold criteria may be excluded from further consideration.

Remaining Tenders received will be evaluated against the selection criteria

Tenders will be reviewed by Evaluation Team members against each criterion. The Evaluation Team will then agree on a consensus score out of 10 for each Tender against each criterion in accordance with the scoring regime. Any Proposal that is rated as marginal or less against any of the Evaluation Criteria may be excluded from further consideration.

The agreed Evaluation Team score will then be multiplied by the criteria weighting to obtain a weighted score for each criterion for each offer. The individual weighted scores for each criterion will then be summed to obtain a total weighted score for each Tender.

Fee evaluation will be based on an assessment of the risks associated with the fee after first determining a comparative ranking by assessing the tendered fee.

Fee risks may include special terms and conditions suggested by the proponent. Fee risks also include the proponent not pricing the full scope of work and not understanding the scope of work as suggested by the proposed fee. As a guide the fee structure should promote overall cost reduction and value optimisation, including hourly rates nominated for variations to the scope of works.

The preferred Tenderer with the highest weighted score, offering best value for money having regard to all relevant factors, might not necessarily be the lowest priced Tender. In cases where the scores do not clearly differentiate between the leading tenderers (within one point), they shall be evaluated comparatively against two highly weighted criteria Technical Skills and Methodology.

The Evaluation Team will recommend to the Delegate that the Tenderer with the highest overall weighted score, having regard to all relevant factors, be declared the preferred tenderer.

Post Tender Negotiations (if required)

Post tender negotiations will take place solely with the preferred tenderer until such time as: (i) a contract is agreed, (ii) the preferred tenderer withdraws their tender (iii) the capacity to negotiate is exhausted or (iv) the LDA decides to accept no tenders and elects to recall tenders.

Debriefing

On formation of a contract or in the event that no tenders are accepted, the unsuccessful tenderers will be notified in writing and offered the opportunity to attend a debriefing session.

5. EVALUATION CRITERIA

Threshold Criteria	Complies Yes/No
1. Prequalification	
2. Must not be listed as non-compliant with the Equal Opportunity for Woman Agency i.e. must be compliant with Equal Opportunity legislation	

These Criteria and Weightings can be amended as necessary to suit individual projects.

Weighted Criteria	Weight
<p>3. <u>Past Performance</u></p> <p>Relevant estate design and infrastructure projects in respect of this criterion would include:</p> <ul style="list-style-type: none"> o Urban renewal projects o Similar size projects with a fine grain enabling a variety of density and building typologies (2 to 10 storeys) o Mixed use developments including, but not limited to, residential, commercial, and retail land uses o Projects which have delivered best practice sustainable development, a high quality urban environment, active outdoor spaces and public realm o Projects containing innovative objectives in planning, landscaping and urban design <p>Past Performance on relevant projects</p> <ul style="list-style-type: none"> • Tenderers must provide information demonstrating recent past performance for similar requirements • Details of similar projects undertaken by the Tenderer in the past five years • Organisation for whom the work was undertaken • Value of the works undertaken <p>Referee contact names and telephone numbers</p>	<p>2.5</p>
<p>4. <u>Technical Skills</u></p> <p>Technical skills of the team and the demonstrated capacity to carry out the tasks (people [including sub-consultants], systems, specific abilities, and allocation resource and capacity of resources proposed)</p>	<p>3</p>
<p>5. Methodology, appreciation of the task and timing (how project is to be tackled, scope of work proposed by the consultant, understanding of the brief and likelihood of achieving proposed milestone and demonstrated commitment to deliver within the timeframe)</p>	<p>2.5</p>

<p>6. <u>Fee Assessment</u></p> <p>The fee assessment will be based on an assessment of how the offer meets the requirement for “value for money” against the risks associated with the fee in accordance with the <i>Scoring Regime</i> after first determining a comparative ranking by assessing the tendered fee using the following formula below.</p> <p>Fee risks may include special terms and conditions suggested by the proponent. Fee risks also include the proponent not pricing the full scope of work and not understanding the scope of work as suggested by the proposed fee. As a guide the fee structure should promote overall cost reduction and value optimisation, including hourly rates nominated for variations to the scope of works.</p> <p>Formula</p> <table border="1" data-bbox="209 875 799 999"> <tr> <td>$F= 8+10(T-M)/M$</td> <td>$F=8+15(M-T)/M$</td> </tr> <tr> <td>Domain</td> <td>Domain</td> </tr> <tr> <td>$T \leq M$</td> <td>$T \geq M$</td> </tr> </table> <p>Where: F = comparative fee score (rounded whole number) prior to assessing risk M = a median value of all submitted fee proposals T = the submitted tender fee of a proponent.</p> <p>Tenderers who have a fee below the median value will be scored using the equation in the left hand box. Tenderers who have a fee above the median will be scored using the equation in the right hand box. Where even numbers of proposals are tendered the median will be deemed to be the mean of the two middle bids.</p> <p>This methodology is considered appropriate as this will result in a lower score being given to those fees above and below the median value thereby encouraging proponents to study the brief in full and make adequate allowance for all necessary work.</p> <p>In assessing the fee, and to provide a rating the evaluation team will take into account the result from the formula above, risks associated with the works and any other significant items deemed appropriate.</p>	$F= 8+10(T-M)/M$	$F=8+15(M-T)/M$	Domain	Domain	$T \leq M$	$T \geq M$	<p>2</p>
$F= 8+10(T-M)/M$	$F=8+15(M-T)/M$						
Domain	Domain						
$T \leq M$	$T \geq M$						
<p>TOTAL</p>	<p>10</p>						

Scoring Regime

The evaluation team will use the numerical scoring scale set out below for Criteria 3, 4 and 5 above.

The evaluation team has adopted a numerical scoring scale at [Attachment 1](#) against which each team member will assess the weighted evaluation criteria.

The evaluation team will meet, discuss and reach a consensus score for each tender against each project-specific criterion.

If a consensus score cannot be agreed for a tenderer's response to a particular criterion, the individual scores will be averaged to determine the consensus score. Half scores may be used.

6. ASSESSING THE LEVEL OF RISK

The Project Team will prepare a Risk Management Plan using the included Risk Assessment Matrix. The matrix identifies the major risk categories for the project and rates them according to their likelihood and consequences to enable a final risk ranking to be allocated to the project.

The Risk Register is the global assessment of all the identified risks associated with the project. It aggregates the likelihood of identified events and their consequences and assigns a risk rating to each event ranked in order of priority from highest to lowest with red indicating very high risk and orange/yellows for high to medium risk.

The Residual Risk Rating will assist in identifying appropriate risk treatment controls.

Managing the level of risk

The Risk Treatment Plan details each discrete event identified on the Risk Register and assesses each contributing factor together with control strategies for addressing them to arrive at a comprehensive risk treatment plan with identified personnel, resources and timelines.

The Risk Treatment Plan only applies to events listed on the Risk Register with a level of risk rated as very high or high.

A separate page must be completed for each of these events. If the risk rating after a treatment control has been applied (the residual risk) is still very high or high, risk monitoring must either be elevated to the General Manager or reported upon on a regular basis.

7. EVALUATION REPORT AND LETTERS OF DECLINE/DEBRIEFINGS

Evaluation Report

The evaluation team will prepare a Tender Evaluation Report to cover the following information as appropriate.

- (a) background to the process;
- (b) the evaluation process,
- (c) the order of preference of tenders;
- (d) value for money;
- (e) proposed methods for management of risks;

- (f) identification of any issues which should be resolved by negotiation; and
- (g) recommendations to the Chief Executive or approving delegate.

Debriefing of Unsuccessful Tenderers

Letters will be sent to all unsuccessful tenderers and should include:

1. appreciation for submitting an offer
2. regret that they were unsuccessful on this occasion
3. advice of public notification on the “Contracts Register” at the ACT Procurement Solutions Website at www.procurement.act.gov.au
4. an offer of a debriefing
5. an encouragement to submit offers in the future.

Any debriefings will be held in accordance with [Procurement Circular 2007/05 Debriefing Unsuccessful Tenders](#)

ATTACHMENT 1

Risk Rating Table for use in Tender Evaluation

Descriptor	Sample Commentary	Rating
Superior	Highly convincing and credible. Response demonstrates superior capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Comprehensively documented with all claims fully substantiated. Insignificant risk.	10
Outstanding	Highly convincing and credible. Response demonstrates outstanding capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Documentation provides complete details. All claims adequately demonstrated and substantiated. Insignificant risk.	9
Excellent	Response complies, is convincing and credible. Response demonstrates excellent capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Some minor lack of substantiation but the Tenderer's overall claim is supported. Low risk.	8
Very Good	Response complies, is convincing and credible. Response demonstrates very good capability, capacity and experience, relevant to, or understanding of, the requirements of the Evaluation Criterion. Minor uncertainties and shortcomings in the Tenderer's claims or documentation. Low risk.	7
Good	Response complies and is credible but not completely convincing. Response demonstrates adequate capability, capacity and experience, relevant to, or understanding of, the requirements of the Evaluation Criterion. Tenderer's claims have some gaps. Low risk.	6
Adequate	Response has minor omissions. Credible but barely convincing. Response demonstrates only a marginal capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Medium risk.	5
Reservations	Barely convincing. Response has shortcomings and deficiencies in demonstrating the Tenderer's capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Medium risk.	4
Poor	Unconvincing. Response has significant flaws in demonstrating the Tenderer's capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Medium risk.	3
Very Poor	Unconvincing. Response is significantly flawed and fundamental details are lacking. Minimal information has been provided to demonstrate the Tenderer's capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. High risk.	2
Inadequate	Response is totally unconvincing and requirements have not been met. Response has inadequate information to demonstrate the Tenderer's capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. High risk.	1
Not Acceptable	Tenderer was not evaluated as it did not provide any requested information and/or contravened nominated restrictions. High risk.	0

PROBITY PLAN

PROBITY

The principle of probity and ethical behaviour provides that officers (*public employees* in the *Public Sector Management Act 1994*) involved in purchasing activities are to act with honesty and maintain the highest ethical standards in all business dealings.

Additional Information: [ACT Integrity Policy](#) and [ACT Procurement Solutions Circular 2007/21](#).

1. PROBITY PROTOCOL - Introduction

1.1 Confidentiality of Information

All documents and proceedings of the Tender Evaluation Team are 'Commercial-in-Confidence' and must be secured when not in use by members of the Tender Evaluation Team. The disclosure of information contained in responses may prejudice the commercial interests of the companies concerned and the bargaining position of the Territory during subsequent contract negotiations.

1.2 Handling of documents

Maintaining the highest levels of confidentiality is essential to ensuring the probity and fair dealing within the purchasing process.

Confidentiality is essential at all stages of the process and information should be provided to people outside the Team only on a 'need to know' basis.

All information associated with the evaluation process must to be clearly marked 'Commercial-in-Confidence' and treated accordingly. The number of persons given access or having access to the information should be kept to an absolute minimum.

Any requests for information regarding the offers and the evaluation should be addressed to the Chairperson of the Tender Evaluation Team.

1.3 Conflicts of Interest

In accordance with [ACT Procurement Solutions Circular 2007/21](#) all Tender Evaluation Team members must immediately disclose to the Chairperson any actual, potential or perceived conflict of interest involving themselves, their immediate or extended family or other close personal relationship and thereafter take steps to avoid or negate that conflict. This responsibility lies with each Tender Evaluation Team member.

Public confidence in the integrity and honesty of the ACT Government is crucial to the operation of the Government. A real, potential or perceived conflict of interest can jeopardise that confidence.

All disclosures of conflicts must be fully documented by the Chairperson.

1.4 Communicating with Tenderers

All communication with organisations external to the Tender Evaluation Team is to be approved by the Chairperson of the Tender Evaluation Team.

All contact with tenderers, for example, requesting additional information or holding formal interviews, is to be conducted with prior approval of the Chairperson of the Tender Evaluation Team.

1.5 Recording Communications

All communications with tenderers are to be documented during the evaluation process.

2. HOW IS PROBITY TO BE MANAGED?

2.1 Probity Adviser

Explain how you will obtain independent professional probity advice on issues that arise during the tender process. If you elect not to appoint an independent private sector probity adviser, explain what process you will undertake e.g. internal review.

An independent probity adviser is not proposed to be appointed for this procurement.

Where a probity issue is identified by any person connected to the tender process (including a tenderer) the Chair of the Evaluation Panel will notify the Executive Director of the relevant Division in writing and, depending on the circumstances and nature of the issue, recommend that the issue be reviewed by either:

- Executive Director of the relevant Division;
- A senior officer unconnected to the project;
- A Senior Executive officer who does not have project responsibility;
- External legal advice; or
- External probity auditor

The report and any recommendations of the probity review will be in writing. Where the review is undertaken by someone other than the Executive Director, the review will be submitted to the Executive Director for consideration and endorsement. The Executive Director will record his decision and the reasons for varying from the probity review recommendations (if applicable).

2.2 Probity Auditor

If a probity auditor is not engaged how will you verify,

- (a) that the procurement process complied with all aspects of the procurement proposal
- (b) that any issues arising during the course of the process were adequately dealt with
and
- (c) that there are no outstanding probity issues.

If one or more probity issues are raised during the tender process a file will be created which contains all relevant documentation.

At the completion of the tender process the file will be reviewed, at the discretion of the Executive Director, by either:

- a senior executive officer who has not been involved in tender process (including providing any previous probity advice); or
- an external probity auditor.





MINUTES
25/2013

Government Procurement Board Standing Proposals Meeting

8.30 am Tuesday 10 December 2013
Macarthur House, Level 5 Meeting Room, 12 Wattle Street Lyneham

1. Attendees:

Bronwen Overton-Clarke (acting Chair), Stephen Goggs, Richard Bear, Di Fielding, Bob Samarcq, Jill Divorty, Ben Power (Secretariat)

2. Apologies

Sue Morrell, Roger Broughton

3. Conflict of Interest

No conflicts of interest were declared

4. Procurement Plans for Consideration

Out of Scope



(iii) GPB 539: City to the Lake Estate Development Plan – West Basin

Invited proponents:

- Mr Tom Gordon, Director, Land Development Agency;
- Mr Ian Wood-Bradley, Urban Development Strategy & Policy Advisor, Office of the Coordinator-General, Economic Development Directorate; and
- Mr Stephen Wallace, Senior Project Manager, Urban Renewal, Land Development Agency

The Board noted that:

- a) The two month opening period for this tender is appropriate, given the tender falls over the holiday period; and
- b) It may be appropriate to conduct more than one industry briefing and site inspection, given the likelihood of potential tenders having staff on leave during the single designated time.

Board Decision:

The Board **endorsed** the proposal put forward by the LDA for an Estate Development Plan for the City to the Lake project, involving a total estimated value of \$5.5 million including GST over a period of up to 5 years.

5. Other Business

Out of Scope

6. Minutes from Previous Meeting

Out of Scope

7. Action Items Outstanding and Other Business

Out of Scope

Meeting ended: 10:10am

Bronwen Overton-Clarke
A/g Chair

MINUTES
9/2014

Government Procurement Board – Standing Proposals Meeting

8.30am Tuesday 29 April 2014
Level 5 Meeting Room, Macarthur House, 12 Wattle Street Lyneham

1. Attendees:

Bronwen Overton-Clarke (Chair), Stephen Goggs, Kim Smith, Karen Doran, Roger Broughton, Richard Bear, Di Fielding


2. Apologies

Bob Samarcoq, Jill Divorty

3. Conflict of Interest

No conflicts of interest were declared.

4. Other Business

- (i) Out of Scope 
- (ii) The Board received an update on the Land Development Agency's four-year future work program. This briefing was conducted by:
- Mr Chris Reynolds, Executive Director, Land Development, Land Development Agency;
 - Mr Tom Gordon, Director, Estate Development Branch, Land Development, Land Development Agency; and
 - Mr Guna Seelan, Director – Engineering, Estate Development Branch, Land Development, Land Development Agency

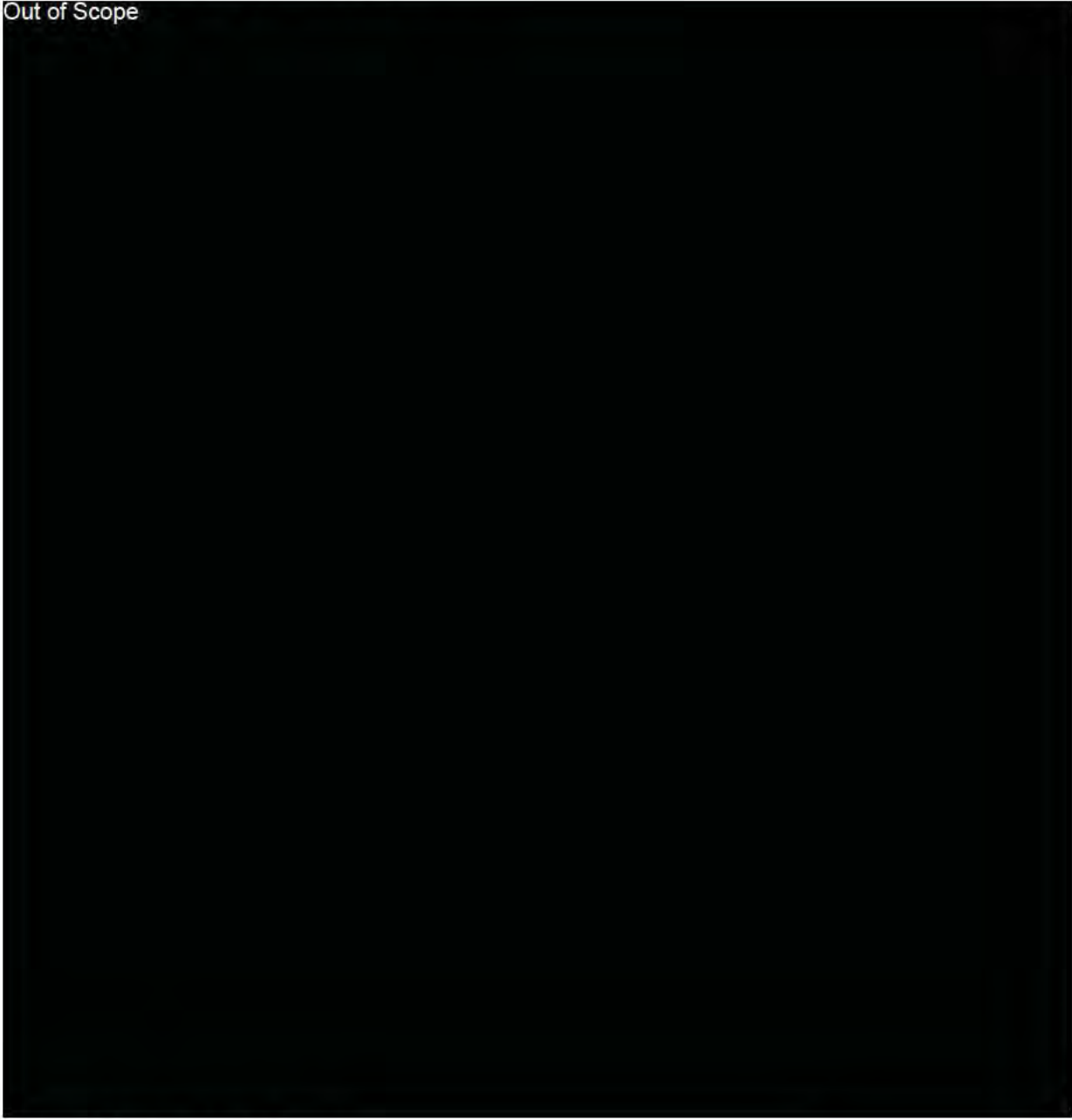
Mr Reynolds advised that the LDA program is built upon the Government's four-year land release program, and has been developed in consultation with the local construction industry in an effort to prevent a recurring boom/bust cycle. Approximately 17 procurement packages per year are scheduled under the program, with the current focus on Moncrieff and a heavy future emphasis on Denman Prospect and Throsby.

Mr Reynolds suggested that the LDA program could underpin the development of a high-level Strategic Procurement Plan ("SPP"), designed to cover all Greenfield developments specified in the program. These developments share very similar procurement contexts, with common risks, evaluation processes and procurement methodology.

The Board indicated that it was open to such a high-level SPP. However, such a plan would need to be sufficiently proscriptive that the Board could be satisfied an appropriate procurement process would be followed in each instance. Should such an SPP be endorsed by the Board, the LDA would be invited to provide regular reporting on its performance in meeting specified Key Performance Indicators and the progress of each procurement package. The LDA will continue to investigate the feasibility of developing such a high-level SPP.


5. Procurement Plans for Consideration

Out of Scope




6. Minutes from Previous Meeting

Out of Scope



7. Action Items Outstanding

Out of Scope



The brief on the LDA four-year future work program was presented at this meeting, and was consequently removed from the Action Items Outstanding.

Meeting ended: 10:00am

Bronwen Overton-Clarke
Chair



City to the Lake – Early Contractor Involvement for West Basin Foreshore

TEMPLATE 10A-PROCUREMENT PLAN MINUTE

Procurement Plan

Procurement Overview																			
To	Chief Executive/Delegate																		
Name of Project	City to the Lake – Design and Contraction West Basin Foreshore Early Contractor Involvement (stage one (1) of a two (2) stage GC21 D&C contract).																		
Purpose	<p>This minute seeks your agreement for the procurement of a suitably qualified construction contractor to provide early advice on the delivery of the West Basin Foreshore – Stage 1A (from Commonwealth Avenue to the proposed Aquatic Centre).</p> <p>The construction contractor will be engaged to assist in managing the delivery and coordination of NCA works approval documentation (incl. applications), provide advice on the construction schedule, provide detail on temporary works and advise on the overall program for delivery.</p>																		
Estimated value (\$)	\$330,000.00 (GST incl.)																		
Timing/urgency	<p>Indicative timeframe:</p> <table border="1"> <tr> <td>Call Tenders</td> <td>13 December 2014</td> </tr> <tr> <td>Request for quotation closes</td> <td>22 January 2015</td> </tr> <tr> <td>Evaluation of offer completed</td> <td>28 January 2015</td> </tr> <tr> <td>Proposed Tender Interviews</td> <td>29/30 January 2015</td> </tr> <tr> <td>Approval of Delegate</td> <td>6 February 2015</td> </tr> <tr> <td>Contract Awarded</td> <td>February 2015</td> </tr> <tr> <td>Debrief unsuccessful Tenderers</td> <td>February 2015</td> </tr> <tr> <td>Contract commencement</td> <td>February 2015</td> </tr> <tr> <td>Completion</td> <td>October 2017</td> </tr> </table>	Call Tenders	13 December 2014	Request for quotation closes	22 January 2015	Evaluation of offer completed	28 January 2015	Proposed Tender Interviews	29/30 January 2015	Approval of Delegate	6 February 2015	Contract Awarded	February 2015	Debrief unsuccessful Tenderers	February 2015	Contract commencement	February 2015	Completion	October 2017
Call Tenders	13 December 2014																		
Request for quotation closes	22 January 2015																		
Evaluation of offer completed	28 January 2015																		
Proposed Tender Interviews	29/30 January 2015																		
Approval of Delegate	6 February 2015																		
Contract Awarded	February 2015																		
Debrief unsuccessful Tenderers	February 2015																		
Contract commencement	February 2015																		
Completion	October 2017																		
Tender Number	TBC																		
Is Government Procurement Board sign off required?	<p>No. The engagement is below the \$1M or more threshold.</p> <p><u>Note.</u> Should construction funding be approved, the LDA will prepare a procurement plan for construction and present to the Government Procurement Board separately prior to the receipt of a Stage 2 Guaranteed Construction Sum offer.</p>																		
Is ACT Government Solicitor consultation required?	Yes. GSO advice will be sought regarding procurement and contract documentation.																		
Procurement Requirements																			
Objective or scope of works or services to be provided	<p>The objective of this procurement is to procure a suitably qualified construction contractor to provide early contractor input in the development of the design of the West Basin Foreshore – Stage 1.</p> <p>In participating in the early design development and preparation of the NCA works approval documents the LDA will benefit by having contractor inputs for the specialist works that form part of the overall project scope such as: land reclamation; and design of key structural elements (i.e. sea wall, boardwalk, etc).</p>																		

	The method of construction of the boardwalk, seawall and the reclaimed land has an influence over the program and cost of the project. It will also have an influence over the types of controls that will need to be in place to manage safety and environmental considerations. The availability of specialised plant will also influence the ability to deliver the project to program. Having these inputs before completing a works approval application will de-risk the project from a cost, time and quality perspective.
Type	GC21 (General Conditions of Contract, with special conditions)
Funding	Land Development Agency, City to the Lake Project Allocation (\$5M incl.) for FY13/14.
Site	Acton. West Basin South of Parkes Way and West of Commonwealth Avenue
Consultation (including pre tender)	No.

Procurement Risk

Risk	High – Refer attached Risk Register and Risk Treatment Plan provided for reference at Attachment A .
------	---

Procurement Methodology

Description of the procurement method to be used	Public Tender
Evaluation	Tender evaluation will be conducted in accordance with the Evaluation Plan provided at Attachment B . The Probity Plan is provided at Attachment C .
LDA WHS Requirements	LDA WHS requirements for the engagement of a Contractor will be addressed during the preparation of the Request for Tender being undertaken in consultation with the GSO. The WHS Checklist will be placed on file prior to tender advertising.

Evaluation Team

Name	Position	Agency
Nathan Greig	Chair	Land Development Agency
Rod Baxter	Member	Land Development Agency
David Jeffrey	Member	Land Development Agency

Statement on team composition

Tender Evaluation Team members are all ACT Government Public Servants or directly employed by the ACT Government with experience in this form of procurement.

Contract Management

Number of contracts	One (1)
Contract management	The contract will be managed by the Land Development Agency
Period of contract(s)	Two (2) years with provision for one (1) extension for a period of six (6) months.

AUSTRALIA—UNITED STATES FREE TRADE AGREEMENT

Does the AUSFTA apply? Yes

QA verification by Business Support Unit

The Business Support Unit confirms all relevant details have been entered into the Contract Monitoring database and that this document used reflects the latest version.

Initials

LDA RECOMMENDATION

Project Officer	Nathan Greig	Signature and Date	<i>NWG 9/12/14</i>
		Phone Number	6205 5192
Manager	Tim Xirakis	Signature and Date	<i>[Signature]</i>

Chief Executive Officer / Delegate approval

Name	Dan Stewart		
Position	Chief Executive/Delegate		
Statement	The Procurement Plan and attachments are approved		
Signature	<i>[Signature]</i>	Date	11.12.14



ATTACHMENT A

PROCUREMENT PLAN

City to the Lake – Early Contractor Involvement for West Basin Foreshore

RISK MANAGEMENT

LDA RISK PLAN AND MATRIX

The Risks should be assessed using the following Consequence and Likelihood Scales and the Risk Analysis Matrix, developed in accordance with Australian Standard AS/NZS ISO 1000:2009.	CONSEQUENCES						
		Insignificant	Minor	Moderate	Major	Catastrophic	
	General	Negligible impact upon objectives	Minor effects that are easily remedied	Some objectives affected	Some important objectives cannot be achieved	Most objectives cannot be achieved	
	Community	Injuries or condition not requiring medical attention	Minor injury or First Aid Treatment needed	Serious injury needing hospitalisation, multiple medical treatment cases	Life threatening injuries, irreversible disability	Death/s, multiple life threatening injuries, irreversible disabilities	
	Property (including intangibles eg IT data & intellectual property)	Slight (non structural) damage or loss of public/private goods, assets and data Possible small compensation.	Minor (structural) damage and liability for compensation	Significant damage or loss involving possible legal action for compensation	Serious damage or loss requiring operational changes and involving legal action for significant compensation.	Extensive damage or loss, Business Continuity Plans activated, very heavy legal and compensation costs.	
	Financial	Possible unavoidable Expenditure resulting in Budgetary losses of up to 1% (or <\$5K)	Up to 5% of budget (or <\$50K)	Up to 20% of budget (or <\$500K)	Up to 40% of budget (or <\$5M)	Greater than 40% of budget (or >\$5M)	
	Environment	Negligible damage and loss of flora and fauna, degradation and/or loss of environmental amenity	Short term effects not affecting ecosystem functioning	Moderate environmental impacts, able to be contained and repaired in medium term	Long term environmental impairment of ecosystem functions	Widespread, long-term environmental impairment of more than one ecosystem	
Reputation	Minor adverse local attention, internal review	Attention from local media, scrutiny required by internal committees	Significant media attention, scrutiny required by external committee, Auditor General etc	Intense public, political and media scrutiny, damage to organisation	Assembly inquiry or Commission of inquiry, adverse national media		
LIKEIHOOD	Event is expected to occur in most circumstances	Almost Certain	<i>Medium</i>	<i>High</i>	<i>High</i>	<i>Very High</i>	<i>Very High</i>
	Event will probably occur on most circumstances	Likely	<i>Medium</i>	<i>Medium</i>	<i>High</i>	<i>High</i>	<i>Very High</i>
	Event may occur at some time	Possible	<i>Low</i>	<i>Medium</i>	<i>High</i>	<i>High</i>	<i>High</i>
	Event is not expected to occur	Unlikely	<i>Low</i>	<i>Low</i>	<i>Medium</i>	<i>High</i>	<i>High</i>
	Event is likely to occur only in exceptional circumstances	Rare	<i>Low</i>	<i>Low</i>	<i>Medium</i>	<i>Medium</i>	<i>High</i>
RISK ASSESSMENT MATRIX							

- Low Risk:** Unlikely to require allocation of resources, manage by routine procedures.
- Medium Risk:** Must be brought to attention of manager, resources required to address risk must be allocated.
- High Risk:** Senior management action required, risk treatments applied. Responsibility must be specified. Subject to regular monitoring.
- Very High Risk:** Immediate action required. Senior executive attention needed with action plans and management responsibility specified. All possible treatments to be put in place to reduce risk.

Risk Register

No.	The Risk (Cause) What can happen and how and then group by type.	Consequence Describe the consequence	Consequence Rating	Likelihood Rating	Risk Rating * (refer to Matrix)	Risk Priority	How are Risks to be Treated?	Consequence Rating after Treatment	Likelihood Rating after Treatment	Level of Risk Rating after Treatment
Category: Management / Administration										
1	Procurement activities not undertaken in accordance with relevant legislation	Breach in legislation	<i>Minor</i>	<i>Unlikely</i>	<i>Low</i>	24	<ul style="list-style-type: none"> Ensure procurement activities are appropriately planned and scrutinised to ensure proposed activities are compliant with all relevant legislation. Ensure procurement activities are undertaken by an appropriately trained LDA project officer with experience in procuring similar goods and services. Ensure procurement activities are monitored by LDA management to ensure compliance with all relevant legislation. 	<i>Minor</i>	<i>Unlikely</i>	<i>Low</i>
2	Project managing not undertaken in accordance with LDA protocols.	Breach of LDA protocols	<i>Moderate</i>	<i>Unlikely</i>	<i>Medium</i>	25	<ul style="list-style-type: none"> Ensure projects are managed by an appropriately trained LDA project officer with experience in project management. Ensure the management of projects is monitored by LDA management to ensure compliance with LDA protocols. Ensure regular project reporting. 	<i>Moderate</i>	<i>Unlikely</i>	<i>Medium</i>
3	Insufficient coordination with Government Departments and Stakeholders	Project fails to meet Government Department or stakeholder expectations (adverse impact on project outcomes, quality, program, etc)	<i>Major</i>	<i>Possible</i>	<i>High</i>	1	<ul style="list-style-type: none"> Refer risk treatment plan. 	<i>Major</i>	<i>Unlikely</i>	<i>High</i>
Category: Client										
4	A failure to clearly identify the owner and operator of assets and who will have jurisdiction over the built asset at the outset i.e. The West Basin boardwalk in NCA controlled land if the LDA boundary is the new waters edge	The works approval for the construction of the boardwalk could be delayed. There could be abortive costs associated with re-design and acceleration costs to retrieve schedule if the boardwalk alignment progresses over the water.	<i>Major</i>	<i>Possible</i>	<i>High</i>	2	<ul style="list-style-type: none"> Refer risk treatment plan. 	<i>Major</i>	<i>Unlikely</i>	<i>High</i>
5	The suite of standard documents for the procurement of early contractor involvement may not perfectly suit the proposed method of procurement.	The development of tender and contract documentation may delay program.	<i>Moderate</i>	<i>Possible</i>	<i>High</i>	11	<ul style="list-style-type: none"> There are standard agreements that can be used for the process of engaging a contractor. The project team is to engage with the Government Solicitors Office (GSO) early to assist in the preparation of tender and contract documentation. Ensure regular project reporting. 	<i>Moderate</i>	<i>Unlikely</i>	<i>Medium</i>

<i>Category: Personnel / Contractors / Consultants / LDA Staff</i>							Page 67 of 791			
6	Poor performance of LDA project team	Poor project outcomes (program creep, scope creep, budget overruns, poor quality, inadequate communication)	<i>Moderate</i>	<i>Possible</i>	<i>High</i>	12	<ul style="list-style-type: none"> Ensure projects are managed by an appropriately trained LDA project officer with experience in project management. Ensure the management of projects is monitored by LDA management to ensure compliance with LDA protocols. Ensure regular project reporting. 	<i>Moderate</i>	<i>Unlikely</i>	<i>Medium</i>
7	Poor performance of Consultant Team	Poor project outcomes (program creep, scope creep, budget overruns, poor quality, inadequate communication)	<i>Moderate</i>	<i>Possible</i>	<i>High</i>	13	<ul style="list-style-type: none"> Ensure the engagement of an appropriately qualified consultant with experience in similar projects. Ensure the management of projects is monitored by the LDA (milestones, KPI's etc). The LDA is to undertake regular design review to: <ul style="list-style-type: none"> – assess progress against contract program; – ensure minimum standards of quality are maintained; and – that the approved scope is being delivered. Ensure regular project team meetings to monitor performance. Ensure regular project reporting. 	<i>Moderate</i>	<i>Unlikely</i>	<i>Medium</i>

<i>Category: Tender Process</i>										
8	Delay in the engagement of a consultant.	Project delay (adverse impact on program of works)	<i>Moderate</i>	<i>Possible</i>	<i>High</i>	14	<ul style="list-style-type: none"> Ensure procurement activities are appropriately planned and scrutinised to ensure procurement activities can meet program timelines. Ensure appropriate resources are assigned to develop procurement documentation to meet agreed timelines. Ensure procurement activities are undertaken by an appropriately trained LDA project officer with experience in procuring similar goods and services. Ensure review of submissions is undertaken in accordance with LDA protocols. Ensure the contract is compiled and issued in accordance with LDA protocols. Ensure procurement activities are monitored by LDA management to ensure program timelines are achieved. 	<i>Moderate</i>	<i>Unlikely</i>	<i>Medium</i>
9	Poor consultant selection	Engagement of a consultant with inadequate resources and experience to successfully deliver project outcomes (adverse impact on program, quality, etc)	<i>Moderate</i>	<i>Unlikely</i>	<i>Medium</i>	19	<ul style="list-style-type: none"> Ensure procurement activities are appropriately planned and scrutinised to ensure procurement documentation clearly defines project requirements and consultant skills and experience. Ensure procurement activities are undertaken by an appropriately trained LDA project officer with experience in procuring similar goods and services. Ensure the Tender Evaluation Team is appropriately skilled with experience in similar forms of procurement. 	<i>Moderate</i>	<i>Unlikely</i>	<i>Medium</i>
10	Poor Tender documentation (errors or omissions)	Compromised procurement activity resulting in the possible cancellation of the procurement activity. Engagement of a consultant under a contract with a poor project brief definition. (adverse impact on scope, program, budget, quality, etc).	<i>Moderate</i>	<i>Possible</i>	<i>High</i>	15	<ul style="list-style-type: none"> Ensure procurement activities are appropriately planned and scrutinised and develop procurement documentation that clearly defines project requirements. Ensure procurement documentation is prepared by an appropriately trained LDA project officer with experience in procuring similar goods and services. Ensure procurement documentation is internally reviewed by LDA management or by another LDA project officer prior to issue. 	<i>Major</i>	<i>Unlikely</i>	<i>Medium</i>
11	Poor tender response	Failure to receive any responses (adverse impact on program, etc) Failure to achieve 'value for money' (adverse impact on budget, etc)	<i>Minor</i>	<i>Possible</i>	<i>Medium</i>	20	<ul style="list-style-type: none"> Ensure procurement activities are appropriately planned and scrutinised (with market sounding) and develop procurement documentation to ensure it is clear and has an appropriate level of risk transfer so as not to restrict potential respondents. Ensure an Evaluation Plan is developed that includes a clear process for managing a poor tender response (i.e. clear procedures for terminating a tender process and/or assessing 'value for money'). 	<i>Minor</i>	<i>Unlikely</i>	<i>Low</i>

12	Probity	Compromised procurement activity resulting in an unfair advantage to specific Tenderer(s) (unfair/incorrect tender outcomes) Compromised procurement activity resulting in the possible cancellation of the procurement activity.	<i>Moderate</i>	<i>Possible</i>	<i>High</i>	21	<ul style="list-style-type: none"> Ensure procurement activities are appropriately planned and scrutinised to ensure proposed activities are compliant with all relevant legislation and probity requirements. Ensure procurement activities are undertaken by an appropriately trained LDA project officer with experience in procuring similar goods and services. Ensure procurement activities are transparent and monitored by LDA management to ensure compliance with all relevant legislation and probity requirements. 	<i>Moderate</i>	<i>Unlikely</i>	<i>Medium</i>
----	---------	--	-----------------	-----------------	-------------	----	--	-----------------	-----------------	---------------

Category: Contractual Issues

13	Project not completed on time – Delay by ACT Government	Poor project outcomes (program creep, scope creep, budget overruns, poor quality, inadequate communication)	<i>Major</i>	<i>Possible</i>	<i>High</i>	3	<ul style="list-style-type: none"> Refer risk treatment plan. 	<i>Major</i>	<i>Possible</i>	<i>High</i>
14	Project not completed on time – Slow Rate of Progress by Consultant	Poor project outcomes (program creep, scope creep, budget overruns, poor quality, inadequate communication)	<i>Major</i>	<i>Possible</i>	<i>High</i>	4	<ul style="list-style-type: none"> Ensure the engagement of an appropriately qualified consultant with experience in similar projects. Ensure the management of projects is monitored by the LDA (milestones, KPI's etc). The LDA is to undertake regular design review to: <ul style="list-style-type: none"> – assess progress against contract program; – ensure minimum standards of quality are maintained; and – that the approved scope is being delivered. Ensure regular project team meetings to monitor performance. Ensure regular project reporting. 	<i>Major</i>	<i>Possible</i>	<i>High</i>
15	The design consultant will require a capped liability in order to agree to having a deed of novation included in the consultancy agreement.	Without the ability to novate the designer the LDA loses flexibility to continue with the design and construction procurement and this will cause stress on the schedule and additional costs	<i>Moderate</i>	<i>Possible</i>	<i>High</i>	16	<ul style="list-style-type: none"> The negotiations with the consultant have focused on requiring the consultant to accept the inclusion of the deed of novation. Engage GSO advice to assist in negotiations with the design consultant. Ensure regular project reporting. 	<i>Moderate</i>	<i>Unlikely</i>	<i>Medium</i>

Category: Insurance

16	Inadequate level of insurance	Consultant and ACT Government exposure to claims	<i>Moderate</i>	<i>Unlikely</i>	<i>Medium</i>	22	<ul style="list-style-type: none"> Ensure consultation with ACTIA is undertaken to confirm that the proposed level of insurance is appropriate for the works being undertaken. Ensure procurement documentation includes minimum insurance requirements as per ACTIA advice. 	<i>Moderate</i>	<i>Unlikely</i>	<i>Medium</i>
----	-------------------------------	--	-----------------	-----------------	---------------	----	--	-----------------	-----------------	---------------

Category: Finance

17	Budget Overrun	Poor estimation early in project leads to an unrealistic order of costs.	<i>Moderate</i>	<i>Possible</i>	<i>High</i>	7	<ul style="list-style-type: none"> Engage a Quantity Surveyor to assist with project cost plans. Ensure the level of project contingency is appropriate for the level of risk likely to be encountered on the project. Engage a D&C contractor with a guaranteed maximum price. Ensure the management of projects is monitored by LDA management so that potential cost implications can be appropriately managed (i.e. scope reduction, seek additional funds) to minimise risk of project overrun. Ensure regular project reporting on budget. 	<i>Moderate</i>	<i>Unlikely</i>	<i>Medium</i>
----	----------------	--	-----------------	-----------------	-------------	---	---	-----------------	-----------------	---------------

<i>Category: Occupational Health & Safety</i>										Page 69 of 791
18	Safety in Design	Exposure to litigation through a lack of consideration of safety during design	<u>Moderate</u>	<u>Possible</u>	<u>High</u>	6	<ul style="list-style-type: none"> Ensure procurement documentation includes a requirement for the consultant to undertake safety in design checks / workshop. Ensure LDA review of safety in design outcomes and incorporation in design documentation. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>

<i>Category: Project</i>										
19	The pricing and schedule estimate of the project is not reliable as it is heavily dependent on the availability of specialised plant and the methodology to construct the reclamation works and seawall	The project costs will be unreliable and there will be uncertainty around the budget until there is a market response. If this occurs after the works approval, there could be reduced market to bid on the project which will detract from the ability of the LDA to extract full value for money, if the methodology required to achieve budget requires a re-design to design approved by the NCA.	<u>Moderate</u>	<u>Possible</u>	<u>High</u>	8	<ul style="list-style-type: none"> Include the contractor in the early development of the design and include the contractor and sub-contractor inputs into obtaining a guaranteed maximum price. Procure the contractor services to support the design team in developing the works approval documentation and obtain a fixed price design and construct price that is based on the works approval documents. Include a provision at the initial contractor engagement that creates a positive obligation for the contractor to deliver a methodology and price that is within the budget allocation for design and construction. The tender for the construction contractor needs to be released before the Christmas shutdown to allow the selection and engagement of the contractor by end January 2015 to meet schedule and to allow the objectives around cost certainty to be achieved. Engage a Quantity Surveyor to assist with project cost plans. Scope manage (in consultation with the Ensure regular project reporting on budget. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>
20	The timeframes for design, approvals, construction and handover by September 2016 are extremely tight. There is insufficient time to fully design the west basin foreshore and then procure a construction contractor.	If the design and approvals process is not run in parallel with the contractor procurement and pricing there is not going to be sufficient time to deliver a west basin foreshore project by September 2016.	<u>Major</u>	<u>Possible</u>	<u>High</u>	5	<ul style="list-style-type: none"> Refer risk treatment plan. 	<u>Major</u>	<u>Unlikely</u>	<u>High</u>

<i>Category: Client</i>										
21	Slow response to requests for information or review of documentation	Poor project outcomes (program creep, scope creep, budget overruns, poor quality, inadequate communication)	<u>Moderate</u>	<u>Possible</u>	<u>High</u>	17	<ul style="list-style-type: none"> Ensure projects are managed by an appropriately trained LDA project officer with experience in project management. Ensure project management techniques and protocols are adopted in managing project coordination and Government response. Ensure the management of projects is monitored by LDA management so that potential delays can be appropriately managed to minimise impact on program. Ensure regular project reporting and discussion on response times. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>

<i>Category: Reputation</i>										
22	Loss of financial support for project	Reduction in scope or cancellation of project.	<u>Moderate</u>	<u>Possible</u>	<u>High</u>	9	<ul style="list-style-type: none"> Ensure the project continues to meet objectives within the allocated budget. Ensure regular and appropriate reporting to LDA Executive and above of positive project outcomes. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>

<i>Category: Project</i>							Page 70 of 791			
23	Scope creep or adjustment after engagement	Adverse affect on cost and program.	<u>Moderate</u>	<u>Possible</u>	<u>High</u>	10	<ul style="list-style-type: none"> Ensure projects are managed by an appropriately trained LDA project officer with experience in project management. Ensure project management techniques and protocols are adopted in managing project scope. Ensure the level of project contingency is appropriate for the level of risk likely to be encountered on the project (in the event of scope shortfall). Ensure the management of projects is monitored by LDA management so that potential cost and program implications can be appropriately managed (i.e. scope reduction, seek additional funds) to minimise risk. Ensure regular project reporting on scope. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>
24	Project Coordination (with concurrent design works)	Poor project outcomes (lack of continuity between projects within the program of works)	<u>Moderate</u>	<u>Possible</u>	<u>High</u>	18	<ul style="list-style-type: none"> Ensure projects are managed by an appropriately trained LDA project officer with experience in project management who has transparency of all projects within the program of works. Ensure regular internal project coordination meetings are held in order to discuss interface and coordination issues. Ensure consultants have access to information on concurrent projects to allow efficient coordination between projects. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>

<i>Category: Fraud</i>										
25	Fraudulent activities by Consultant personnel or ACT Government staff	Fraudulent activity	<u>Moderate</u>	<u>Possible</u>	<u>High</u>	23	<ul style="list-style-type: none"> Ensure procurement activities are appropriately planned and scrutinised to ensure proposed activities are compliant with all relevant legislation. Ensure procurement activities are undertaken by an appropriately trained LDA project officer with experience in procuring similar goods and services. Ensure procurement activities are monitored by LDA management to ensure compliance with all relevant legislation. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>

* Separate Risk Treatment Plan required for risks rated 'High' and 'Very High' prior to treatment.

Project: City to the Lake – Managing Contractor West Basin Foreshore Prepared by: Nathan Greig Date: 1 December 2014	Reviewed by: Tim Xirakis Date: 1 December 2014
--	---

Risk Treatment Plan (required for all risks rated as High or Very High before Treatment)

The Risk: Insufficient coordination with Government Departments and Stakeholders		Risk Priority Ranking: 1 (3)	
Risk Rating Prior to Treatment: <i>High Risk</i>			
Risk Description: Project fails to meet Government Department or stakeholder expectations (adverse impact on project outcomes, quality, program, etc)			
Contributing Factors:			
<ul style="list-style-type: none"> • Poor project management • Poor contract management • Unidentified project risks • Lack of staff awareness and training • Failure of Government Departments and Stakeholders to understand project importance and appropriately prioritise. 			
RISK TREATMENT PRACTICES			
Risk Treatment Description:			
<ul style="list-style-type: none"> • Ensure projects are managed by an appropriately trained LDA project officer with experience in project management (including stakeholder management). • Ensure a communication strategy is developed to ensure appropriate levels of communication with Government Department and stakeholders. • Ensure LDA management monitor project communication to ensure expectations are met. 			
Likelihood Rating after Treatment: <i>Unlikely</i>		Consequence Rating after Treatment: <i>Major</i>	
RISK RANKING AFTER TREATMENT (RESIDUAL RISK) AND REQUIRED ACTION: <i>High Risk</i>			
INTENDED MONITORING AND REPORTING OF ONGOING RISK LEVELS**		Responsibility	Timing
1	Ensure LDA management monitor project communication to ensure expectations are met.	Project Officer	Upon Contractor Engagement
2	Prepare and maintain a communication stakeholder management register.	Project Officer	Upon Contractor Engagement
3	Ensure regular internal tracking and reporting.	Project Officer	Upon Contractor Engagement
EMERGENCY RESPONSE SHOULD CONTROL MEASURES FAIL		Responsibility	
Escalate issue to LDA Executive to allow discussions with Government Departments and stakeholders at a higher level.		Project Officer / LDA Executive	Upon failure of control measures.

<p>The Risk: A failure to clearly identify the owner and operator of assets and who will have jurisdiction over the built asset at the outset i.e. The West Basin boardwalk in NCA controlled land if the LDA boundary is the new water's edge.</p>		<p>Risk Priority Ranking: 2 (4)</p>	
<p>Risk Rating Prior to Treatment: High Risk</p>			
<p>Risk Description: The works approval for the construction of the boardwalk could be delayed. There could be abortive costs associated with re-design and acceleration costs to retrieve schedule if the boardwalk alignment progresses over the water.</p>			
<p>Contributing Factors:</p> <ul style="list-style-type: none"> • Failure to appropriately coordinate / communicate with the NCA. • Unidentified project risks. • Lack of staff awareness and training. 			
<p>RISK TREATMENT PRACTICES</p>			
<p>Risk Treatment Description:</p> <ul style="list-style-type: none"> • Discussions with the NCA and other ACT Government Departments to focus on seeking to identify a clear position on this issue. • The boardwalk design to be separated from the reclamation works as a separate package to be prepared for a separate works approval as agreed with the NCA. The construction procurement model will provide the necessary flexibility to incorporate the alignment and design agreed with the NCA without holding up the commencement of the reclamation works. 			
<p>Likelihood Rating after Treatment: <i>Unlikely</i></p>		<p>Consequence Rating after Treatment: <i>Major</i></p>	
<p>RISK RANKING AFTER TREATMENT (RESIDUAL RISK) AND REQUIRED ACTION: High Risk</p>			
<p>INTENDED MONITORING AND REPORTING OF ONGOING RISK LEVELS**</p>		<p>Responsibility</p>	<p>Timing</p>
1	Ensure LDA management monitor project communication to ensure expectations are met.	Project Officer	Upon Contractor Engagement
2	Ensure regular internal tracking and reporting.	Project Officer	Upon Contractor Engagement
<p>EMERGENCY RESPONSE SHOULD CONTROL MEASURES FAIL</p>		<p>Responsibility</p>	<p>Timing</p>
<p>Escalate issue to LDA Executive to allow discussions with Government Departments and stakeholders at a higher level.</p>		Project Officer / LDA Executive	Upon failure of control measures.

The Risk: Project not completed on time – Delay by ACT Government		Risk Priority Ranking: 3 (13)
Risk Rating Prior to Treatment: <i>High Risk</i>		
Risk Description: Poor project outcomes (program creep, scope creep, budget overruns, poor quality, inadequate communication)		
Contributing Factors:		
<ul style="list-style-type: none"> • Poor tender documentation and scope definition. • Poor project management (scope management). • Poor contract management. 		
RISK TREATMENT PRACTICES		
Risk Treatment Description:		
<ul style="list-style-type: none"> • Ensure projects are managed by an appropriately trained LDA project officer with experience in project management. • Ensure project management techniques and protocols are adopted in managing project coordination and Government response. • Ensure the management of projects is monitored by LDA management so that potential delays can be appropriately managed to minimise impact on program. • Ensure regular project reporting on program. 		
Likelihood Rating after Treatment: <i>Unlikely</i>		Consequence Rating after Treatment: <i>Major</i>
RISK RANKING AFTER TREATMENT (RESIDUAL RISK) AND REQUIRED ACTION: <i>High Risk</i>		
INTENDED MONITORING AND REPORTING OF ONGOING RISK LEVELS**		Responsibility
1	Ensure regular internal tracking and reporting.	Project Officer
		Upon Contractor Engagement
EMERGENCY RESPONSE SHOULD CONTROL MEASURES FAIL		Responsibility
Escalate Issue to LDA Executive to allow discussions with Government Departments and stakeholders at a higher level.		Project Officer / LDA Executive
		Upon failure of control measures.

The Risk: Project not completed on time – Slow Rate of Progress by Consultant		Risk Priority Ranking: 4 (14)	
Risk Rating Prior to Treatment: <i>High Risk</i>			
Risk Description: Poor project outcomes (program creep, scope creep, budget overruns, poor quality, inadequate communication)			
Contributing Factors:			
<ul style="list-style-type: none"> • Poor project management • Poor contract management • Unidentified project risks • Lack of staff awareness and training 			
RISK TREATMENT PRACTICES			
Risk Treatment Description:			
<ul style="list-style-type: none"> • Ensure the engagement of an appropriately qualified consultant with experience in similar projects. • Ensure the management of projects is monitored by the LDA (milestones, KPI's etc). The LDA is to undertake regular design review to: <ul style="list-style-type: none"> – assess progress against contract program; – ensure minimum standards of quality are maintained; and • that the approved scope is being delivered. • Ensure regular project team meetings to monitor performance. • Ensure regular project reporting. 			
Likelihood Rating after Treatment: <i>Possible</i>		Consequence Rating after Treatment: <i>Major</i>	
RISK RANKING AFTER TREATMENT (RESIDUAL RISK) AND REQUIRED ACTION: <i>High Risk</i>			
INTENDED MONITORING AND REPORTING OF ONGOING RISK LEVELS**		Responsibility	Timing
1	Ensure regular internal tracking and reporting.	Project Officer	Upon Contractor Engagement
EMERGENCY RESPONSE SHOULD CONTROL MEASURES FAIL		Responsibility	
Escalate issue to LDA Executive to allow discussions with Government Departments and stakeholders at a higher level.		Project Officer / LDA Executive	Upon failure of control measures.

The Risk: The timeframes for design, approvals, construction and handover by September 2016 are extremely tight. There is insufficient time to fully design the west basin foreshore and then procure a construction contractor.		Risk Priority Ranking: 5 (20)
Risk Rating Prior to Treatment: High Risk		
Risk Description: If the design and approvals process is not run in parallel with the contractor procurement and pricing there is not going to be sufficient time to deliver a west basin foreshore project by September 2016.		
Contributing Factors:		
<ul style="list-style-type: none"> • Poor project management • Poor contract management • Lack of staff awareness and training 		
RISK TREATMENT PRACTICES		
Risk Treatment Description:		
<ul style="list-style-type: none"> • Run the procurement of the construction contractor in parallel with the design and have the contractor engaged in time to input to the design and to warrant the design, schedule and the costs before the documents are submitted for works approval. Also stage the works approval applications to allow packages of works to be released within the overall budget to allow the elements that can commence quickly to do so. • Ensure public consultation is managed concurrently (i.e. prepare a precinct masterplan to be endorsed by the NCA and suitable for public consultation). 		
Likelihood Rating after Treatment: <u>Choose Rating</u>		Consequence Rating after Treatment: <u>Choose Rating</u>
RISK RANKING AFTER TREATMENT (RESIDUAL RISK) AND REQUIRED ACTION: <u>Choose Rating</u>		
INTENDED MONITORING AND REPORTING OF ONGOING RISK LEVELS**		Responsibility
1 Ensure regular internal tracking and reporting.		Project Officer
		Upon Contractor Engagement
EMERGENCY RESPONSE SHOULD CONTROL MEASURES FAIL		Responsibility
Escalate issue to LDA Executive to allow discussions with Government Departments and stakeholders at a higher level.		Project Officer / LDA Executive
		Upon failure of control measures.

****Note:** Where the "Level of Risk Rating after Treatment" (ie the Residual Risk) is still at a "High" or "Very High" level, then risk monitoring is to be either:

- a) Elevated to a Supervisor level, or
- b) At a minimum, reported upon on a regular basis.



ACT
Government
Economic Development



Land
Development
Agency

CANBERRA FIRST

ATTACHMENT B

PROCUREMENT PLAN

City to the Lake – Early Contractor Involvement for West Basin Foreshore

EVALUATION PLAN

EVALUATION PLAN

City to the Lake

City to the Lake – Early Contractor Involvement for West Basin Foreshore

1. AIM

This Evaluation Plan relates to the engagement of a suitably qualified Construction Contractor to provide Early Contractor Input to the development of the design and construction schedule for the West Basin Foreshore redevelopment works.

This plan details the Evaluation Team and its responsibilities, the evaluation methodology and the evaluation criteria by which submissions received will be evaluated. The Request for Tender or other procurement/tender documents must include the evaluation criteria and methodology as set out herein.

2. DEFINITION

Unless noted otherwise, all definitions will be in accordance with AS4120 *Code of Tendering* and any other associated tender document.

Definitions:

Offer. Tender Submission.

3. EVALUATION TEAM

The Evaluation Team detailed below has been formed to evaluate the response for the stated project. All members of the Evaluation Team are aware of their responsibilities, and the need to demonstrate confidentiality, impartiality and equity to all respondents.

The Evaluation Team will be responsible for:

- a) maintaining probity;
- b) evaluating the offer in accordance with the criteria and methodology;
- c) documenting the evaluation process;
- d) preparing an Evaluation Report; and
- e) seek Chief Executive or delegate approval to proceed with a contract with the selected Tenderer or cancel the tender process should the offer not achieve value for money.

The Evaluation Team will comprise:

Position	Name	Department
Chairperson	Nathan Greig	LDA
Member	Rod Baxter	LDA
Member	David Jeffrey	LDA

Team members are ACT Government Professional Officers with previous experience in tender evaluations. Members of the evaluation team are personally appointed and should not be withdrawn or replaced without the approval of the Director General or Delegate.

The evaluation team may, as required, utilise specialist advice to assist in the evaluation process.

The areas of experience may include:

- (a) Shared Services Procurement Management;
- (b) technical analysis;
- (c) financial assessment;
- (d) probity; and
- (e) legal issues.

4. EVALUATION PROCESS

The offer (single select) will be assessed using the methodology outlined below. The methodology takes into consideration the requirements of ACT Government Procurement Legislation, Regulations and Guidelines to achieve 'value for money' from this procurement.

Tender Submission / Offer

The Tenderer will be required to lodge a formal offer addressing the requirements of the tender documents (including the assessment criteria as outlined herein).

The Tenderer will be required to submit a pricing schedule as required by the assessment criteria.

Late Responses

If the offer is received late, the time and date of receipt must be noted on the document and endorsed by the recipient.

If the offer is received late it may be evaluated at the absolute discretion of the Evaluation Team. In deciding whether to assess the offer (if received late), the Evaluation Team may take into account any factors it considers relevant, including without limitation:

- (a) whether the late Tenderer is likely to have had an opportunity to obtain some unfair advantage from late submission;
- (b) how late the offer is, the reasons given for lateness and evidence available;
- (c) whether the offer was mishandled by the Territory, by an official postal service, or by a reputable delivery service; and/or
- (d) evidence of unfair practices.

Initial Compliance Check

The Evaluation Team will examine the offer received against the requirements of the tender documents. The offer will be assessed to confirm that it fully complies with the requirements of the tender documents. The Evaluation Team may seek additional information/clarification from the Tenderer. All requests for additional information/clarification must be undertaken in accordance with the requirements outlined below.

If the offer is fully compliant with the requirements of the tender documents it will be deemed to be a 'conforming tender' and will be considered further.

If the offer does not fully comply with the requirements of the tender documents it may be deemed to be a 'nonconforming' tender. If the offer is deemed to be a 'nonconforming' tender, the Evaluation Team is to take action as noted below.

Nonconforming Tender / Offer

If the offer is:

- (a) at variance with or does not respond to or does not fully comply with any requirements of the tender documents; or
- (b) is incomplete, contains erasures or is illegible,

it may be deemed by the Evaluation Team to be 'non-conforming'.

The Evaluation Team at its absolute discretion, in respect of the offer that is 'non-conforming' or which has been deemed by the Evaluation Team to be 'non-conforming' having regard to any conditions of tender may:

- (a) reject and not further consider the offer; or
- (b) If it is possible to correct the non-conformance without affecting the probity of the tender process, permit the Tenderer to do so.

By admitting the 'nonconforming' offer for evaluation in accordance with item the above, the Evaluation Team must ensure that the offer does not obtain some unfair advantage or is enhanced.

All requests for additional information/clarification must be undertaken in accordance with the requirements outlined below.

Alternative Tender / Offer

An alternative offer will only be considered if accompanied by a conforming offer. Alternative offers will initially be evaluated to determine if the offer could provide a product or service that meets the project objectives achieved by a conforming offer. If an alternate offer is considered not to provide such benefit, it may be excluded by the Evaluation Team from further consideration.

If an alternate offer is assessed as being advantageous (offers greater value for money) to the Territory, the Evaluation Team may consider the alternate offer in accordance with the provisions of AS2124 *Code of Tendering*.

Additional Information/Clarification

The Tender Evaluation Team may, in writing, seek additional information or clarification of the offer received where this information neither materially impacts on the conformance (refer Non-conforming Tender / Offer Section above) of the offer nor alters the tendered price. All requests for clarification must be fully documented and appropriately filed.

Preferred Tenderer

In accordance with Shared Services Procurement *Standard Conditions of Tender – Services*, Tenderers are made aware that (extract follows):

9. SELECTION OF PREFERRED TENDER

- 9.1 The Territory is under no obligation to select any tender. The tender process may be varied or discontinued upon the Territory giving written notice to Tenderers.
- 9.2 Upon conclusion of the evaluation process, the Territory may select a preferred Tenderer and then:
 - (a) commence contract negotiations with the preferred Tenderer with a view to concluding those negotiations within a prescribed period of time; or
 - (b) negotiate with another Tenderer if contract negotiations with the preferred Tenderer are not concluded within the time specified to the preferred Tenderer; or
 - (c) cease negotiations with any Tenderer.
- 9.3 No legal obligations arise until the Territory has executed the contract substantially in the form of the *Services Agreement*.

If post tender negotiations are required, the Evaluation Team will seek delegate approval.

Upon delegate approval, the Evaluation Team will proceed with post tender negotiations.

Post Tender Negotiation(s)

Post tender negotiations may be undertaken by the Evaluation Team after endorsement by the delegate. If post tender negotiations are required, the Evaluation Team will undertake negotiation until such times as either:

- (a) a contract is agreed;
- (b) the Tenderer withdraws its offer;
- (c) the capacity to negotiate is exhausted; or
- (d) the Territory decides to accept no tenders and may elect to recall tenders.

The Evaluation Team is to ensure that negotiations with the Tenderer are exhausted prior to cancelling the tender process.

The Evaluation Team is to ensure that all negotiations are undertaken in accordance with the provisions of AS4120 *Code of Tendering*.

Evaluation Methodology

The Evaluation Team will assess all conforming offers in accordance with the following methodology to attain best 'value for money'. This may not necessarily be the lowest offer. The Tenderer representing the best value for money for the Territory, will be the preferred Tenderer.

The Evaluation Team will undertake an initial compliance check of all submitted offers in accordance with the nominated procedures as outlined above. All conforming offers will be evaluated against the Threshold Assessment Criteria. Any offer that does not meet the requirements of all Threshold Criteria may be excluded by the Evaluation Team from further consideration. The Evaluation Team will assess all remaining tenders against the Weighted Assessment Criteria. Where relevant, other factors that have become apparent as a result of the assessment of tenders can be taken into account.

Offers will be assessed by individual Evaluation Team Members against each Weighted Assessment Criterion and assigned a score out of 10. The evaluation team will then meet and reach a consensus score for each response. The team will discuss any discrepancies between Evaluation Team Member scores.

The agreed Evaluation Team score will then be multiplied by the criteria weighting (as outlined in the assessment criteria) to obtain a weighted score for each criterion of each offer. The individual weighted scores for each criterion will then be added to obtain a total weighted score for each offer (score from 1 (lowest) to 100 (highest)). The offers will be ranked from the highest score to the lowest.

Where an offer is rated a score of three (3) or below for an individual criterion, it may be excluded by the Evaluation Team from any further consideration.

The Evaluation Team on finalising scores will declare a successful Tenderer or if post tender negotiations are required, a Preferred Tenderer in accordance with the Preferred Tenderer requirements outlined above. If required, the Evaluation Team may undertake post tender negotiations in accordance with the Post Tender Negotiation requirements as outlined above.

The Evaluation Team at its absolute discretion may request that Tenderers attend an interview to present its offer to the Tender Evaluation Team. The Evaluation Team is to ensure that documentation presented and minutes of the interview are kept for inclusion in the TER and Contract should the Tenderer be successful.

On completion of negotiations (if required), the Evaluation Team is to recommend a 'Preferred Tenderer' to the delegate for approval. The evaluation is to be fully documented in the TER.

If the Evaluation Team decides not to accept any tender and cancel/re-call tenders, the Evaluation Team is to provide a recommendation to the delegate for approval. Upon delegate approval, the Evaluation Team is to advise Tenderers in accordance with the provisions of AS2124 Code of Tendering.

Fee Assessment

The TET will assess the offer to confirm that the submitted fee meets the requirements of the Project Brief. The submitted fee will be assessed to confirm all elements of the Project Brief have been considered.

The lump sum fee will be assessed as follows:

If the lowest fee quoted in a tender is lower than $0.8F_{avg}$ (where F_{avg} is the average fee of all qualifying tenders), then

Preliminary Fee Score = $((0.8 \times F_{avg}) / \text{Tenderer's fee}) \times 10$ with the maximum Fee Score capped at 10

if the lowest fee quoted in a tender is higher than $0.8F_{avg}$, then preliminary Fee Score = $(\text{Lowest quoted fee} / \text{Tenderer's fee}) \times 10$

The Fee will be reviewed against the Risk Rating Table (Attachment B of this Evaluation Plan) and will be assessed to reflect the risk to the Territory.

Analysis of the financial offer may be undertaken by the Tender Evaluation Team to assist in determining the preferred Tenderer. This may include a sensitivity analysis of costs and take into consideration cost differences due to provisional quantities within the tender sum.

5. EVALUATION CRITERIA

Threshold and Weighted Criteria are provided at Attachment A.

The Scoring Regime used in Tender Evaluation is provided at Attachment B.

6. EVALUTION REPORT, LETTERS OF DECLINE AND DEBRIEFING**Evaluation Report**

The evaluation team will prepare the following information for inclusion with the evaluation report.

- (a) background to the process;
- (b) the evaluation process, including comments and scores against each criteria;
- (c) the order of preference of tenders;
- (d) value for money;
- (e) proposed methods for management of risks (if deemed necessary);
- (f) identification of any issues which should be resolved by negotiation; and
- (g) recommendations to the Director General or approving delegate.

ATTACHMENT A

Evaluation Plan

City to the Lake – Managing Contractor West Basin Foreshore

ASSESSMENT CRITERIA

A.1 THRESHOLD CRITERIA

THRESHOLD CRITERIA	Pass/Fail
<p>TC1. Pre-qualification. Demonstration that the Tenderer holds a National Prequalification System (NPS) Non-Residential Building prequalification Design and Construct, F50.</p> <p><u>Note:</u> If a Tenderer holds the appropriate National Pre-qualification in another jurisdiction, it must be mutually recognised in the Australian Capital Territory at time of closing tenders. Tenderers should provide a copy of their pre-qualification certificate with its Tender.</p>	Yes/No
<p>TC2. National Code of Practice. Demonstration by the Tenderer of compliance with the National Code of Practice for the Construction Industry.</p>	Yes/No
<p>TC3. IRE. Certified compliance with Industrial Relations and Employment (IRE) Obligations Strategy for ACT Government Capital Works at time of closing tenders.</p>	Yes/No
<p>TC4. Workplace Gender Equality. The tenderer, and any of its nominated sub-contractors must not be listed as non compliant with the Workplace Gender Equality Act 2012 (Cth) ("Act") on the Workplace Gender Equality Agency website at www.eowa.gov.au as at the date of close of tenders.</p>	Yes/No
<p>TC5. Quality Management. Tenderers must have current [full/partial] certification of its Quality Management System to AS/NZ/ISO 9001:2008 as at the date of close of tenders. Tenderers should provide a copy of their certificate with their tender.</p>	Yes/No

A.2 WEIGHTED CRITERIA

WEIGHTED CRITERIA	WEIGHTING
<p>WC1. Technical, Managerial Skills and Resources to complete the project Provide and describe the following:</p> <ul style="list-style-type: none"> • Management structure and personnel (including CV's of key personnel) that will be engaged on this project, including backup personnel; • An implementation plan demonstrating how the key people will integrate with the project team, communicate effectively and add value to the project; • Professional / technical capability of key personnel to meet the requirements of this project (under an early contractor involvement model); • Details relating to the experience of key personnel on similar projects undertaken in the last five (5) years; • Provide a statement on the current commitments and availability of all key personnel for the duration of the project. 	20

Resources

The Territory requests Tenderers provide details of its proposed resources for the Contractor’s activities and the Works, including:

- (1) the Contractor’s Authorised Person; and
- (2) the Tenderer’s key people;

in the format substantially the same as the table below.

POSITION, NAME	Current and future location (and how the work will be managed if not located locally)	Nature and extent of involvement (incl. if on or off site, estimated hours they will be dedicated to the project)	Nature and extent of INVOLVEMENT IN CURRENT AND POTENTIAL FUTURE PROJECTS IDENTIFIED above	CURRENT AND POTENTIAL FUTURE WORKLOAD AND AVAILABILITY	RELEVANT QUALIFICATIONS AND OTHER RELEVANT EXPERIENCE
Contractor's Authorised Person					
[other key person]					
[other key person]					

The Tenderer is also requested to submit:

- (1) a project-specific organisational chart; and
- (2) curricula vitae for each of the Contractor’s Authorised Person and each key person, which should include details of all relevant projects worked on in the last 5 years and the name and telephone number of a client referee.
 - Specific experience and competencies of the people who will integrate with the team in Stage 1 and deliver an exceptional outcome in relation to program management, estimating, design management and construction planning.

Design Development and documentation resources

- (1) Where the Tenderer proposes to use internal resources for design development and documentation in any discipline not subject to Preferred Subcontractors, it is requested to provide full details to establish that each of the key staff have the proven competence, qualifications and experience on similar tasks to satisfactorily perform the proposed functions including:

<p>(a) name, position, discipline;</p> <p>(b) qualifications, affiliations;</p> <p>(c) proposed function / work;</p> <p>(d) details of recently completed and current significant commissions including project name, value, client, dates and values.</p> <p>(2) Where the Tenderer proposes to use other than internal resources for design development and documentation, for such work which is not subject to Preferred Subcontractors, it is requested to provide full details and references to show their proven competence, qualifications and experience on similar tasks to satisfactorily perform the proposed functions including:</p> <p>(a) Name, address and contact details;</p> <p>(b) Proposed discipline;</p> <p>(c) Estimated value of engagement;</p> <p>(d) Key personnel of subcontractor, including name, discipline and qualifications.</p> <ul style="list-style-type: none"> ▪ Provide details of the methodology to be implemented for the selection and engagement of sub-consultants / sub-contractors. Tenderers are to list proposed sub-consultants / sub-contractors to be used on this project, including their relevant experience on similar projects in the past five (5) years. <p>Workload</p> <p>To allow the Territory to evaluate this Assessment Criteria, the Territory requests Tenderers provide details of its current and potential future workload (including those contracts for which tenders have been submitted but not yet accepted or rejected) in a format substantially the same as the tables set out below.</p>	
--	--

<p>Current workload</p> <table border="1"> <thead> <tr> <th>PROJECT AND LOCATION</th> <th>CLIENT AND CONTACT DETAILS</th> <th>CONTRACT PRICE</th> <th>CONTRACT PRICE REMAINING</th> <th>KEY START AND COMPLETION DATES</th> <th>KEY DISCIPLINES/TRADES</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>						PROJECT AND LOCATION	CLIENT AND CONTACT DETAILS	CONTRACT PRICE	CONTRACT PRICE REMAINING	KEY START AND COMPLETION DATES	KEY DISCIPLINES/TRADES													
PROJECT AND LOCATION	CLIENT AND CONTACT DETAILS	CONTRACT PRICE	CONTRACT PRICE REMAINING	KEY START AND COMPLETION DATES	KEY DISCIPLINES/TRADES																			
<p>POTENTIAL FUTURE WORKLOAD</p> <table border="1"> <thead> <tr> <th>PROJECT AND LOCATION</th> <th>CLIENT AND CONTACT DETAILS</th> <th>APPROX VALUE</th> <th>KEY AWARD, START AND COMPLETION DATES</th> <th>KEY DISCIPLINES/TRADES</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>						PROJECT AND LOCATION	CLIENT AND CONTACT DETAILS	APPROX VALUE	KEY AWARD, START AND COMPLETION DATES	KEY DISCIPLINES/TRADES														
PROJECT AND LOCATION	CLIENT AND CONTACT DETAILS	APPROX VALUE	KEY AWARD, START AND COMPLETION DATES	KEY DISCIPLINES/TRADES																				
<p>WC2. Past performance on similar projects: Provide and describe the following:</p> <ul style="list-style-type: none"> • Details relating to performance on completed similar projects in the past 5 years and contact details of referees. The Tenderer should include details of time, quality and environmental performance. <p>Note: Previous performance information held by the Territory may also be considered if available.</p>					20																			
<p>WC3. A clear understanding of the project and specification/contract (GC21 General Conditions of Contract). Provide and describe the following:</p> <ul style="list-style-type: none"> • Provide a succinct appreciation of the project requirements, potential project specific risks and how the risks will be managed during the project; • Provide a succinct appreciation of how the Tenderer will manage this project to final completion and handover. 					10																			

<p>WC4. QA, Work Health and Safety and Environmental management. Provide and describe the following:</p> <ul style="list-style-type: none"> • Demonstrated ability (to the satisfaction of the Territory) to proactively manage Work Health Safety and Rehabilitation (WHS&R) requirements; • Preliminary WHS&R site management plan suitable for implementation on this project; • Preliminary Risk Management Plan for this project; • Preliminary Emergency Procedures suitable for implementation on this project; • Evidence that personnel have experience in implementation of a WHS&R site management system; • Evidence of the effective operation of the WHS&R site management system, including past performance related to safety including Serious Claims, Incidence and Frequency Rate (serious claims per million hours worked) for financial year 2011/2012; and • Records of any fines or other penalties (including Prohibition Notices) issued by WorkSafe ACT or an equivalent interstate agency in the past 5 years. 	30
<p>WC5. Financial Provide a lump sum fee for service for Stage 1, not to be exceeded percentages for margin and preliminaries for the offer for Stage 2, and Schedule of Rates for labour and equipment for Stage 2.</p>	20

ATTACHMENT B

Evaluation Plan

City to the Lake – Managing Contractor West Basin Foreshore

DRAFT PRICING SCHEDULE SUMMARY

DRAFT PRICING SCHEDULE SUMMARY

ATTACHMENT C

Evaluation Plan

City to the Lake – Managing Contractor West Basin Foreshore

SCORING REGIME USE IN TENDER EVALUATION

Risk Rating Table for use in Tender Evaluation

Descriptor	Sample Commentary	Rating
Superior	Highly convincing and credible. Response demonstrates superior capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Comprehensively documented with all claims fully substantiated. Insignificant risk.	10
Outstanding	Highly convincing and credible. Response demonstrates outstanding capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Documentation provides complete details. All claims adequately demonstrated and substantiated. Insignificant risk.	9
Excellent	Response complies, is convincing and credible. Response demonstrates excellent capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Some minor lack of substantiation but the Tenderer's overall claim is supported. Low risk.	8
Very Good	Response complies, is convincing and credible. Response demonstrates very good capability, capacity and experience, relevant to, or understanding of, the requirements of the Evaluation Criterion. Minor uncertainties and shortcomings in the Tenderer's claims or documentation. Low risk.	7
Good	Response complies and is credible but not completely convincing. Response demonstrates adequate capability, capacity and experience, relevant to, or understanding of, the requirements of the Evaluation Criterion. Tenderer's claims have some gaps. Low risk.	6
Adequate	Response has minor omissions. Credible but barely convincing. Response demonstrates only a marginal capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Medium risk.	5
Reservations	Barely convincing. Response has shortcomings and deficiencies in demonstrating the Tenderer's capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Medium risk.	4
Poor	Unconvincing. Response has significant flaws in demonstrating the Tenderer's capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Medium risk.	3
Very Poor	Unconvincing. Response is significantly flawed and fundamental details are lacking. Minimal information has been provided to demonstrate the Tenderer's capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. High risk.	2
Inadequate	Response is totally unconvincing and requirements have not been met. Response has inadequate information to demonstrate the Tenderer's capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. High risk.	1
Not Acceptable	Tenderer was not evaluated as it did not provide any requested information and/or contravened nominated restrictions. High risk.	0



ATTACHMENT C

PROCUREMENT PLAN

City to the Lake – Early Contractor Involvement for West Basin Foreshore

PROBITY PLAN

PROBITY PLAN

PROBITY

The principle of probity and ethical behaviour provides that officers (*public employees* in the *Public Sector Management Act 1994*) involved in purchasing activities are to act with honesty and maintain the highest ethical standards in all business dealings.

Additional Information: ACT Integrity Policy and ACT Procurement Solutions Circular 2007/21.

1. PROBITY PROTOCOL - Introduction

1.1 Confidentiality of Information

All documents and proceedings of the Tender Evaluation Team are 'Commercial-in-Confidence' and must be secured when not in use by members of the Tender Evaluation Team. The disclosure of information contained in responses may prejudice the commercial interests of the companies concerned and the bargaining position of the Territory during subsequent contract negotiations.

1.2 Handling of documents

Maintaining the highest levels of confidentiality is essential to ensuring the probity and fair dealing within the purchasing process.

Confidentiality is essential at all stages of the process and information should be provided to people outside the Team only on a 'need to know' basis.

All information associated with the evaluation process must to be clearly marked 'Commercial-in-Confidence' and treated accordingly. The number of persons given access or having access to the information should be kept to an absolute minimum.

Any requests for information regarding the offers and the evaluation should be addressed to the Chairperson of the Tender Evaluation Team.

1.3 Conflicts of Interest

In accordance with ACT Procurement Solutions Circular 2007/21 all Tender Evaluation Team members must immediately disclose to the Chairperson any actual, potential or perceived conflict of interest involving themselves, their immediate or extended family or other close personal relationship and thereafter take steps to avoid or negate that conflict. This responsibility lies with each Tender Evaluation Team member.

Public confidence in the integrity and honesty of the ACT Government is crucial to the operation of the Government. A real, potential or perceived conflict of interest can jeopardise that confidence.

All disclosures of conflicts must be fully documented by the Chairperson.

1.4 Communicating with Tenderers

All communication with organisations external to the Tender Evaluation Team is to be approved by the Chairperson of the Tender Evaluation Team.

All contact with tenderers, for example, requesting additional information or holding formal interviews, is to be conducted with prior approval of the Chairperson of the Tender Evaluation Team.

1.5 Recording Communications

All communications with tenderers are to be documented during the evaluation process.

2. HOW IS PROBITY TO BE MANAGED?

2.1 Probity Adviser

An independent probity adviser is not proposed to be appointed for this procurement.

Where a probity issue is identified by any person connected to the tender process (including a tenderer) the Chair of the Evaluation Panel will notify the Project Director, City to the Lake in writing and, depending on the circumstances and nature of the issue, recommend that the issue be reviewed by an external probity advisor.

The report and any recommendations of the probity review will be in writing and form part of the tender evaluation report.

2.2 Probity Auditor

If one or more probity issues are raised during the tender process a file will be created which contains all relevant documentation.

At the completion of the tender process the file may be reviewed by an external probity auditor.



BRIEF

Date	12 March 2015
To	Government Procurement Board
From	Project Director, City to the Lake
Subject	Procurement for the Construction of the West Basin Waterfront, City to the Lake

PURPOSE

To brief the Government Procurement Board on the procurement delivery methodology of the West Basin Waterfront that is part of City to the Lake (CttL). This document will provide background information and describe the process in the selection of the proposed methodology.

BACKGROUND

In September 2014, the Government announced a revision of project priorities that impacted the implementation and direction of the CttL program of works. While the construction of the Australia Forum and the City Stadium were deferred for at least five years, the Government committed to progressing the West Basin Waterfront. The LDA understands that this element remains an immediate Government priority with construction completion required by October 2016.

To deliver on this commitment, the LDA has been charged with progressing the West Basin Waterfront project in parallel with securing the capital funding to deliver the associated construction works.

The scope of works is described in the general arrangement plan at **Attachment A**.

Progressing the project required the establishment of an National Capital Authority Design Review Panel (DRP) which is an independent advisory group. The panel assists the LDA and the NCA to interpret the consent requirements of the NCA as they relate to the project. This process required urban design, architecture, engineering and cost planning advice to enable the LDA to develop the project toward a set of requirements that satisfied the statutory requirements of the NCA and aligned with a project budget.

To this end the LDA has appointed a design team, engaged initially through a public tender process that was carried out in early 2014. The design team has developed conceptual solutions for the West Basin Waterfront and is now developing a preliminary design to respond to the requirements of the NCA.

The LDA consulted the CMTEDD IFAD (IFAD) in relation to the characteristics of the project and the delivery models that could be deployed to deliver the outcomes sought.

In late 2014 as the design progressed, the LDA engaged advisors to facilitate a process for selecting the delivery model for the project. The assessment process considered a number of key aspects influencing the model selection. These included:

- the completion of construction by October 2016;
- design Control to ensure NCA and ACT Government requirements are achieved prior to construction contract;
- flexibility to align project staging to address access constraints due to current lease arrangements;
- the transfer of design risk to the construction contractor; and
- cost certainty.

The report following the delivery model assessment and selection is included in **Attachment B**.

The master program was developed to deliver the project on the basis of the selected delivery model and is provided for reference at **Attachment C**.

At the end of 2014 a tender titled 'ECI D&C Request for Tender' for the construction of the West Basin Waterfront project was called. The tender process invited responses from the market for participation in a two stage pricing process that would result in a D&C (GMP) contract (or Managing Contractor contract).

CONSULTATION

sch 1 s1.2



THE CURRENT TENDER PROCESS

The adopted contract type is a GC21 two (2) stage D&C (Similar to a Managing Contractor contract). The two (2) stage process is outlined as follows:

- Stage 1 – Preliminary design, works approval application, Guaranteed Construction Sum offer; and
- Stage 2 – Design and Construct.

In Stage 1, the construction contractor is required to integrate with the LDA design team in preparing documentation for the purpose of achieving NCA approval for the waterfront and preparing a Guaranteed Construction Sum.

The LDA has an approved budget for Stage 1. The contractor is paid a fixed fee for the Stage 1 services.

The tender clearly defines that the project may be terminated at the conclusion of Stage 1.

The LDA does not currently have a budget allocation for construction and cannot commit at this stage to proceed to Stage 2.

The LDA has submitted a business case for construction funding (and have investigated the possibility of LDA funding). At this stage, the LDA is only committed to stage 1 works.

Extracts from RFP documentation is provided at **Attachment D**.

VALUE FOR MONEY

Stage 1

The Stage 1 process will lock-in a competitively tendered price for the stage 1 services.

Stage 2

Value for money safeguards during Stage 2 will include:

- The initial two (2) stage D&C (or Managing Contractor contract) has been competitively tendered and will lock-in:
 - Margin;
 - Preliminaries;
 - Rates; and
 - Stage 1 fees;
- The contractor will manage the design through all approvals and will offer a GMP that:
 - is based on a developed design approved by the NCA;

- includes tendered fees, margin, preliminaries and open book trade costs; and
- will include a limit of approximately \$2-3 million on self performed work;
- The LDA has engaged a Quantity Surveyor (QS) to provide independent QS advice (including cost benchmarking and the development of a GMP).
- Competitive tendering on trade packages:
 - Open book trade pricing in Stage 1 and open letting in Stage 2;

The LDA will:

- approve trade package tender documents and tender lists;
 - attend tender opening; and
 - approve tender award recommendations.
- Self performed work will require LDA approval and independent QS sign off.

The GMP offer provides a commitment from the contractor to complete works by the agreed date.

GOVERNMENT PROCUREMENT BOARD

Should construction funding become available to proceed to Stage 2, the LDA will go to the Government Procurement Board before seeking a Guaranteed Construction Sum from the Contractor.

ATTACHMENTS

1. General Arrangement Plan
2. Delivery Model Assessment Report
3. Master Program
4. RFT documentation - Extract



City to the Lake Site-wide Master Plan
DRAFT 30 January 2015 - Revision A
1:1000 @ A0
STAGE 1A CONDITION

City to the Lake



West Basin Foreshore Stage 1A Procurement Strategy

COMMERCIAL-IN-CONFIDENCE

t. + 61 3 9639 1504 | f. + 61 3 9639 1346
Level 3, 164 Flinders Lane, Melbourne VIC 3000, PO Box 18137 Collins Street East, Melbourne VIC 8003
ABN: 68 001 220 816 ACN: 117 083 048
info@isgprojects.com.au | www.isgprojects.com.au

LEADERSHIP | INTEGRITY | VALUE



Version and Revision Control

Version	Date	Author	Reviewer	Approval Director	Date	Notes
0.1	04/09/2014	AD, SS	SS	AD	4/09/14	Final Draft for LDA review
1	23/10/14	AD	Sch 2	AD	23/10/14	Final

DISCLAIMER:

The information in this document is confidential and should be read only by the client(s) to whom it is address. If you are not an authorised recipient of this document, you should not read, print, re-transmit, store or act in reliance on this document or any attachments, and should destroy all copies of them.

We advise that it is the responsibility of the recipient of this document to scan any electronic copies for viruses or other bugs. As such, we cannot be held liable for loss, direct or indirect, as a result of recipients' failure to comply with this notice. We also advise that email transmission cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed or incomplete. This notice should not be removed



Contents

Executive Summary	1
1. Introduction	2
2. Project Description.....	2
3. PDM Options Assessment and Selection Process.....	3
4. Next Steps	7
Appendix A Stage 1A Concepts Provided by ARUP	
Appendix B Criteria Definitions, Extract from ACT Government TCF	
Appendix C Project Delivery Model Descriptions, Extract from ACT Government TCF	



Executive Summary

This document captures the outcomes of a Project Delivery Model (PDM) assessment carried out on behalf of the Land Development Agency (LDA), in conjunction with the LDA staff, TAMs staff and the project engineering design advisors to the LDA, Arup. The PDM assessment was confined to the West Basin Foreshore Stage 1A only.

The PDM assessment process adopted is an established but simple ranking process that is widely published and recognised as a “pre-eminent” approach to PDM selection.

The PDM assessment concluded that there are four key influences on the selection of a procurement model for the West Basin Foreshore works, these being Time to Market, Flexibility, Price Certainty and Risk Transfer. Of the PDMs shortlisted through the assessment process, the models worthy of consideration for developing a contracting plan are:

- Design and Construct;
- Managing Contractor; and
- Design Construct and Maintain.

In order for the LDA to develop the necessary procurement and contracting plan the next steps required are:

1. Define the extent of works to be developed and delivered as part of the Stage 1A of the City to the Lake, West Basin Foreshore;
2. The current concepts need to be developed and assessed against the expected project budget estimates. Current options need to be assessed against cost, time and risk parameters in addition to the urban design and master planning requirements;
3. A cost plan needs to be developed;
4. A master program that set-outs the process to achieve the target completion date for Stage 1A needs to be established;
5. The site risks need to be investigated and overall project risks need to be identified and analysed;
6. The contract packaging needs to be developed to facilitate meaningful market engagement; and,
7. A detailed procurement and contracting plan should be developed.



The contract packaging needs to be considered in the context of the scope of works, time constraints, specialist inputs, technical limitations and market depth and availability of contractors. The Contract packaging must create a meaningful staging plan, and identify the need for having separate packages (ie,) and the benefit of creating project delivery interfaces must outweigh the associated down-side risks.

The next steps also require an intensive effort on behalf of the project team and potentially a re-focus of the current design efforts.

1. Introduction

This report documents the outcomes of a procurement workshop held at the LDA premises in Canberra on 04 September 2014. The procurement workshop was held to assess procurement options for the redevelopment of area of land known as the Western Basin Foreshore section of the City to Lake Masterplan. The outcomes of the workshop was a recommendation as to which Project Delivery Methodologies (PDMs) should be taken forward for further detail consideration

2. Project Description

The proposed West Basin foreshore is a large public waterfront foreshore development connected to the City. The development of the foreshore will create a public realm that provides an amenity for the future destinations in West Basin (Aquatic Centre, retail, etc.) and facilitates activation to provide a safe, vibrant and sustainable development outcome.

In order for the West Basin to proceed there is a need to reclaim additional land at the foreshore and construct a timber boardwalk around 900m-1000m in length, along with a vehicle access road and platforms for future pavilions (lightweight building structures). The scope being considered for this assessment is the area of work identified as “City to The Lake, Stage 1A”. Appendix A of this document provides an outline of the scope presented by the engineering designer Arup. The scope is currently under development and options on the actual configuration of the built form are being tested from and engineering feasibility perspective, though overall, the outline of the scope is consistent. The project has a budget of around \$30 o \$45 million and has a target completion of end 2016. The project design responds to the West Basin controls in the National Capital Plan and the City to the Lake Master Plan. The design is at concept stage and is currently part of an Estate Development Plan process for West Basin.¹ There are specialist construction elements within the scope, these are primarily the water based construction activities that require specialist plant and equipment and the creation of water sensitive urban design features such as reed beds etc.

¹ Arup presentation dated 03 September 2014



3. PDM Options Assessment and Selection Process

The approach to the workshop was to follow the approach described by Skitmore and Marsden² as a Multi Attribute User Analysis (MAUA). This approach is generally recognised by leading academics as the “pre-eminent” approach to PDM selection. The MAUA approach to PDM selection is quite simple. The workshop was held at the Land Development Agency (LDA) offices in TransACT House on 4 September 2014. The attendees were:

- Tim Xirakis (LDA)
- Ian Wood Bradley (LDA)
- Nathan Greig (LDA)
- Sch 2
- Richard Hutch (LDA)
- Ben McHugh (TAMS)
- Sch 2 s2.2(a) (ISG Projects), Facilitator
- Sch 2 (ISG Projects)
- Sch 2 (Arup)
- Sch 2 s2.2(a) (Arup)

1. Step One | Project Overview and Context

Arup provided the general overview to the City to Lake project and the Western Basin Foreshore section.

2. Step Two | Procurement Criteria Selection

Before any meaningful analysis can take place, there must be a clear idea about the issues that are important for the project and which will guide and direct the consideration of some PDMs over others. These issues direct the criteria by which PDM will be assessed as to its suitability for use.

The Capital Framework³ offers a set of criteria to be considered in the selection of any PDM. The five criteria are:

1. Time to Market;
2. Flexibility;
3. Price Certainty (integration);
4. Risk Transfer; and
5. **Innovation and Incentive**

² Skitmore, RM and Marsden, DE (1988), Which procurement system? Towards a universal procurement selection technique, Construction Management and Economics, Vol 6, pp 71-89.

³ The Capital Framework (TCF) Guidance, Framework Overview, Version 1.0



A clear understanding by all project participants of each selection criterion is vital to achieve good PDM selection outcomes. The above criteria as nominated by The Capital Framework were confirmed as the agreed selection criteria for the project.

For the purposes of this assessment the criteria above were adopted with Innovation and Incentive being treated as separate criterion.

Price certainty was discussed as being the level of certainty of pricing and eventual project outturn costs, through construction, into maintenance and operations.

The definitions adopted in the workshop are based on the Capital Framework definitions and are provided in Appendix B for ease of reference.

3. Step Three | Agree the List of PDM's to be Considered

The workshop started out with the nine PDM's suggested by The Capital Framework:

1. Construct Only;
2. Design & Construct;
3. Design Construct Maintain;
4. Design Construct Maintain Operate;
5. Managing Contractor;
6. Alliance;
7. PPP (Availability);
8. PPP (BOOT); and
9. Project Management Agreement.

After a discussion about which PDMs were clearly not suitable, the list was reduced to:

1. Construct Only
2. Design & Construct
3. Design Construct Maintain
4. Managing Contractor

It was agreed that these four PDMs should be subject to further consideration and assessment. The definition of these PDMs as outlined in the workshop is included in Appendix C. The models excluded were identified as inappropriate given the nature of the work and there being no revenue streams that would contribute to private financing. Alliancing was excluded as it did not support the objectives relating to timing, price certainty and risk transfer.



4. Step Four | Scoring the agreed PDM's from 1 - 10 against each of the agreed procurement criteria – to produce a “raw score” for each PDM

The next step of the PDM selection process is the scoring of each of the nominated PDM's against the agreed criteria. This scoring is done to show how well each PDM performs in delivering against each criterion. Refer to Table 1 below.

Table 1 | Shows the scoring of each PDM against the agreed criteria

	Time to Market	Flexibility	Price Certainty	Innovation	Incentive	Risk Transfer
Construct only	6	6	2	3	1	3
Design & Construct	8	4	8	6	3	6
Design Construct Maintain	5	4	8	7	6	7
Managing Contractor	9	7	5	6	6	5

Key: Ability of PDM to provide this criterion 10 scores high and is a positive, 1 scores low and is a negative. (As defined by the Capital Framework)

5. Step Five | Weighting the agreed Procurement Criteria in relative importance for the project under consideration

The next step is weighting the need the project has for each nominated criteria's performance attributes.

Table 2 | Shows the Workshop-agreed relative weighting of each criterion

West Basin Foreshore	Time Market	Flexibility	Price Certainty	Innovation	Incentive	Risk Transfer
Criteria Weight	9	6	8	2	1	7

Key: Demand or need for each criterion by the project

The three highest weighted criteria are Time to Market, Price Certainty and Risk Transfer. Flexibility was close to being on par with Risk Transfer.

6.



Step Six | Multiplying the weighted criteria against each of the PDM “raw scores” to produce project specific PDM scores

Once the criteria have been agreed, the PDM’s scored against the agreed criteria and the criteria weighted in terms of project importance or need. It is a relatively simple step to multiply the PDM scores by the weighted criteria scores. This produces project specific PDM scores which can then be reviewed to see how the PDM’s are scored relative to each other to show which PDMs score more highly across each of the six criterion and are therefore better suited to that project’s specific needs.

The scoring is shown in the table below.

Table 3 | Scoring

PDM Score	Time to Market	Flexibility	Price Certainty	Innovation	Incentive	Risk Transfer	Totals	Rank
Construct only PDM score	6	6	2	3	1	3	134	3
Criteria weight	9	6	8	2	1	7		
Weighted PDM score	54	36	16	6	1	21		
Design & Construct	8	4	8	6	3	6	217	1
Criteria weight	9	6	8	2	1	7		
Weighted PDM score	72	24	64	12	3	42		
Design Construct Maintain	5	4	8	7	6	7	202	2
Criteria weight	9	6	8	2	1	7		
Weighted PDM score	45	24	64	14	6	49		
Managing Contractor	9	7	5	6	6	5	216	1
Criteria weight	9	6	8	2	1	7		
Weighted PDM score	81	42	40	12	6	35		

Key: shows each PDM’s raw score x each project’s criteria demand score

7. Step Seven | Review, discuss and select preferred PDM

The MAUA approach is very good at disregarding clearly inappropriate PDM’s. The final selection step requires judgement because the accuracies of the scoring approach cannot justify selection decisions based solely on scoring differences of less than 5-10%. From the score in Table 3 above, it can be seen that **Design and Construct** and **Managing Contractor** are both the top ranked PDM’s and there is essentially no difference in their scores. **Design Construct and Maintain** is ranked just below these two but close enough to justify further consideration although there may be some problems getting enough “maintenance” market interest in what is a relatively small package.



4. Next Steps

It was agreed at the workshop that there needed to be further analysis carried out on the overall scope to see if there were elements of the Western Basin Foreshore scope that should be removed and carried out as a separate package. The first steps to achieve this outcome will be:

1. Define the extent of works that can be delivered within the target budget;
2. Prepare a cost plan;
3. To prepare a master program that captures the design program, approval milestones, market engagement, procurement, contracting and target completion; and
4. Define the works packaging and associated contracting plan.



Appendices



ISG Projects

Appendix A | Stage 1A Concepts Provided by ARUP

WATERFRONT STRUCTURES LAYOUT A:

- Continuous new vertical seawall along shoreline
- Buildings and boardwalk interface access/public domain areas on piled suspended deck
- Aquatic plants bed protected with underwater rock berm
- Piled suspended deck boardwalk



LEADERSHIP | INTEGRITY | VALUE

Commercial-in-Confidence
City to the Lake | West Basin Stage 1A | Procurement Strategy

LEADERSHIP | INTEGRITY | VALUE

WATERFRONT STRUCTURES LAYOUT B:

- Continuous, jagged vertical seawall
- Boardwalk interface access/public domain areas on paved reclaimed land. Buildings on foundation piles.
- Aquatic plants bed protected with underwater rock berm
- Piled suspended deck boardwalk





ISG Projects

WATERFRONT STRUCTURES LAYOUT C:

- Continuous, jagged vertical seawall incorporating sections of boardwalk
- Boardwalk interface access/public domain areas on paved reclaimed land. Buildings on foundation piles.
- Aquatic plants bed protected with underwater rock berm
- Boardwalk combination of piled suspended deck and pavement on backfilled seawall.



LEADERSHIP | INTEGRITY | VALUE

Commercial-in-Confidence
City to the Lake | West Basin Stage 1A | Procurement Strategy

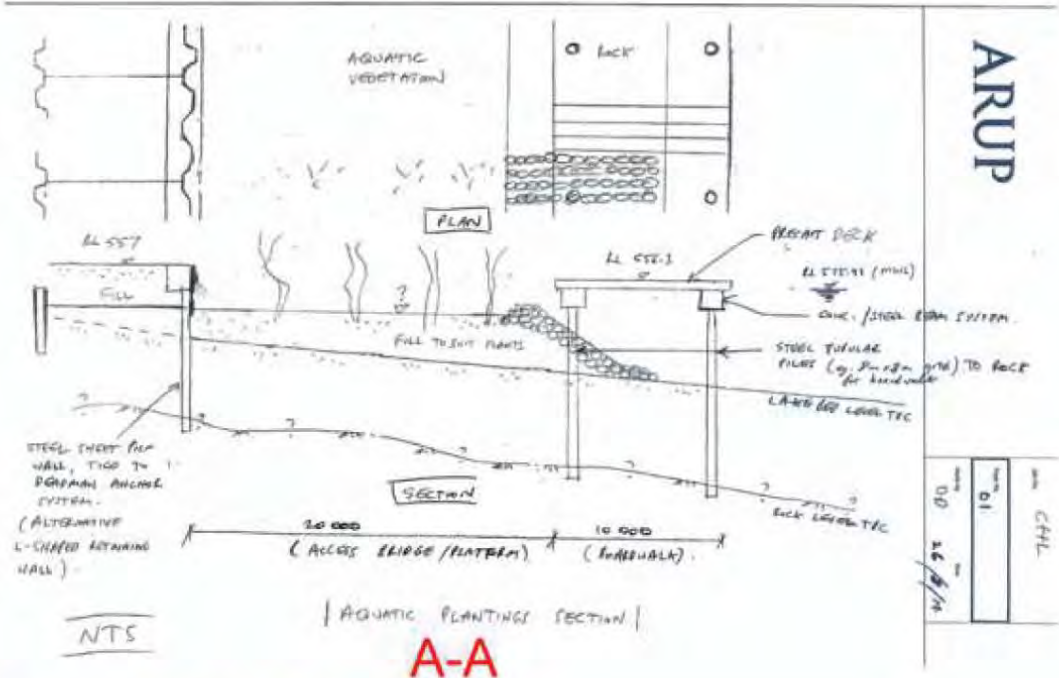
WATERFRONT STRUCTURES LAYOUT D:

- Combined vertical and sloped rock revetment (under boardwalk) seawall
- Boardwalk interface access/public domain areas on paved reclaimed land. Buildings on foundation piles.
- Aquatic plants bed protected with underwater rock berm
- Piled suspended deck boardwalk



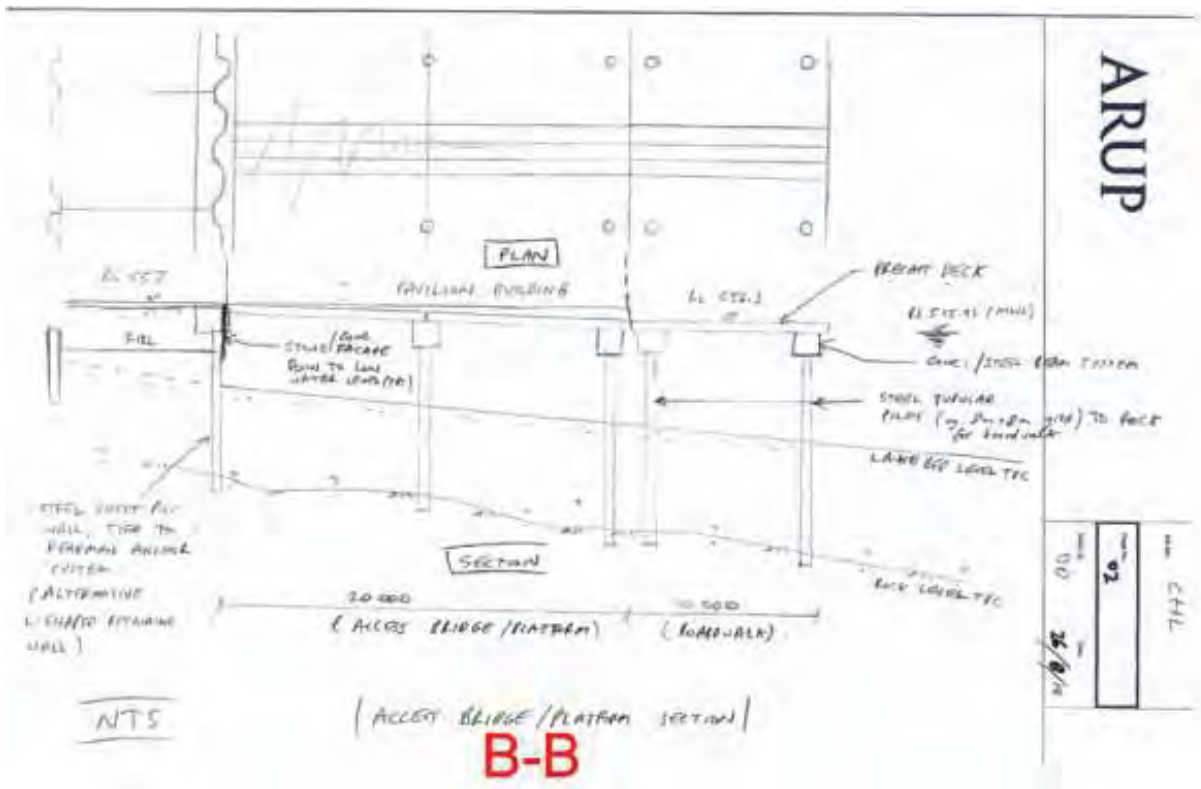


ARUP



LEADERSHIP | INTEGRITY | VALUE

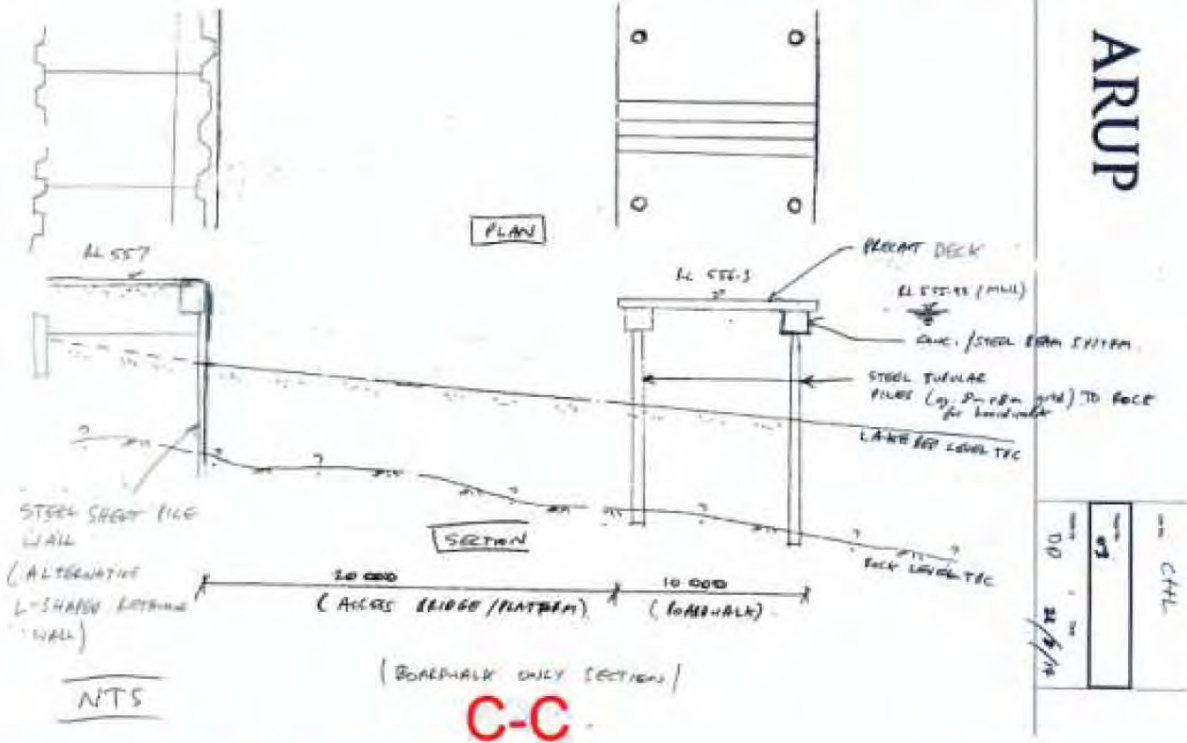
Commercial-in-Confidence
City to the Lake | West Basin Stage 1A | Procurement Strategy





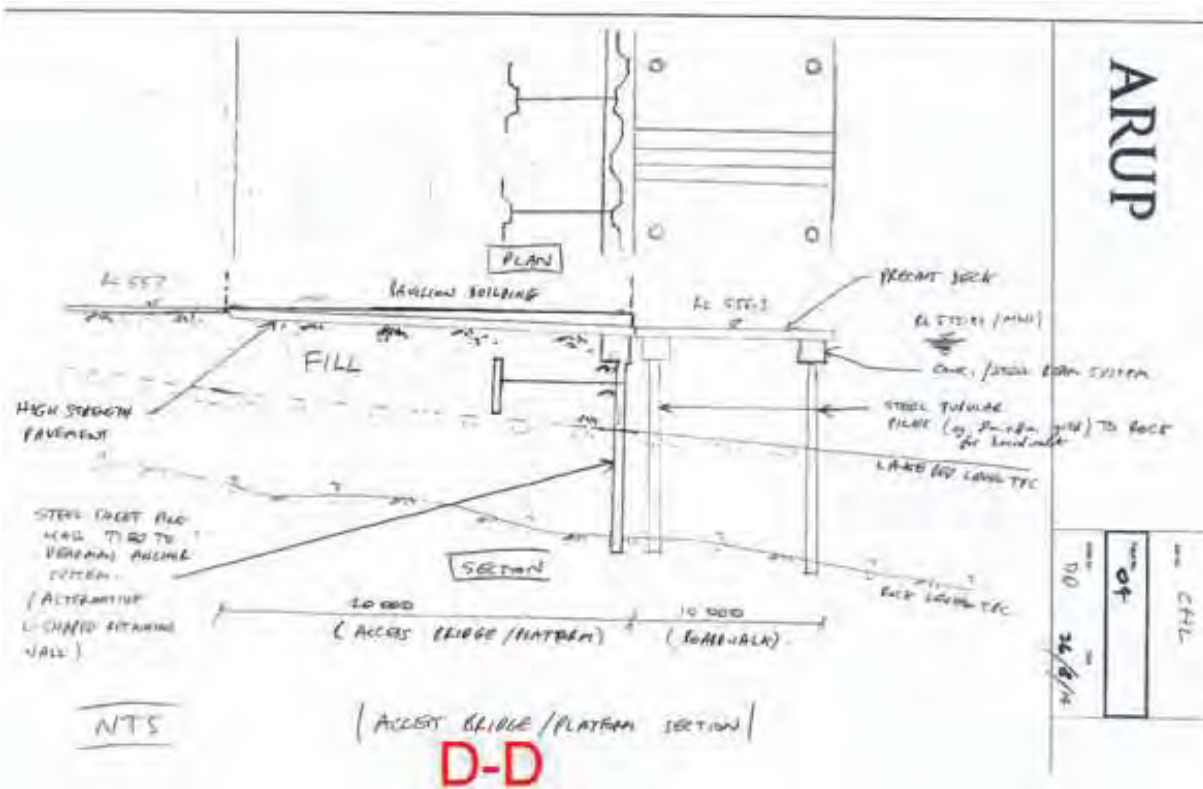
ISG Projects

ARUP



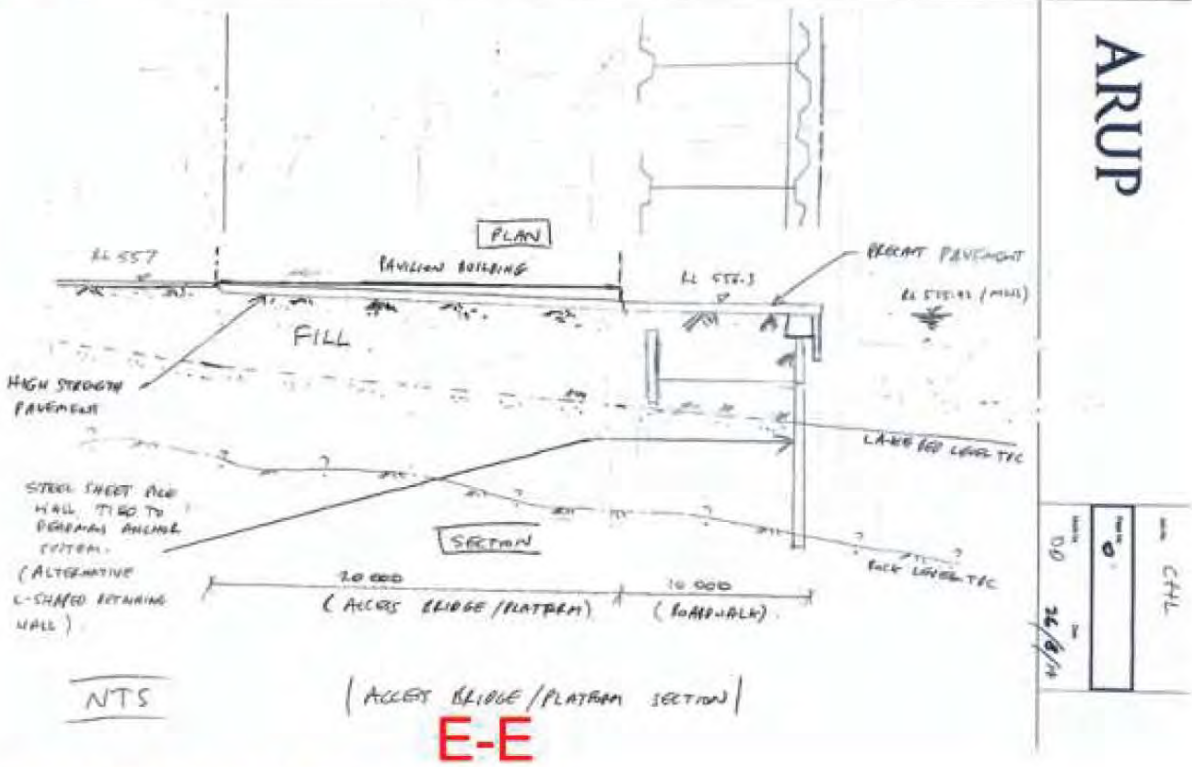
LEADERSHIP | INTEGRITY | VALUE

Commercial-in-Confidence
City to the Lake | West Basin Stage 1A | Procurement Strategy





ISG Projects

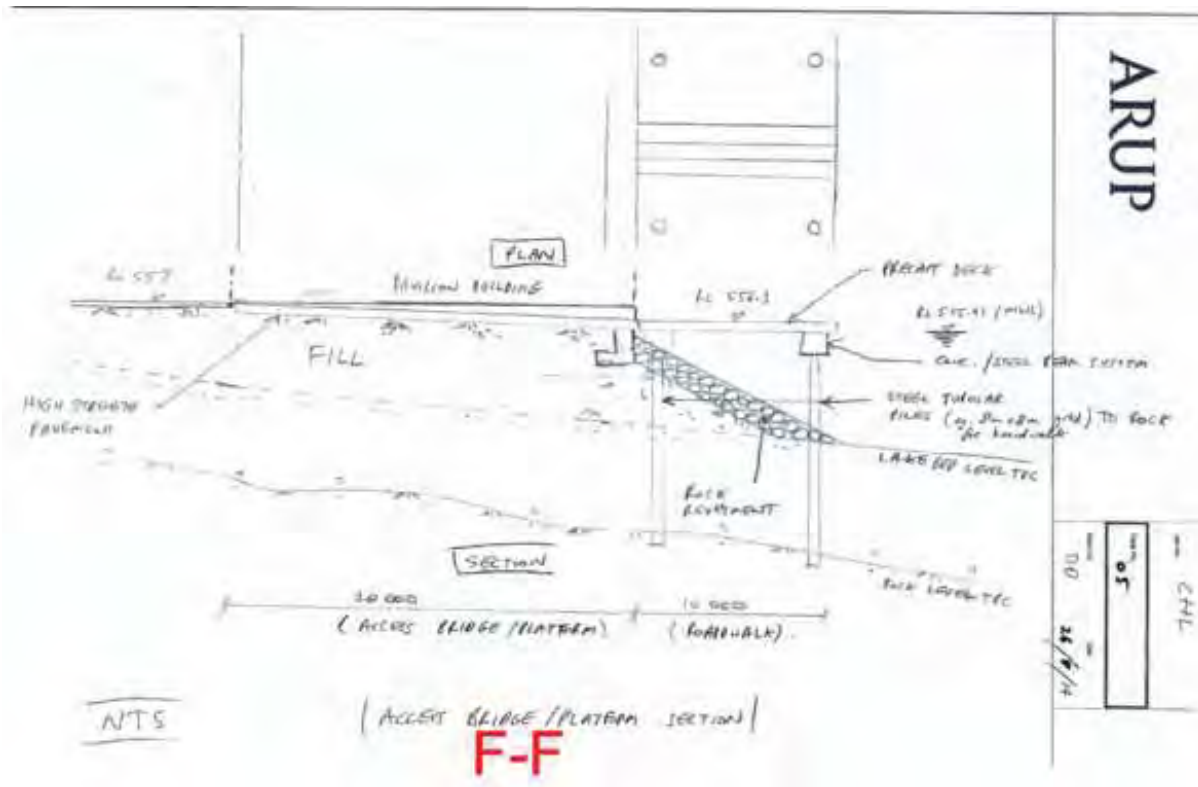


LEADERSHIP | INTEGRITY | VALUE

Commercial-in-Confidence
City to the Lake | West Basin Stage 1A | Procurement Strategy



ISG Projects





ISG Projects

The Waterfront

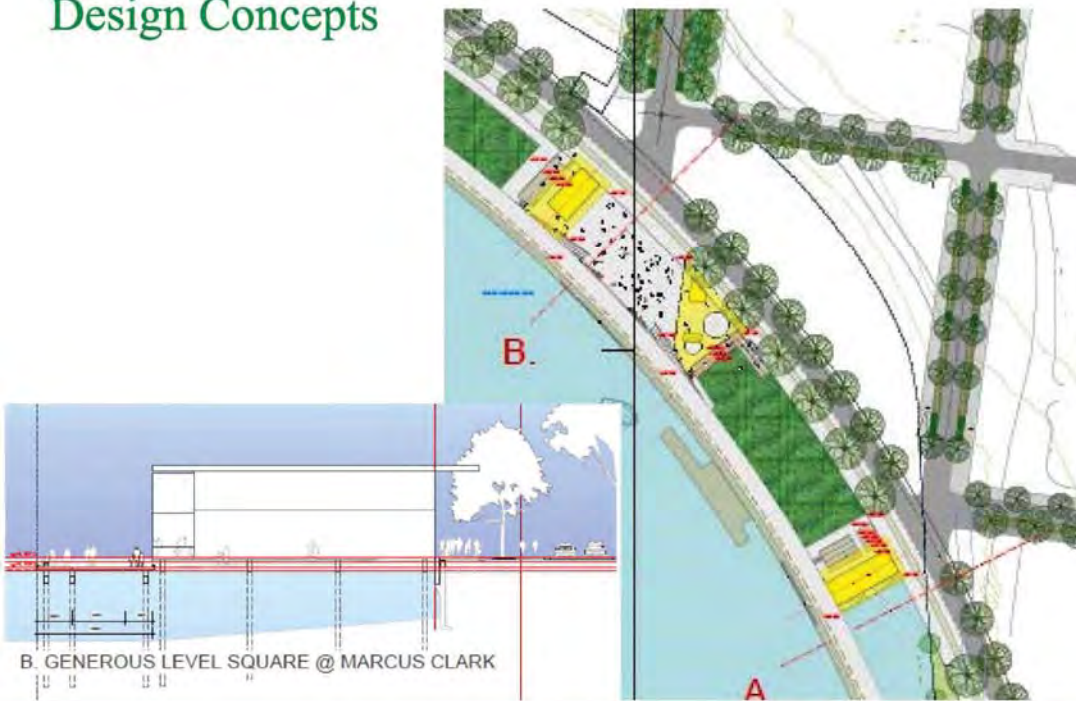


LEADERSHIP | INTEGRITY | VALUE

Commercial-in-Confidence
City to the Lake | West Basin Stage 1A | Procurement Strategy



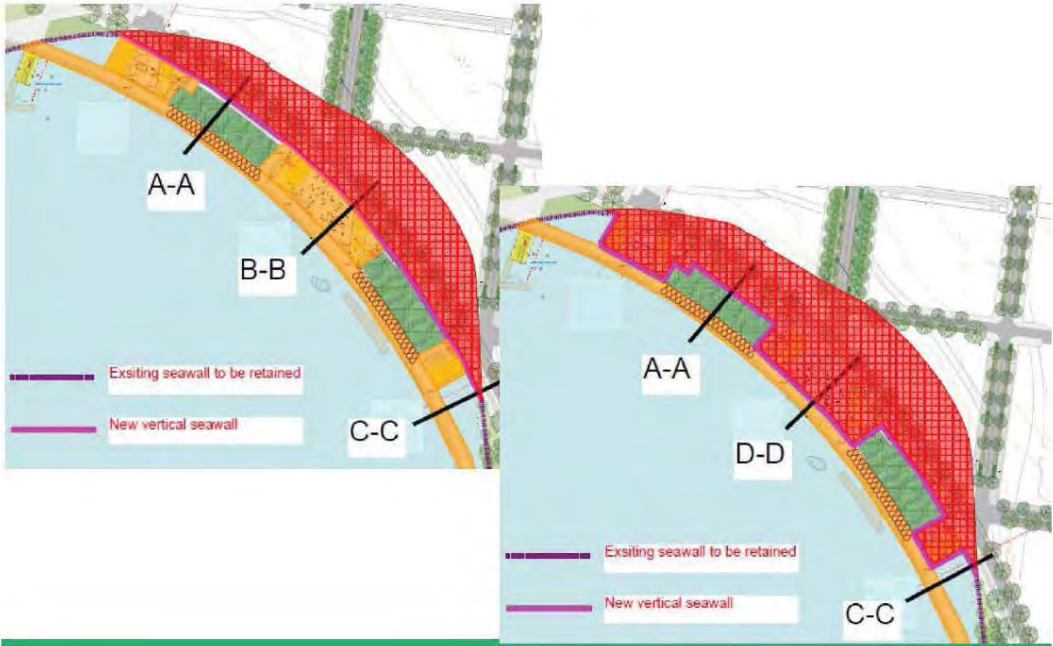
Design Concepts





ISG Projects

Design Concepts



LEADERSHIP | INTEGRITY | VALUE

Commercial-in-Confidence
City to the Lake | West Basin Stage 1A | Procurement Strategy



Design Interfaces



- Street levels
- Utilities
- Overland flow
- WSUD
- Pedestrian and Cyclist connectivity
- Users – residents/visitors/events/lake

ARUP



Appendix B | Criteria Definitions, Extract from ACT Government TCF

1. Time to Market

- Certain delivery models lend themselves to rapid procurement and delivery whereas others require many months of preparatory work to bring to market. In broad terms higher value more complex projects suit delivery models with long lead times.

2. Flexibility

- Certain delivery models are more tolerant to changes in scope and uncertainties than others. Financed models however require a transaction in their own right for any significant scope changes.

3. Price Certainty

- Certain delivery models are more tolerant to changes in scope and uncertainties than others. Financed models however require a transaction.
- It is a general principle that price certainty should be sought where possible, and it is equally valid that that where price certainty is not achievable a fixed price contract form is not appropriate. The flexible delivery models are structured in a way that facilitates delivery where uncertainty prevails; this could be for any of the following reasons:
 - Innovation is needed in design and the outcome is uncertain;
 - Geotechnical instability;
 - Scope is still being developed;
 - Time pressures and interdependencies;
 - Latent conditions i.e. aging pipes, etc
 - Contamination;
 - Complex and unresolved stakeholder issues.

4. Innovation and Incentive

- A number of delivery models drive innovation through incentive structures. This can arise for a number of reasons such as the transfer of certain risks i.e. revenue or through performance based payment mechanisms embedded in the delivery model.
- Some models have incentives that are embedded structurally. For example where the delivery model procures design, construction and maintenance through the one procurement there is an incentive for whole of life costs to be a significant consideration that drives innovation in the design and construction process.

5. Risk Transfer

The delivery models transfer varying types and levels of risk from the client to the deliverer. The range of models span from the principal or the client providing detailed specifications to which a deliverer simply responds by constructing what is specified (construct only), where design, fit for purpose and funding risk is held by the principal, to models where the principal describes and specifies the desired outputs of the project and outsources the design, construction, performance, maintenance and even funding or financing.

LEADERSHIP | INTEGRITY | VALUE

Appendix C | Project Delivery Model Descriptions, Extract from ACT Government TCF

Traditional | These are delivery models that envisage the transfer of price risk and with low to medium levels of integration:

Traditional	Advantages	Disadvantages	Contract Forms	Best Used	VfM Drivers
<p>Construct Only:</p> <p>Design consultancies and construction contracts are procured separately. Construction is generally procured when Final Sketch plans are available.</p>	<ul style="list-style-type: none"> • High confidence around construction costs for budgeting • Flexibility 	<ul style="list-style-type: none"> • Minimal Innovation • Delivery costs do not reflect a competed design • Cost overruns through variations normally caused by changes in brief, documentation co-ordination or site conditions. 	<ul style="list-style-type: none"> • A.S. 2124 • GC 21 	<ul style="list-style-type: none"> • The scope is defined and there is little likelihood of scope creep or wholesale changes to requirements • Little incentive or need for innovation from the contractor • It is desirable and there is sufficient time to complete design documentation before tendering • Limited opportunity for bundling services/maintenance and creating whole-of-life efficiencies 	<ul style="list-style-type: none"> • Larger pool of potential tenderers which leads to increased competition • Greater scope for competitive prices because of design certainty • Lump sum contract value is set before construction starts
<p>Design & Construct (D&C):</p> <p>An integrated design and construction outcome is simultaneously procured. Generally at Preliminary Sketch Plan.</p>	<ul style="list-style-type: none"> • Delivery cost reflects a competed design • Innovation • Improved VfM • Contractor motivated for earliest completion 	<ul style="list-style-type: none"> • Competition may drive reduced quality of finish and durability • More emphasis on upfront specifications required to ensure the asset is fit for purpose 	<ul style="list-style-type: none"> • A.S. 4300 • GC 21 	<ul style="list-style-type: none"> • The Government's minimum requirements are tightly specified before tender or do not change • Government is seeking cost effective designs. • Limited opportunity for bundling services/maintenance and creating whole-of-life efficiencies 	<ul style="list-style-type: none"> • Single point of accountability for design and construction • Lump sum price contract • Potentially, reduced overall project cost because the Contractor has the opportunity to contribute construction experience into the design, resulting in innovation and efficiencies.
<p>Design Construct Maintain:</p> <p>A Design & Construct with an integrated maintenance contract. Maintenance contracts are typically 5 to 15 years.</p>	<ul style="list-style-type: none"> • Certainty of maintenance outcomes • Maintenance contract can prevent poor finish and fittings 	<ul style="list-style-type: none"> • More emphasis on upfront specifications • Higher procurement and bid costs 	<ul style="list-style-type: none"> • GC 21 	<ul style="list-style-type: none"> • Scope for bundling maintenance with the design and construction contract and creating whole-of-life efficiencies 	<ul style="list-style-type: none"> • As with D&C with the additional benefits of greater durability and better whole of life cost outcomes

LEADERSHIP | INTEGRITY | VALUE

Commercial-in-Confidence
 City to the Lake | West Basin Stage 1A | Procurement Strategy

LEADERSHIP | INTEGRITY | VALUE



Flexible: these are delivery models that are suitable for projects where price risk cannot or only be partially transferred. Relevant where scope is unknown or variable:

Flexible	Advantages	Disadvantages	Contract Forms	Best Used	VFM Drivers
<p>Managing Contractor (MC):</p> <p>Appointment of lead contractor to potentially establish a management framework. MC can provide a central contact point and procure and manage sub-contractors directly. Typically established with incentives and management fees.</p>	<ul style="list-style-type: none"> • MC can procure sub-packages of work. • Scope doesn't need to be fully defined. • Single point of contact for design and construction • Can use varying pricing model for each sub-package i.e. fixed, target, open • Enables early contractor involvement 	<ul style="list-style-type: none"> • Often an expensive delivery model • Generally requires incentive payments • Reduced Government control. 	<ul style="list-style-type: none"> • Modified GC 21 • Bespoke • Defence Managing contract Form 	<ul style="list-style-type: none"> • Complex or high-risk projects with uncertain scope, risks or technology • Entire project does not need to be open book priced • Relatively fast procurement 	<ul style="list-style-type: none"> • Flexibility in delivery to manage uncertain risks • Maximising government input to manage risks where appropriate • Managing contractor is incentivised to achieve cost and schedule targets

Note: The MC Model has many variants. There are contract forms which use bespoke, modified AS 4300 contracts or other AS 4000 series contracts. These hybrids or bespoke contracts generally tend to alter the flexibility available once there is sufficient definition of risks and certainty over price. Sometimes, these result in GMP contracts or lump sum design and construct arrangements at a certain point in the contracting phase.



LAND DEVELOPMENT AGENCY
ABN 204 199 255 79

City to the Lake
West Basin Foreshore Design and Construction
Early Contractor Involvement

PROJECT BRIEF

Final Version
13 December 2014

PROJECT NO:
FILE NO:

Cleared by
Project Director:Date.....

TransACT House
470 Northbourne Avenue
DICKSON ACT 2602

GPO Box 158
CANBERRA ACT 2601

Telephone: (02) 6205 0600
Facsimile: (02) 6207 5101
Email: lda@act.gov.au
Web: lda.act.gov.au

3.0 OBJECTIVES

The City to the Lake (CtL) is a key project under the draft City Plan and the precinct intervention is the basis for transformational urban development that will knit Canberra City with the Central National Area, by allowing implementation of Linking the City to the Central National Area consistent with the objectives of the National Capital Plan. The aspirations and objectives for CtL are set out in the Executive Summary of the report *Linking City to the Lake – Urban Strategy (December 2013)* [Urban Design Strategy Report].

CtL is a once in a generation opportunity to unite Canberra City with the Lake Burley Griffin foreshore at West Basin. This catalyst precinct will set a new standard of the design and realisation of the public realm in the ACT, and encourage a rethinking of applicable standards to ensure best practice urban environments. As such, urban design quality is a pre-eminent consideration with design excellence and integration a key objective of all stages of the precinct, and for all disciplines involved.

This Brief outlines the requirements for a construction contractor to engage early with the LDA in a two staged process for designing, planning and pricing the design and construction of the West Basin Foreshore (from Commonwealth Avenue to the proposed Aquatic Centre).

The West Basin Foreshore is a priority project for the ACT Government with land reclamation and the construction of a promenade, boardwalk and associated landscaping required by mid 2016.

The project will be developed in stages with a works approval application submitted for each work package within a master plan that has been agreed with the NCA. The work packages are broadly defined as follows:

1. Work Package 1 (WP1) – Site clearing, land reclamation works, sea wall (lake edge retaining wall); and
2. Work Package 2 (WP2) – Boardwalk, promenade and landscaping.

A construction contractor is required to integrate with the LDA design team in preparing documentation for the purpose of achieving National Capital Authority (NCA) approval of the proposed foreshore works and providing a design and construct, guaranteed contract sum offer for consideration by the LDA. The LDA may then choose to proceed to implementation by accepting the design and construction offer, though it will have no obligation to do so.

The two stage process is outlined as follows:

- Stage 1 – Preliminary design, works approval application, Guaranteed Construction Sum offer;
- Stage 2 – Design and construct.

This engagement is being undertaken on behalf of the LDA.

The ownership and maintenance organisations for the public realm aspects of the Project will be principally the NCA, the Economic Development Directorate (EDD), Territory and Municipal Services Directorate (TAMS), and utility service providers.

The project is required to be developed in close consultation and co-ordinated with the requirements of the agencies noted above.

4.0 PROJECT COMMITMENT

The construction contractor will be engaged to undertake the Stage 1 for the West Basin Foreshore (from Commonwealth Avenue to the Aquatic Centre), WP1 and WP2 for services as described in this Brief.

This work will be completed in accordance with current ACT Government Policy and the current funding allocation for the CttL program of works.

It is not currently a requirement of the ACT Government to complete the construction of the West Basin Foreshore (from Commonwealth Avenue to the Aquatic Centre) works and no budget has yet been allocated for construction.

On confirmation of an ACT Government commitment and budget allocation, the ACT Government may accept the Guaranteed Construction Sum and proceed to Stage 2.

No claims against the ACT Government will arise should the project not proceed to Stage 2.

5.0 BACKGROUND

In response to the 1955 Senate Committee Report on the development of the National Capital, British planning expert, Professor Sir William Holford was invited to Canberra to give his views on the future development of the city. Among his major concerns was traffic flow within and through the city.

Holford's misgivings about road capacity were expressed through a recommendation for a

.... moderately fast arterial route running east-west on the northern side of the Molonglo River and to the south of Constitution Avenue.

This recommendation was the genesis of Parkes Way.

Canberra's 2013 Centenary was also the 50th anniversary of the creation of Parkes Way and the effective separation of Canberra City from the Central National Area and particularly the northern foreshore parklands of Lake Burley Griffin. For all of that time the lost opportunities resulting from a high speed arterial road defining the edge of the city and isolating the parklands have been lamented by urban design commentators and the population at large.

Appendices 8 and 9 of the National Capital Plan provide comprehensive guidance on future development opportunities. At the heart of the planning objectives is better resolution of the interface between City and the Lake that recaptures some of the intent of the both Griffin's final 1918 plan and the 1925 Gazetted Plan as shown in *Figures 2a* and *2b*.

The Commonwealth supported the 2006 amendments to the National Capital Plan by constructing the 4 way grade separated intersection of Kings Avenue with Parkes Way in 2011.

Other commitments to the Griffin Legacy include the 2011-12 reinstatement of Commonwealth investment in Constitution Avenue. Construction of that project is underway. All documents and base material prepared as part of the Constitution Avenue project will be made available to the Construction contractor.

MINUTES
22/2014-15

Government Procurement Board Standing Proposals Meeting

8.30 am – 10.00 am Tuesday 17 March 2015
Griffin Room, Level 2 Annex, Macarthur House, 12 Wattle Street Lyneham

Attendees:

Bronwen Overton-Clarke (Chair), Richard Bear, Kim Smith, Di Fielding, Stephen Goggs, George Tomlins (*ex officio*), Jan Pearse (Secretariat), Rebecca O'Neill (Secretariat)

1. Apologies

Roger Broughton, Karen Doran

2. Conflicts of Interest

3. Procurement Plans for Consideration

(i) GPB 604 – West Basin Waterfront

Invited proponents:

- Dan Stewart, Deputy Director General Land Development and Corporate, Deputy Chief Executive Officer LDA, CMTEDD
- Nathan Greig, Project Manager, City to the Lake, CMTEDD
- Sch 2 [REDACTED], ISG

The Board noted that:

- the tenderer will give the margin, preliminaries (foreman, site amenities etc) and rates for stage 2 as well as stage 1 fee. A guaranteed maximum price will be negotiated with the successful party for the entire project from stage 1;
- it is likely that the stage 1 contractor will be engaged for stage 2. The team will work with the stage 1 contractor using benchmarks to ensure contestability for components. The contractor will only have a maximum of \$2-3 million work undertaken themselves. This work will be benchmarked by quality surveyors.
- there is an option to reopen the tender process for stage 2. This is not a preferred option due to time and cost constraints;
- all components have been market tested except for the paving works, which are expected to cost from \$2-3 million. The managing contractor will provide a subcontract document package suite and tender list of subcontractors to be approved by the team;
- LDA has a due diligence team that has completed geotechnical surveying in the area. The phase 1 contamination report has been completed by Douglas Partners. The EPA has requested additional testing to the West of the site;
- the risk of community action will be included in the risk register. The team will work with the NCA to mitigate this risk;
- the timeframe for this project is ambitious;
- while it is unlikely that there will be a tender for stage 2, LDA will return to the Board before commencing this stage;


The Board **endorsed** the procurement proposal submitted by the Land Development Agency in CMTEDD for the delivery of the West Basin Foreshore – Stage 1A. The total cost of stage 1 is estimated at \$330,000. The cost of stage 2 is estimated at up to \$30 million over 2 years with a possible extension of 6 months.

This procurement is endorsed on the condition that the risk management plan is updated to include the risk of public action.

Out of Scope



Out of Scope




4. Minutes from Previous Meeting

Out of Scope



5. Action Items Outstanding

Out of Scope



6. Other Business

Out of Scope



Procurement Plan

Procurement Overview	
To	Chief Executive
Name of Project	Strategic Procurement – 4 Years – May 2015 – May 2019
Purpose	<p>This minute seeks your agreement to procuring LDA's procurement activities by Land Development Agency for next 4 years relating to demolition/remediation activities on various sites indentified on the various LDA programs, current sites identified to date;-</p> <p>Ambulance Station-Dickson, Motor Registry-Dickson, Visitor Centre-Dickson, Macarthur House –Lyneham, Dame Pattie Menzies House-Dickson, Heath Building-City, Dickson Flats-Dickson, Karuah Maisonettes-Dickson, Garden Flats-Dickson, Lyneham and De Burgh-Lyneham, Owen Flats-Lyneham, Northbourne Flats-Braddon, Northbourne Flats-Turner, Strathgordon Court-Lyons, Stuart Flats-Griffith, Red Hill Flats-Redhill, Gowrie Court-Narrabundah, Belconnen Remand Centre-Belconnen, Higgins School-Higgins, Bega Court-Reid, and Allawah Court Braddon.</p>
Estimated value (\$)	<p>The estimated works involved for the demolition and their remediation of sites identified under the Assets Recycling Initiative (ARI) program and or similar projects is estimated at \$52M dollars, as an upper limit. The amount shown is based on the assumption that all sites will have demolition/remediation type work carried out, in some cases, it may be that site is released to the market without the demolition/remediation process being carried out by ACT Government. The dollar amounts provided are pre-estimation only and could vary accordingly.</p>
Timing/urgency	As per the Government's Indicative Land release Program which encompasses the Assets Recycling Initiative (ARI) program and other similar project involving demolition and associated remediation of the site/sites, undertaken by the LDA.
Tender Number	N/A
Is Government Procurement Board sign off required?	<p>Yes</p> <p>Procurement Plans need to be referred to the Board for procurement activities with values of \$1M or more for Territory entities other than administrative units</p>
Is ACT Government Solicitor consultation required?	No

Procurement Requirements	
Objective or scope of works or services to be provided	Sites that might be identified as part of the ARI and or similar programs where demolition and remediation is required to be undertaken by the LDA as part of its identification process for release to the market. See attachment A for current status of indentified sites.
Type	Works and Goods & Services
Funding	Funding will be provided by the LDA and assessed on a site by site basis once identified for release to the market.
Site	Refer to Government Assets Recycling Initiative (ARI) program and similar to meet the requirements of the Indicative Land release program (ILRP)
Consultation (including pre tender)	Regular Local Industry Consultation will be undertaken. The individual procurement activities will be identified in ACT Government Call Tender Schedule.

Procurement Risk	
Risk	Refer to typical Strategic Risk Management Plan as attached, previously endorsed and approved by the GPB, Block 1 Section 52 Braddon.

Procurement Methodology	
Description of the procurement method to be used	Other Procurement – Public tender
Evaluation	Attached 1. Evaluation Plan Template as previously endorsed by the GPB

Evaluation Team		
To be determined at the time of each procurement and to be approved by the Delegate		

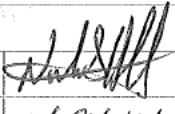

Statement on team composition
 Teams will be established and agreed by the delegate based on their procurement experience. An officer from Procurement & Capital Works will be on the evaluation team.


Contract Management	
Number of contracts	Up to 21 contracts Construction – AS 2124 – Lump Sum or Schedule of Rates Contracts and GC-21 Consultancy – Standard ACT Govt. Services Agreement prepared by ACT Government Solicitor.
Contract management	These contracts will be managed by experienced project managers within Land Development Agency
Period of contract(s)	Varies depending on the complexity

AUSTRALIA—UNITED STATES FREE TRADE AGREEMENT	
Does the AUSFTA apply?	No Each individual procurement will be under the AUSFTA threshold.

QA verification by Business Support Unit

The Business Support Unit confirms all relevant details have been entered into the Contract Monitoring database and that this document used reflects the latest version.

LDA RECOMMENDATION			
Director – Infill	Nicholas Holt	Signature and Date	 19/5/15
		Phone Number	x 69646
Project Director-Urban Releases	Graham Mundy	Signature and Date	 19/5/15

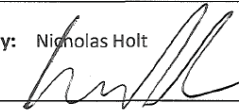
Chief Executive Officer / Delegate approval			
Name	Gary Rake		
Position	Chief Executive/Delegate		
Statement	The Procurement Plan and attachments are approved		
Signature		Date	21/5/15

Project Details

Project	Works associated with the demolition of all existing buildings and structures on identified Government owned sites.
Project Objectives	<ol style="list-style-type: none"> 1. Operating efficiently in a commercial market and provide agreed returns to the Territory on its investment in the Agency. 2. Meet the Indicative Land Release Program (ILRP) which is underpinned by other programs such as the Assets Recycling Initiative (ARI), former closed school sites and or other similar programs which are specifically involve with the demolition/remediation of sites.

Contact Details:

Directorate	CMTEDD	Business Unit (If applicable)	Land Development Agency
Name of Contact	Director-Infill	Phone no.	6207 9646
Name of Decision Maker / Authority Holder	CEO-LDA		

Created by: Project Manager-Michael Grdur Date: Reviewed by: Nicholas Holt Date: 19/5/15
 Approved by: CEO-Gary Rake Date: 20/5/15 Signature: 

Internal and External [Name and Agency/Organisation]	Level of Influence [Ability to influence project outcomes]	Level of Interest [Level of interest in the project outcome]
LDA Executive	LDA Executive is the approving body for the project and related funding. LDA Executive is committing approved resources to the project.	Project Sponsor and determines project relevance to organisation. Aligns project to corporate objectives. Approves project and funding.
LDA Project Staff	LDA Project Staff will be carrying out the planning and	Provide the relevant skills to manage the project.

	overseeing the implementation of the project.	
Environment and Planning Directorate (EPD)	Approving body for Development Applications (DAs) including Demolition DA.	Monitors and adjusts the Indicative Land Release Programs (ILRP). Provides whole-of-government coordination role to align efficient DA approval and associated approvals with ILRP.
TAMS	Internal body consulted as part of consideration of Demolition DA. Approving body for traffic management plan required for the project.	Provides advice/comments on Demolition DA. Monitors implementation of endorsed traffic management plan for the project.
Actew	Approves the design and disconnection of sewer and water infrastructure on the site.	Actew is a Territory owned corporation. It owns the water and sewerage network in the ACT.
ActewAGL	Approves the design and disconnection of electrical infrastructure on the site.	ActewAGL owns and operates the electricity distribution network in ACT.
Consultants and Contractors engaged by LDA	Deliver the design for demolition DA and deliver a remediated, cleared site in accordance with time, budget and quality requirements.	Variously provide planning, site investigation, design, superintendence and demolition services to the LDA.
Coordinator General's Office	Managing the delivery of all Assets Recycling Initiative (ARI) sites.	Ensuring that procurement process and works are undertaken in a timely manner consistent with appropriate milestones identified under specific timelines..
General Public	Provide feedback to LDA and other Agencies during demolition. Usually in the form of complaints and concerns. In some cases, interest, in where and how project is progressing.	Potentially effected on a daily basis while demolition is being undertaken.

Community Council	Influences community support for the project. Brings community ideas into discussion of project scope including implementation phase.	Community groups established to promote the interests of the local community.
Residents	Influence over the relevant Community Council or may approach the media independently.	Nearby and immediate residents.



Risk Register

This risk register is consistent with AS/NZS ISO 31000:2009 risk management standard and the CMTEDD Risk Management Framework and Policy Statement; and Risk Management Policy.

Risk Ref. No.	Risk Description (source/ Cause) The risk event, source and cause What can happen (that will affect our ability to meet our objectives) and how it comes about.	Describe the consequence If what can happen does happen what is the impact or outcome? (In its most 'normal' form – not an extreme form)	Risk controls – what is in place to manage the risk. How are risks to be Managed? What ordinary policies, procedures and actions (BAU) are to be taken to manage the risk?	Risk Owner (person or entity who manages the risk)	Consequence	Likelihood	Current risk rating	Control effectiveness
1	Tender Prices come in over budget	Delay to program. LDA expectation not reached. May need to re-tender project.	Budget pricing has been received from contractors, forming the basis of the project budget. Contingency within project budget. Advise delegate of situation. Source additional budget if required. Possible re-tender requirements.	LDA Project Team	2	3	Med	Adequate
2	Unexpected environmental conditions encountered (asbestos or hazardous materials)	Personal injury Significant delay to program Damage to habitat	Ensure contractor reviews up to date information on environmental conditions. Contractor notified of likelihood of ACM on site. Environmental protocols in place for unexpected finds. Contractor team to include an environmental consultant. Only accredited and approved asbestos and hazmat contractors to be engaged. Contractor to ensure an asbestos supervisor is present on site.	demolition contractor	4	3	High	Adequate
3	Inadequate environmental controls	Adverse impact on local residences and businesses including dust and noise.	Environmental management procedures already documented and endorsed by EPU. Contractor to submit an Environmental	demolition contractor	4	3	High	Adequate

			Management Plan (EMP) for approval to EPU, and implement environmental measures prior to demolition commencing. Environmental consultant engaged by LDA to act as environmental surveillance officer. RFT requires tenderer to engage environmental consultant as part of contractor team.					
4	Structural collapse during demolition	Personal injury. Damage to site equipment. Compensation claims, construction delays and possibly fines. Community perception of project impacted.	Contractor to define works methodology in tender submission. Where structural systems are required they are to be endorsed by qualified professionals. Work systems are subject to ongoing review during construction.	demolition contractor	4	3	High	Adequate
5	Supplier selected may not perform to the standard required by the contract	Poor quality of work. Maintenance liability to the Territory. Possible delay in handover.	Review pre-qual level. Apply Quality Assurance and increase audit testing. Site surveillance to be increased. Increase frequency of site meetings and meetings with client. Check contractors past performance. Consider termination of contract.	Superintendent	3	3	Med	Adequate
6	Potential conflict of interest /probity issue arises.	Delay to program. May need to re-tender project.	Advise delegate of situation. Follow approved Probity Plan.	Engineering Consultant/ LDA Project Team	2	2	Med	Adequate
7	Documentation errors in specification and schedules	Delay to program. Possible increased costs. Additional time for tendering	Detailed project brief has been prepared to clearly outline the requirements.	Engineering Consultant/ LDA Project	3	3	Med	Adequate

		process including addenda issue. Delayed award of contract.	Specifications to be reviewed by Superintendent and LDA prior to tendering. Constructability review undertaken by Indesco Construction team. Follow approved Probity Plan for contractor queries.	Team				
8	Supplier becomes insolvent and goes out of business	Contract targets not met. May need to re-tender project. May result in increased development costs and extended disruption to the public. Possible delays in revenue to the Territory.	Allow tenders from pre-qualified suppliers only. Auditing of financial capacity is a function under the prequalification process. Undertake financial assessment, if required. Follow approved procurement plan.	LDA Project Team	3	3	Med	Adequate
9	Poor time performance	Delay in meeting Government's program under the Asset Recycling Initiative. Additional costs to Superintendent.	Ensure Contractor is prequalified. Check contractors previous 'time performance', work commitments and resources. Ensure reasonable contract period in documents. Contractor to develop own demolition program. Monitor progress against contractor's program.	Superintendent / LDA Project Team	4	3	High	Adequate

			Liquidated damages included in contract Conduct regular programme meetings. Contingency of 4 weeks built into project time line to cater for any 'rain delays'.					
10	Urban traffic interface or injury to public	Possible traffic and pedestrian accidents.	<ul style="list-style-type: none"> - Temporary Traffic Management (TTM) Plans, approved by Roads ACT, will be required prior to works commencing in the areas requiring them. - Contractor to include traffic management measures in accordance with the ACT Standard Specifications, Section 1 as part of their Quality Plan. - The superintendent and contractor to undertake early liaison with Roads ACT to address traffic flow problems that may arise. - The contractor is to communicate with the nearby residents about changed traffic arrangements (if any) during demolition. - A haul route will be defined and agreed between the contractor, Roads ACT and LDA and communicated to nearby residents prior to and during demolition. - Project Manager discusses any non-conformances of TTM audits at site meetings with Superintendent and contractor. - LDA procurement procedures require Tender Evaluation Team to check contractor's WHS System and WHS past performance, e.g. ensure requirements for site inductions are documented in WH&S plans 	Demolition Contractor / Superinten dent	3	3	Med	Adequate

				<ul style="list-style-type: none"> - Ensure Contractor holds the relevant Public Liability Insurance. - Contractor to complete LDA's WHS Checklists Monthly. 					
11	Safety (WHS) – injury to worker or public, contractor fails to achieve satisfactory WHS performance	<p>Unsafe workplace. Danger to employees and/or public. Delay in program.</p>		<p>Prequalified contractors. Tender Evaluation Team to check contractor's WHS System and WHS past performance e.g. ensure requirements for site inductions are documented in WH&S plan .Carry out induction process prior to contractor commencing on site. Superintendent to regularly conduct safety audits and monitor WHS performance, recommend appropriate level and check implementation of these. LDA internal procedures include tracking of workplace incidents/accidents on Register. Ensure comprehensive design safety report is included in tender documentation. Ensure tender submissions are properly reviewed/audited and address all issues outlined in design safety report. Superintendent to review contractor's TTMP's. Contractor to complete LDA's WHS checklists monthly. LDA to conduct 3rd party WHS Active Certification audits on Principal Contractor in accordance with ACT Govt Protocols.</p>	Demolition Contractor/Superintendent	4	3	High	Adequate
12	Industrial Relations activity on site	<p>Delays to work progress. Adverse publicity.</p>		Review of industrial relations performance	Demolition Contractor/	3	3	Med	Adequate

			Tender response requires IRE declaration Maintain liaison with key industrial relations stakeholders (e.g. Unions)	Superintendent				
13	Public Liability Claim	Contractor's solvency placed at risk	To achieve pre-qualification contractors must have in place relevant insurances including Public Liability and Workers Compensation. Principal has arranged public liability insurance in the amount of \$20M, as is the case for all large civil construction contracts. The policy is in the names of the principal, all contractors, subcontractors, construction managers and project managers.	Demolition Contractor/ Superintendent	3	3	Med	Adequate
14	Public discontent due to inconvenience or failure of project to meet expectations	Adverse media attention for the LDA.	Communication to be adhered to. Communications Strategy includes approaching relevant parties and keeping them informed early in the process and keeping them informed (existing public consultation process has been ongoing). A DA has been approved for the demolition – this included a public notification process.	LDA Project Team	2	3	Med	Adequate



EVALUATION PLAN

1. INTRODUCTION

This Evaluation Plan relates to the tender process to engage contractor's to undertake works associated with the demolition/remediation of sites indentified under the Assets Recycling Initiative (ARI) and or other similar programs such as the former school closures program etc. See attachment A. This list identifies current sites and may vary from time to time as may be determined. (It should be noted that this template was previously endorsed by the GPB, for 1/52 Braddon).

This plan details the Evaluation Team and its responsibilities, the evaluation methodology and the evaluation criteria by which offers received will be evaluated. The Request for Tender or other procurement/tender documents must include the evaluation criteria and methodology as set out herein.

The methodology for this procurement will be open tender and the process will be undertaken in accordance with the Government Procurement Act, supporting regulation and the endorsed procurement plan.

2. EVALUATION TEAM

The evaluation team detailed below has been formed to evaluate the responses to the tender.

All members of the evaluation team are aware of their responsibilities and obligation to demonstrate impartiality and equity to all respondents.

Role

The evaluation team will be responsible for:

- a) maintaining probity;
- b) evaluating the responses in accordance with the criteria and methodology;
- c) documenting the evaluation process;
- d) preparing an evaluation report;
- e) seek Director General or Delegate approval to proceed with a contract with the preferred respondent; and
- f) debriefing unsuccessful respondents.

Members

Members of the evaluation team are personally appointed and should not be withdrawn or replaced without the approval of the Director General or Delegate.

Position	Name	Directorate
Chair	As selected	
Member	As selected	
Member	As selected	

NOTE: there is no fixed number of Evaluation Team members. Three is a sensible number and there should be no fewer. Special circumstances such as the need to cover extended areas of expertise or to manage stakeholder interests can give rise to a larger Evaluation Team.

Specialist Advice and Support

The evaluation team may, as required, utilise specialist advice to assist in the evaluation process.

The areas of experience may include:

- a) technical analysis, including advice from Consultants and CMTEDD Directors;
- b) past performance, including advice from officers within ACT Government
- c) financial assessment;
- d) assessment of the Work Health and Safety System;
- e) probity; and
- f) legal issues, including advice from the Government Solicitors Office.

The evaluation team may seek a technical assessment from a third party has been engaged by the territory to manage the proposed contract (including as superintendent or Principal's Authorised Person).

3. EVALUATION PROCESS AND CRITERIA

Evaluation Process

- a) All tenders will be assessed using the methodology outlined below. The methodology takes into consideration the process that will be used to assess value for money. Tenderers will be required to address the Evaluation Criteria listed as part of their Tender Submission and the Evaluation Team will examine each offer received.
- b) Any offer that does not comply with the Conditions of Tender in the Contract documents or is incomplete may be deemed to be non-conforming and may be excluded from further consideration. Tenders not complying with any of the Mandatory Criteria will be excluded from further consideration;

NOTE: Special care must be taken before eliminating any tenderer for non-conformity.

- c) Public Sector Offers: Any offers received from Government bodies (Local, State, Territory or Commonwealth) will be evaluated using the principle of 'competitive neutrality' as defined by the National Competition Policy, i.e. offers should include all commercial costs that private sector organisations would include in their offers;
- d) An Alternative tender may only be considered if it is submitted together with conforming tender. If considered, they will initially be evaluated to determine if they provide a product or service which at least equals the project objectives set out in the tender documents. Should such an offer be considered not to provide such benefit it may be excluded from further consideration;
- e) The Evaluation Team may seek in writing additional information for clarification of offers received where this information does not materially impact on the conformance of the tender nor alter the tender price. All clarifications will be fully documented and appropriately filed.

NOTE: Any additional information should be for clarification only and must fall within the parameters of the original tender.

- f) The Evaluation Team may seek an independent Safety Professional's assessment of each Tenderer's submission against Assessable Criteria 5 – Work Health and Safety System. The independent Safety Professional will provide a written report supporting the score (0 – 10 range in accordance with the attached Risk Rating Table), and this score will generally be adopted by the Tender Evaluation Team.
- g) Initially the tender will be scored against the Evaluation Criteria using the scoring regime in the Risk Rating Table attached to this plan. The Evaluation Team will reach a consensus score for each response. The overall score is the cumulative total of individual weighted criteria multiplied by their respective score.
- h) Where any offer is rated a score of 3 or below, for any individual criterion, it may be excluded from further consideration where the Evaluation Team considers the offer represents an unacceptable risk to the Territory.
- i) The tenders shall then be ranked on the basis of score and may be short-listed. Tenders short-listed will be those with the highest scores. A shortlist may be made up of 2 - 3 Tenderers.
- j) The short-listed tenders may be further assessed by comparison with the lowest priced tender to test if the difference in price of the highest scored tender represents value for money for the specific project.
- k) The preferred tenderer will be the tenderer offering best value for money having regard to all relevant factors and may not necessarily be the tenderer with the highest score. These relevant factors **must** be disclosed in the RFT and must include "the level of risk to which the proposed solution exposes the interests of the ACT".

NOTE: Risk is taken into account in the scoring scale also but here the Team needs to identify special, significant risks presented by each tender and record them in evaluation for consideration in the value for money assessment.

- l) If the preferred tenderer is not the tenderer with the highest score, full justification for selection of another short listed tender will be provided.
- m) The short-listed tenderers may be requested to attend an interview with the Evaluation Team. The full Evaluation Team will be present at the interview. All

- documentation presented and minutes of the interview will be kept for inclusion into the Contract should the tenderer be successful.
- n) The risk assessment in the approved Procurement Plan for this project may be utilised to test if reduction in identified risks justifies the selection or otherwise of the tenderer with the highest score.
 - o) Once a preferred tenderer has been identified, any post offer negotiations, if required, will take place prior to entering into a Contract.
 - p) Negotiations will take place solely with the preferred tenderer until such time as either: (i) a contract is formed; (ii) the preferred tenderer withdraws their offer; (iii) the capacity to negotiate is exhausted; or (iv) the Territory decides to accept no offers and may elect to recall tenders.
 - q) On formation of a contract or in the event that no offers are accepted, the unsuccessful tenderers will be notified in writing and offered the opportunity to attend a debriefing session.

Evaluation Criteria

Subject to the note below on Variable Weighting, the table below shows the criteria and weighting that will be used to assess responses.

MANDATORY CRITERIA	COMPLIES: YES/NO
Prequalification category of D & F1 to F5 or higher, as determined	Y/N
Tenderers must hold a current Industrial Relations and Employment Obligations Strategy (IRE) Certificate	Y/N
Tenderers must submit with their tender a Work Health and Safety Statutory Declaration (WHS Declaration) in the <u>Tender Schedule - Work Health and Safety Statutory Declaration</u> . This WHS Declaration must be signed by an authorised person as described in point 2 within the WHS Declaration.	Y/N

ASSESSABLE CRITERIA	WEIGHTING
<p>1. Past performance</p> <p>Provide and describe past performance on completed similar projects in the past 5 years including:</p> <ol style="list-style-type: none"> Project scope, value, date and duration; Contact details of referees; Awards and commendations; Any liquidated damages deducted for late time performance; Environmental management and safety; Claims history including the original contract price and total variations claimed for each project; Current litigation/arbitration with the Principal on any other contracts; and Role of nominated personnel on the project. <p><i>Note: The Tender Evaluation Team may also use records of performance, claims, and compliance of Codes provided by other ACT Government Directorates or Consultants engaged by the ACT Government to determine the Tenderers past performance on similar types of projects.</i></p>	10
<p>2. Technical, Managerial Skills and Resources to complete the project</p> <p>Provide and describe the following:</p> <ol style="list-style-type: none"> Management structure and personnel including CVs of key personnel (down to level of Leading Hands) that will be engaged on this project, including backup personnel; Professional / technical capability of key personnel to meet the requirements of this project; Statement on the availability, percentage of time to be allocated on this project and details of other commitments of all key personnel. , It should also include specification of the time the key personnel will spend on site; Nominate an example of a Project Management Plan (including QA Plan) used on a similar project in the past 5 years; Details of the project specific elements (including communications plan) of the PMP to be implemented in the delivery of this project; Details of proposed subcontractors, including their relevant experience in the past 5 years on similar projects; and How the proposed project delivery team (including subcontractors) will contribute to the local economy and employment in the Territory. <p><i>Note: If the nominated example PMP is from an ACT Government project, the tenderer does not need to provide a copy with the tender.</i></p>	15

<p>3. A demonstration the project will be completed within the contract Period.</p> <p>Provide and describe the following:</p> <ol style="list-style-type: none"> a. A detailed preliminary program for the project to complete the works within the contract period; b. Describe critical activities and methods of achieving project milestones and project completion dates; and c. Demonstrate a clear understanding of the specific staging of construction, approvals, utilities services and traffic management required to complete the works within the contract period. <p><i>Note: Previous performance information held by the Territory may also be considered (if available) and the assessment will include consideration of any other significant risks associated with the delivery of this project.</i></p>	10
<p>4. A clear understanding of the specification/contract.</p> <p>Provide and describe the following:</p> <ol style="list-style-type: none"> a. A succinct appreciation of the task, potential project specific risks and how the risks will be managed during the project; b. A succinct appreciation and methodology for the management of environmental issues including the compilation of validation reports. Provide a sample environmental site management plan (from a similar project) suitable for implementation on this project; c. A succinct appreciation and methodology for the management of hazardous material and asbestos removal (with particular reference to the current WHS Regulation 2015); d. A succinct appreciation and methodology for the demolition works; e. A succinct appreciation and methodology for the management of public and community relations. Provide an example of a public relations or communications plan (from a similar project) suitable for implementation on this project. 	10
<p>5. Demonstrated Work Health and Safety system to complete the project</p> <p>Provide and describe the following:</p> <ol style="list-style-type: none"> a. Demonstrated ability to proactively manage the following Work Health and Safety (WHS) requirements; <ul style="list-style-type: none"> o Management o Planning o Risk & Hazard Management o Training, Competency & Supervision o High risk Construction work o Consultation 	30

<ul style="list-style-type: none"> ○ Reporting b. Preliminary Risk Management Plan for this project; c. Nominate an example WHS site management plan (from a similar project) suitable for implementation on this project; d. Evidence that personnel have experience in implementation of a WHS site management system; e. Evidence of the effective operation of the WHS site management system, including past performance related to safety including Serious Claims, Incidence and Frequency Rate (serious claims per million hours worked); and f. Records of any fines or other penalties (including Prohibition Notices) issued by WorkSafe ACT in the past 5 years and describe how the issue was closed out. <p><i>Note: If the nominated example WHS plan is from an ACT Government project, the tenderer does not need to provide a copy with the tender.</i></p>	
<p>6. Financial</p>	
<p>Provide the following:</p> <ul style="list-style-type: none"> a. The priced Bill of Quantities and the completed Tender Schedule with the Tenderer's financial offer; b. Daily hire rates to be used when pricing variations and day works for resources (people and plant) for the duration of the project. <p><i>Note: Analysis of the financial offer, including rates in the Bill of Quantities may be undertaken by the Tender Evaluation Team to assist in determining the preferred Tenderer. This may include a sensitivity analysis of costs involving the extension of provisional quantities and/or foreseeable variations.</i></p>	25

Late Tenders

Where a late tender is received, the time and date of receipt shall be noted on the document and endorsed by the recipient.

Late Tenders and incomplete Tenders may be admitted for evaluation at the absolute discretion of the Territory, and in accordance with AS4120 Code of Tendering and Probity advice.

In deciding whether to admit a late Tender for evaluation, the Territory may take into account any factors it considers relevant, including without limitation:

- a) Whether the late Tenderer is likely to have had an opportunity to obtain some unfair advantage from late submission;

- b) How late the Tender is, the reasons given for lateness and evidence available;
- c) Whether the Tender was mishandled by the Territory, by an official postal service or by a reputable delivery service; and
- d) Evidence of unfair practices.

4. EVALUATION REPORT AND LETTERS OF DECLINE/DEBRIEFINGS

Evaluation Report

The evaluation team will prepare the following information for inclusion with the evaluation report.

- a) background to the process;
- b) the evaluation process, including comments (strengths and weaknesses) and scores against each criteria;
- g) the weighted score of each tender;
- h) value for money;
- i) proposed methods for management of tender specific risks;
- j) identification of any issues which should be resolved by negotiation; and
- k) recommendations to the Director General or approving delegate.

Letters of Decline / Debriefings

Letters of decline will be sent to all unsuccessful Tenderers. Letters of decline and debriefings will comply with the requirements outlined in Procurement Circular 2007/05 *Debriefing Unsuccessful Tenderers*.

ATTACHMENT A

Risk Rating Table for use in Tender Evaluation

Descriptor	Sample Commentary	Rating
Superior	Highly convincing and credible. Response demonstrates superior capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Comprehensively documented with all claims fully substantiated. Insignificant risk.	10
Outstanding	Highly convincing and credible. Response demonstrates outstanding capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Documentation provides complete details. All claims adequately demonstrated and substantiated. Insignificant risk.	9
Excellent	Response complies, is convincing and credible. Response demonstrates excellent capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Some minor lack of substantiation but the Tenderer's overall claim is supported. Low risk.	8
Very Good	Response complies, is convincing and credible. Response demonstrates very good capability, capacity and experience, relevant to, or understanding of, the requirements of the Evaluation Criterion. Minor uncertainties and shortcomings in the Tenderer's claims or documentation. Low risk.	7
Good	Response complies and is credible but not completely convincing. Response demonstrates adequate capability, capacity and experience, relevant to, or understanding of, the requirements of the Evaluation Criterion. Tenderer's claims have some gaps. Low risk.	6
Adequate	Response has minor omissions. Credible but barely convincing. Response demonstrates only a marginal capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Medium risk.	5
Reservations	Barely convincing. Response has shortcomings and deficiencies in demonstrating the Tenderer's capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Medium risk.	4
Poor	Unconvincing. Response has significant flaws in demonstrating the Tenderer's capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. Medium risk.	3
Very Poor	Unconvincing. Response is significantly flawed and fundamental details are lacking. Minimal information has been provided to demonstrate the Tenderer's capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. High risk.	2
Inadequate	Response is totally unconvincing and requirements have not been met. Response has inadequate information to demonstrate the Tenderer's capability, capacity and experience relevant to, or understanding of, the requirements of the Evaluation Criterion. High risk.	1
Not Acceptable	Tenderer was not evaluated as it did not provide any requested information and/or contravened nominated restrictions. High risk.	0

PROBITY PLAN

PROBITY

The principle of probity and ethical behaviour provides that officers (**public employees** in the *Public Sector Management Act 1994*) involved in purchasing activities are to act with honesty and maintain the highest ethical standards in all business dealings.

Additional Information: ACT Integrity Policy and ACT Procurement Solutions Circular 2007/21.

1. PROBITY PROTOCOL - Introduction

1.1 Confidentiality of Information

All documents and proceedings of the Tender Evaluation Team are 'Commercial-in-Confidence' and must be secured when not in use by members of the Tender Evaluation Team. The disclosure of information contained in responses may prejudice the commercial interests of the companies concerned and the bargaining position of the Territory during subsequent contract negotiations.

1.2 Handling of documents

Maintaining the highest levels of confidentiality is essential to ensuring the probity and fair dealing within the purchasing process.

Confidentiality is essential at all stages of the process and information should be provided to people outside the Team only on a 'need to know' basis.

All information associated with the evaluation process must to be clearly marked 'Commercial-in-Confidence' and treated accordingly. The number of persons given access or having access to the information should be kept to an absolute minimum.

Any requests for information regarding the offers and the evaluation should be addressed to the Chairperson of the Tender Evaluation Team.

1.3 Conflicts of Interest

In accordance with ACT Procurement Solutions Circular 2007/21 all Tender Evaluation Team members must immediately disclose to the Chairperson any actual, potential or perceived conflict of interest involving themselves, their immediate or extended family or other close personal relationship and thereafter take steps to avoid or negate that conflict. This responsibility lies with each Tender Evaluation Team member.

Public confidence in the integrity and honesty of the ACT Government is crucial to the operation of the Government. A real, potential or perceived conflict of interest can jeopardise that confidence.

All disclosures of conflicts must be fully documented by the Chairperson.

1.4 Communicating with Tenderers

All communication with organisations external to the Tender Evaluation Team is to be approved by the Chairperson of the Tender Evaluation Team.

All contact with tenderers, for example, requesting additional information or holding formal interviews, is to be conducted with prior approval of the Chairperson of the Tender Evaluation Team.

1.5 Recording Communications

All communications with tenderers are to be documented during the evaluation process.

2. HOW IS PROBITY TO BE MANAGED?

2.1 Probity Adviser

An independent probity adviser is not proposed to be appointed for this procurement.

Where a probity issue is identified by any person connected to the tender process (including a tenderer) the Chair of the Evaluation Panel will notify the General Manager of the relevant Division in writing and, depending on the circumstances and nature of the issue, recommend that the issue be reviewed by either:

- General Manager of the relevant Division;
- A senior officer unconnected to the project;
- A Senior Executive officer who does not have project responsibility;
- External legal advice; or
- External probity auditor

The report and any recommendations of the probity review will be in writing. Where the review is undertaken by someone other than the General Manager, the review will be submitted to the General Manager for consideration and endorsement. The General Manager will record his decision and the reasons for varying from the probity review recommendations (if applicable).

2.2 Probity Auditor

If one or more probity issues are raised during the tender process a file will be created which contains all relevant documentation.

At the completion of the tender process the file will be reviewed, at the discretion of the General Manager, by either:

- a senior executive officer who has not been involved in tender process (including providing any previous probity advice); or
- an external probity auditor.



ACT
Government
Economic Development

Land
Development
Agency
C A M B E R R A F I R S T

MINUTE

REF:

SUBJECT: LDA STRATEGIC PROCUREMENT

BMIS/
1303

To: Chief Executive Officer, Land Development Agency

- Director, Infill
- Project Director, Urban Releases

2/15

[Handwritten signature]
20/5/15

[Handwritten signature]

From: Project Manager, Urban Releases

Date: 15 May 2015

Purpose

To achieve an agreed strategic procurement plan with the Government Procurement Board on LDA's strategic procurement activities and delivery of various building projects for the purposes of demolition and associated remediation of the site.

To obtain formal agreement for ongoing and future procurement approval for the demolition and associated work of various buildings/building sites as identified under the Assets Recycling Initiative (ARI) program and other similar undertakings as directed. The approval is required for LDA's procurement activities and commitments over the next four years. A schedule of identified sites, ARI and Other Demolition Sites Budget Estimates, has been attached to indicate the magnitude of projects identified to date, at attachment A.

Background

The LDA is a *Territory Entity* within the meaning of the *Government Procurement Act 2001* and is required to provide all procurement plans that exceed \$1 million to the Government Procurement Board (Board) for review and endorsement, unless they form part of an endorsed Strategic Procurement Plan.

It is the LDA's, current agenda and responsibility to undertake various demolition/remediation of sites identified under the ARI and other programs. The nature of demolition and associated remediation are specialised works with many associated risks, especially unidentified contaminated material, within the building and direct site. The \$1 million threshold is considered to be very low in comparison with the nature of the work to be undertaken.

The LDA's procurement activities relate directly to the Government's land release and other programs. It would be more practical and efficient to consolidate all of the LDA's procurement commitments pertaining to demolition and associated activities into one Strategic Procurement Plan.

The LDA has previously undertaken the demolition and remediation of several former school sites identified under the previous school closure program, which include;

- Downer school site, completed, valued at \$1.2M;
- Block 1 Section 433 Kambah, completed, valued at \$.35M and
- Block 1 Section 239 Kambah, completed, valued at \$1.2M.

The procurement of a contractor to demolish Block 1 Section 52 Braddon (Currong Flats) is currently being finalised. This project is estimated well in excess of \$5M .

The *Government Procurement Regulation 2007* describes an endorsed Strategic Procurement Plan as a plan for procurement that:

- a. *States that it applies to separate procurement proposals, or activities, of a stated kind; and*
- b. *Has been endorsed by the Board as a strategic plan.*

In this context the LDA will be seeking the Board's endorsement on the basis that the activities are directly related to the Government's Indicative Land Release Program.

Issues

The LDA is the ACT Government agency responsible for the development and release of Territory owned land for residential, commercial, industrial, community and non-urban purposes. Various procurement activities are frequently undertaken by the LDA to meet the land release programs identified. Procurement processes undertaken on all activities are in accordance with the ACT Government Procurement Policy. The implementation of Government Policies is achieved by the LDA through:

- Indicative Land Release Programs;
- Assets Recycling Initiative;
- Other identified and similar programs, e.g. school sites;
- LDA's Statement of Intent and
- Procurement for development of land consistent with Government procurement legislation and policy.

Provide assurance to the Board that procurement activities undertaken by the LDA are under the auspice of the Strategic Procurement Plan which adheres to Government procurement policies.

Recommendations

That you agree with the proposed approach for the presentation of the Strategic Procurement Plan to the Government Procurement Board, for their consideration and approval.



Michael Grdur
Project Manager, Urban Releases
19 May 2015



Gary Rake 21/5/15
~~AGREED/NOT AGREED/PLEASE DISCUSS~~

ARI and Other Demolition Sites Budget Estimates					
Project	Suburb	Block	Section		Costs-inc GST-(Estimations only)
Building Sites					
Ambulance Station Dickson	Dickson	3	33		\$743,314.00
Motor Registry Dickson	Dickson	2	33		\$2,294,578.00
Visitor Centre (B39 S6 Dickson)	Dickson	39	6		\$1,486,628.00
Macarthur House	Lyneham	12	50		\$5,623,332.00
Dame Pattie Menzies House	Dickson	19	32		\$1,114,971.00
		20	32		\$1,337,965.20
1 Moore Street (Health Building)	City	3	31		\$2,343,055.00
Northbourne Bundle Sites					
Dickson B41 S6 (Dickson Flats)	Dickson	41	6		\$560,000.00
Dickson B4 S1 (Karuah Maisonettes)	Dickson	4	1		\$788,001.50
Garden Flats Dickson (B1 S12)	Dickson	1	12		\$1,260,802.40
Lyneham & De Burgh	Lyneham	8	51		\$2,364,004.50
Owen Flats Lyneham	Lyneham	8	51		\$1,182,002.25
Northbourne Flats (Braddon)	Braddon	2	8		\$2,584,939.50
Northbourne Flats (Turner)	Turner	1	57		\$3,152,006.00
Other Sites					
Strathgordon Court (Lyons)	Lyons	1	53		\$3,243,812.00
		5	53		\$181,896.00
Stuart Flats (Griffith)	Griffith		39		\$3,243,812.00
			43		\$0.00
Red Hill Flats	Red Hill	1	25		\$2,213,354.00
	Red Hill	1	26		\$2,213,354.00
	Red Hill	49	31		\$1,992,018.60
	Red Hill	25-33	29		\$717,002.00
	Red Hill	1-16	31		\$1,434,004.00
	Red Hill	51-55	32		\$573,601.60
Gowrie Court B3 S62 Narrabundah	Narrabundah	3	62		\$2,295,150.00
Belconnen Remand Centre	Belconnen	2	23		\$2,073,500.00
Higgins School	Higgins	2	11		\$2,030,600.00
Bega Court	Reid	1	7		\$1,973,400.00
Allawah Court	Braddon	1	52		\$1,973,400.00

\$52,994,503.55

MINUTES
29/2014-15

Government Procurement Board Standing Proposals Meeting

8.30 am – 10.00 am Tuesday 26 May 2015
Griffin Room, Level 2 Annex, Macarthur House, 12 Wattle Street Lyneham

1. Attendees

Bronwen Overton-Clarke, Roger Broughton, Karen Doran, Richard Bear, Kim Smith, George Tomlins (ex officio), Jan Pearse (Secretariat), Lauren Cairns (Secretariat)

2. Apologies Stephen Goggs

3. Conflicts of Interest

No conflicts were declared

4. Procurement Plans for Consideration

Out of Scope



(iv) GPB 620 – Strategic Procurement Plan – Demolition and Site Remediation 2015-19

Invited proponents:

- Michael Grdur, Project Manager, Urban Renewal, Land Development Agency
- Graham Mundy, Project Director, Urban Renewal, Land Development Agency

The Board noted that:

- a. This proposal is a package for assessing different sites which will either be identified for demolition prior to the sale of site, or the site will be sold allowing the purchaser to rent the existing building while preparing for demolition and redevelopment
- b. Currong and Dickson flats are two current examples of the sorts of sites which would be covered in this proposal
- c. The LDA does not have any in house expertise in the area of inspection/demolition – consultants are outsourced
- d. The Superintendent will be engaged to obtain quotes from three demolition contractors prior to going out to tender
- e. Intrusive structural testing will be carried out prior to tender – this work would be carried out regardless of whether the ultimate decision is to proceed to demolition
- f. A third party auditor has been engaged in the past
- g. There will be a need to engage an asbestos assessor and obtain a QS estimate
- h. Bonded asbestos has been discovered in both Currong and Dickson flats although no loose fill asbestos has been discovered to date

- i. Community Engagement will be undertaken both within the LDA’s Communications team, as well as being included as a condition of contract that the contractor is required to have their own community engagement resources
- Board Decision:

The Board **deferred** the decision in regard to the proposal submitted by the Estate Development branch, Land Development Agency (LDA) in CMTEDD to implement a strategic procurement approach to various sites identified for demolition across the ACT. The Board is considering provisional approval for the LDA’s Strategic Procurement Plan for Demolition and Site Remediation on the basis that the LDA report back to the Board at regular intervals regarding progress of the program and sequential identification of sites.

NB: The Board later agreed to approve proceeding to tender for the Belconnen Remand Centre demolition out of session.

The Board requests that documentation be amended to:

- (i) amend the Risk Plan to include the risk of failing to conduct intrusive structural testing
- (ii) amend the Risk Plan to include the risk of contentious site risks including managing the community, disputes, protests, damage to equipment etc, to ensure this is a more active consideration for each project

5. Minutes from Previous Meeting

Out of Scope

6. Actions arising

Out of Scope

Meeting closed 10:15 am

MINUTES
1/2015-16

Government Procurement Board – Standing Proposals Meeting

8.30 am – 10.00 am Tuesday 7 July 2015
Griffin Room, Level 2 Annex, Macarthur House, 12 Wattle Street Lyneham

1. Attendees:

Bronwen Overton-Clarke (Chair), Kim Smith, Karen Doran, Roger Broughton, Richard Bear, George Tomlins (ex officio), Lindy Keefer (Secretariat)

2. Apologies – Nil.

3. Conflict of Interest

No conflicts of interest were declared.

4. Procurement Plans for Consideration

Out of Scope



Out of Scope



5. Procurement proposals for further consideration

- (i) Clarification of the Board's decision for GPB 620 – Strategic Procurement Plan – Demolition and Site Remediation 2015-19, which was presented by the Land Development Agency on 26 May 2015.

The Board revisited its deferred decision on the endorsement of the proposal submitted by the Estate Development Branch, Land Development Agency (LDA) to implement a strategic procurement approach to various sites identified for demolition across the ACT.

The Board **endorsed** the LDA's Strategic Procurement Plan for Demolition and Site Remediation subject to the following:

- a) a procurement for the demolition of a site that has been identified under the Assets Recycling Initiative (ARI) and as covered by the strategic procurement approach may proceed to tender as having already been approved by the Board.
- b) other than demolition, all procurement activities associated with the LDA's Demolition and Site Remediation proposal (e.g. remediation of a site) valued at \$1 million or more, must be presented to the Board for endorsement as per normal requirements.
- c) the LDA attend a meeting of the Board each six months to present a progress report against the demolition program as well as a forward plan for the next six (6) months. Emphasis is to be placed on emerging risks and how they are mitigated for future demolitions.

Out of Scope



6. Minutes from Previous Meeting

Out of Scope



7. Action Items Outstanding

Out of Scope



8. Other Business

Out of Scope



Meeting closed: 10:45 am



Procurement Plan (Variations)

VARIATION OVERVIEW			
To	Liz Lopa, Executive Director, Office of Coordinator General, Urban Renewal, Land Development and Corporate, Deputy Chief Executive Officer, LDA		
Purpose	This minute seeks your agreement to vary the contract for \$5,966,483.39 in order to accept the Guaranteed Construction Sum provided by Chincivil Pty Ltd for the West Basin – Point Park Stage 1 works.		
Name of Contract	West Basin Point Park, Canberra		
Contract Number	25766.110	Type of variation	New contract price
Estimated value of the variation (\$)	<p>The estimated value of this variation is \$5,966,483.39 (including GST). The original value of the contract was \$361,955.00 (including GST). The estimated total value of this procurement over the proposed period of the contract, including funds already spent and funds expected to be spent under this variation, will be \$6,612,326.39 (including GST).</p>		
Anticipated Commencement Date	As soon as possible.		
Program / contract term implications	There are no implications of the variation to the project or program.		
Variation to scope of project / contract	The Design and Construction (D&C) contract was initially awarded for design only. The contract makes provision to move to construction once a Guaranteed Contract Sum (GCS) has been agreed.		
Is Government Procurement Board (GPB) sign off required?	<p>Yes</p> <p>Variation Plans need to be referred to the GPB for:</p> <ul style="list-style-type: none"> variations with values in excess of \$1 million or 20% or greater increase in the original value (whichever is most). 		

ORIGINAL PROJECT**Background**

The original Procurement Plan (copy attached) was endorsed by the GPB in December 2014. The GPB endorsement was limited to a design development and due diligence process necessary to provide the Territory with a GCS that is within a construction budget and compliant with the NCA works approval (known as Stage 1).

The original Procurement Minute noted that a Procurement Plan (Variation) would be provided to the GPB once construction funding was appropriated. Capital funding of \$10.098 m was approved in 2015-16 with a business case for an additional \$5.0 m being considered in the context of the 2016-17 budget.

In order to work within the existing appropriation and to manage the delays in achieving Works Approval from the National Capital Authority (NCA), the project construction program over the next 15 months is summarised below.

WORK PACKAGE	2016			2017		
Stage 1a-New foreshore						
Stage 1b-Commonwealth Ave						
Stage 1c-Point Park						

Progress with the development of the three work packages under Chincivil's D&C contract is as follows:

Stage 1a: Point Park foreshore. GCS confirmed to be \$5,966,483.39 (Inc GST)

Stage 1b: Commonwealth Avenue intersections. A GCS that falls within the existing 2015-16 appropriation is anticipated by early June 2016.

Stage 1c: Point Park. A GCS that will require yet to be approved funding in 2016-17 is anticipated by the end of July 2016. The Stage 1 GCS was determined through competitively tendering 15 sub contract packages.

Contractor's margins and general rates for work are being independently verified by Quantity Surveyors Wilde and Wollard.

Similar value for money processes will be employed in order to establish the GCS for Stages 1b and 1c, which will further vary the contract to an upper limit of \$9.1m within the 2015-16 appropriation and about \$13.7m in the event that 2016-17 appropriation is approved. If 2016-17 appropriation is not

	approved, Stage 1c will be omitted from the scope and the contract with Chincivil will be finalised with completion of the Commonwealth Avenue intersections.								
Provision for variation	<p>Schedule 15 Special Conditions, Clause 10 allows for the variation.</p> <p>10 Contract Price Variation</p> <p>.1 Upon the issue of a Guaranteed Construction Sum Acceptance that part of the Contract Price referable to Stage 2 Requirements will be varied to reflect the Guaranteed Construction Sum. The varied Contract Price is therefore represented as follow:</p> <table border="1" data-bbox="635 645 1398 904"> <tr> <td colspan="2" data-bbox="635 645 1398 696"><u>Prior to the first Guaranteed Construction Sum Acceptance</u></td> </tr> <tr> <td data-bbox="635 696 1015 904">Contract Price</td> <td data-bbox="1015 696 1398 904"> The total of: (1) the Contractor's Stage 1 Fee; and (2) the Target Construction Sum </td> </tr> </table> <table border="1" data-bbox="635 958 1398 1563"> <tr> <td colspan="2" data-bbox="635 958 1398 1010"><u>After each Guaranteed Construction Sum Acceptance</u></td> </tr> <tr> <td data-bbox="635 1010 1015 1563">Contract Price</td> <td data-bbox="1015 1010 1398 1563"> The total of: (1) the Contractor's Stage 1 Fee, (2) the Guaranteed Construction Sums which have been the subject of Guaranteed Construction Sum Acceptance (provided that each such Guaranteed Construction Sum shall only be taken into account once in this calculation), </td> </tr> </table> <p>.2 Upon issue of a Guaranteed Construction Sum Acceptance the contract information will be varied to include details of those items of the Contract information that, for Stage 1, were noted as to be completed for Stage 2.</p>	<u>Prior to the first Guaranteed Construction Sum Acceptance</u>		Contract Price	The total of: (1) the Contractor's Stage 1 Fee; and (2) the Target Construction Sum	<u>After each Guaranteed Construction Sum Acceptance</u>		Contract Price	The total of: (1) the Contractor's Stage 1 Fee, (2) the Guaranteed Construction Sums which have been the subject of Guaranteed Construction Sum Acceptance (provided that each such Guaranteed Construction Sum shall only be taken into account once in this calculation),
<u>Prior to the first Guaranteed Construction Sum Acceptance</u>									
Contract Price	The total of: (1) the Contractor's Stage 1 Fee; and (2) the Target Construction Sum								
<u>After each Guaranteed Construction Sum Acceptance</u>									
Contract Price	The total of: (1) the Contractor's Stage 1 Fee, (2) the Guaranteed Construction Sums which have been the subject of Guaranteed Construction Sum Acceptance (provided that each such Guaranteed Construction Sum shall only be taken into account once in this calculation),								
Key Performance Indicators under the contract	<p>Chincivil Pty Ltd has satisfactorily provided the required services in accordance with the contract and has met existing Key Performance Indicators.</p> <p>To date, Chincivil's performance under the contractor has been good.</p>								
Social Procurement	No, Due to the nature of the works required, this procurement is not								

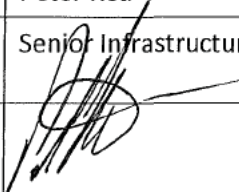
deemed to be suitable for a social tendering approach.


PERFORMANCE AND RISK

Risk

The GPB has previously asked about the management of community action arising from the works. The following risks of community action will be included in the risk register:

The Risk	Risk Treatment
Tree Removal	<ul style="list-style-type: none"> • Tree Assessment has been conducted; • Some trees will be retained; • Tree removal and site disturbance is staged over time; and • New tree planting in Point Park significantly exceeds the number of trees that need to be removed in order for the works to occur.
Disturbing Wildlife	<ul style="list-style-type: none"> • Alternative public access to feed water birds, primarily Black Swans, will be provided; and • Construction Environmental Management Plan (CEMP) has been prepared and is being endorsed by the NCA and the Environment and Planning Directorate. The CEMP will be used as a guide to respond to flora and fauna issues.
Realign Cycle Path	<ul style="list-style-type: none"> • Erect Variable Message Signs; • TaMs to provided notification of cycle path closures; • Detour route to be provided; and • Contractor to develop TTM plans for approval.
Lake Users (e.g. Kayaking and Fishing)	<ul style="list-style-type: none"> • NCA to provide regular updates in meetings with lake users; and • Extensive community consultations on NCA Works Approval.

AGENCY ENDORSEMENT			
Name	Peter Rea	Phone Number	(02) 6207 6857
Position, Branch & Section	Senior Infrastructure Officer, City to the Lake		
Signature		Date	19/04/16

DIRECTOR-GENERAL/DELEGATE APPROVAL			
Name	Liz Lopa		
Position	Delegate		
Statement	Funding for this Variation Plan and attachments are approved.		
Signature		Date	19.4.16

MINUTES
29/2015-16

Government Procurement Board – Standing Proposals Meeting

8.30 am – 10.00 am Tuesday 26 April 2016
Griffin Room, Level 2 Annex, Macarthur House, 12 Wattle Street Lyneham

Attendees:

Bronwen Overton-Clarke (Chair, until 9.15), Karen Doran (Acting Chair from 9.15), Richard Bear, Virginia Shaw, Paul Carmody, Roger Broughton, Kim Smith, Stephen Goggs, George Tomlins (ex officio), Glenn Bain (ex officio), Jan Pearse (Secretariat)

1. Apologies:

2. Conflict of Interest

Out of Scope

A large black rectangular redaction box covers the content of this section.

3. Procurement Plans for Consideration

Out of Scope

A very large black rectangular redaction box covers the entire content of this section.

Out of Scope

GPB687: Variation – Construction of West Basin Waterfront, City to the Lake

Invited proponents:

- Peter Rea, Senior Infrastructure Officer, City to the Lake, Urban Renewal, LDA
- Rod Baxter, Senior Manager, City to the Lake, Urban Renewal, LDA

The Board:

- a) was confused about the different 'stages' of the proposal
- b) noted that works will be conducted to coincide with peaks and troughs in visitation in the area (eg incl Floriade and the summer school holidays)
- c) the Territory has a Guaranteed Contract Sum with Chincivil, with a full open book process

Board Decision:

The Board **did not endorse** the proposal to vary the contract with Chincivil Pty Ltd in order to accept the Guaranteed Construction Sum for the West Basin - Point Park works, submitted by Urban Renewal in LDA at this time.

The Board requests that:

- (i) the proponents return with documentation that clarifies the proposal and confirms that the original request for tender clearly identified that the successful bidder would be eligible to receive up to \$35 million of work (i.e. the project brief); and
- (ii) a Senior Executive (preferably Executive Director) attend when the proponents return.

4. Other Business

5. Minutes from Previous Meeting

Out of Scope

6. Action Items Outstanding

The meeting closed at 10.00am



Procurement Plan Minute

Procurement Overview																																											
To	Chief Executive / Delegate																																										
Name of Project	Gungahlin Town Centre – East Estate (Gungahlin TC-EE), & Moncrieff – Trails and Pedestrian Bridge (Moncrieff TPB) Coombs 3A – Pedestrian Network and Open Space Construction (Coombs 3A)																																										
Purpose	This minute seeks your agreement to procure separate suitably qualified Contractors for the construction of Landscaping and civil assets for Coombs 3A , Gungahlin TC-EE , and the construction of a bridge, footpaths and landscaping features for Moncrieff TPB																																										
Estimated value (\$)	The procurements have been estimated as per below Gungahlin TC-EE - 4 million Moncrieff – TPB - 2.76 million Coombs 3A -1.7 million All estimations are GST inclusive.																																										
Timing/urgency	<table border="1"> <thead> <tr> <th></th> <th>Moncrieff – TPB</th> <th>Coombs 3A</th> <th>Gungahlin TC-EE</th> </tr> </thead> <tbody> <tr> <td>RFT opens</td> <td>6 February 2017</td> <td>6 February 2017</td> <td>28 March 2017</td> </tr> <tr> <td>RFT closes</td> <td>3 March 2017</td> <td>3 March 2017</td> <td>25 April 2017</td> </tr> <tr> <td>Evaluation of offers completed</td> <td>17 March 2017</td> <td>17 March 2017</td> <td>9 May 2017</td> </tr> <tr> <td>Evaluation Reports submitted</td> <td>21 March 2017</td> <td>21 March 2017</td> <td>12 May 2017</td> </tr> <tr> <td>Approval of Delegate</td> <td>29 March 2017</td> <td>29 March 2017</td> <td>19 May 2017</td> </tr> <tr> <td>Contract Awarded</td> <td>29 March 2017</td> <td>29 March 2017</td> <td>19 May 2017</td> </tr> <tr> <td>Debrief unsuccessful tenderers</td> <td>April 2017</td> <td>April 2017</td> <td>May / June 2017</td> </tr> <tr> <td>Contract commencement</td> <td>5 April 2017</td> <td>5 April 2017</td> <td>26 May 2017</td> </tr> <tr> <td>Completion</td> <td>November 2017</td> <td>November 2017</td> <td>December 2017</td> </tr> </tbody> </table>				Moncrieff – TPB	Coombs 3A	Gungahlin TC-EE	RFT opens	6 February 2017	6 February 2017	28 March 2017	RFT closes	3 March 2017	3 March 2017	25 April 2017	Evaluation of offers completed	17 March 2017	17 March 2017	9 May 2017	Evaluation Reports submitted	21 March 2017	21 March 2017	12 May 2017	Approval of Delegate	29 March 2017	29 March 2017	19 May 2017	Contract Awarded	29 March 2017	29 March 2017	19 May 2017	Debrief unsuccessful tenderers	April 2017	April 2017	May / June 2017	Contract commencement	5 April 2017	5 April 2017	26 May 2017	Completion	November 2017	November 2017	December 2017
	Moncrieff – TPB	Coombs 3A	Gungahlin TC-EE																																								
RFT opens	6 February 2017	6 February 2017	28 March 2017																																								
RFT closes	3 March 2017	3 March 2017	25 April 2017																																								
Evaluation of offers completed	17 March 2017	17 March 2017	9 May 2017																																								
Evaluation Reports submitted	21 March 2017	21 March 2017	12 May 2017																																								
Approval of Delegate	29 March 2017	29 March 2017	19 May 2017																																								
Contract Awarded	29 March 2017	29 March 2017	19 May 2017																																								
Debrief unsuccessful tenderers	April 2017	April 2017	May / June 2017																																								
Contract commencement	5 April 2017	5 April 2017	26 May 2017																																								
Completion	November 2017	November 2017	December 2017																																								
Tender Number	TBA																																										

Is Government Procurement Board sign off required?	<p>Yes</p> <p>This construction package is valued over \$1M which will require the Government Procurement Board for sign off. Following approval of the Procurement Plan by the LDA delegate, a submission of the Procurement Plan and its associated documents will be prepared for the Government Procurement Board for its next meeting.</p>
Is ACT Government Solicitor consultation required?	<p>No</p> <p>This construction package is not high risk, does not have a contract value of \$50M or more and will not involve a non-standard contractual arrangement.</p>
Procurement Requirements	
Objective or scope of works or services to be provided	<p>To engage suitably prequalified contractors with experience, resources and financial capacity to undertake construction in Coombs, Gungahlin Town Centre and Moncrieff delivering high quality assets safely and in a timely manner.</p> <p>Scope of works for the three separate contracts include:</p> <p>Gungahlin works will involve construction of a new road as well as extensions to existing networks including Kate Crace Street and Gungahlin Place. An upgrade to the Kate Crace and Valley Avenue intersection; servicing and earth works will be undertaken for future sites being delivered as part of this development.</p> <p>Moncrieff will involve asphalt paving, retaining wall construction and tree planting. Creating maintenance paths, cycling and walking infrastructure for Moncrieff residents and service authorities. A pedestrian bridge is also being built linking Moncrieff to Amaroo schools and playing fields.</p> <p>Coombs 3A Pedestrian Network and Open Space Landscaping. Works will involve construction of pedestrian and cycle networks including BNT route adjacent to Coombs river corridor including construction of WSUD elements. The construction also includes a central neighbourhood playground including car parking toilet and BBQ facilities</p>
Type	<p>Works - Gungahlin TC-EE (Civil), Moncrieff TPB (Civil, Landscape & Bridge Construction) & Coombs 3A (Civil & Landscaping)</p>
Prequalification	<p>Prequalification category for Gungahlin TC-EE - R3 - F5 Prequalification category for Moncrieff TPB - F5 - B2 - R2 Prequalification category for Coombs 3A - F2 - R2 - CL</p>
Funding	<p>Gungahlin – funding has been allocated within the Gungahlin business plan. Moncrieff - funding has been allocated within the Moncrieff business plan. Coombs – funding has been allocated within the Coombs and Wright business plan.</p>
Site	<p>Gungahlin TC-EE is a 26 hectare area bordering the northern end of Mulangarri Nature Reserve, arterial roads Anthony Rolfe Avenue pass the northern end and Flemington Road runs through the centre.</p> <p>Moncrieff TPB stretches East to West between Horse Park Drive and Mirrabei Drive at the southern end of Moncrieff Estate bordering Amaroo.</p> <p>Coombs 3A sites between Western edge of Coombs and Eastern Edge of Holdens Creek.</p>
Consultation (including pre tender)	<p>Initial community consultation has been undertaken via online media, through presentations at the Gungahlin Community Council and Individual community consultation plans have been developed and adopted by the LDA for each of the three projects that look at providing the public with pre-construction information and also keeping the public informed of works progression.</p>

Procurement Plan Minute

Procurement Risk**Risk**








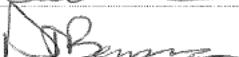
A Risk Management Matrix has been used to assess potential procurement risks involved for these particular procurements. It has been assessed that there currently remains no 'extreme' or 'high' risks present in the Risk Management Matrix. Refer to **Attachment A**.

Procurement Methodology**Description of the procurement method to be used**

For the **GungahlinTC-EE** and **Moncrieff TPB** projects tenders will be called from the EDD Panel of Civil Contractors. All Contractors on the panel will be invited. For **Coombs 3A** procurement will be via public tender.

Evaluation

The criteria used will be the standard criteria for tenders to this value and in accordance with the attached Standard Evaluation Plan. Refer to **Attachment B**.



Evaluation Team			
Name	Position	Agency	Signature
Gungahlin & Moncrieff			
Guna Seelan	Chair	LDA	
Patrick Hancock	Member	PCW	 12/1/17
Gareth Burdon	Member	TCCS	
Darren Benson	Member	LDA	
Coombs			
Guna Seelan	Chair	LDA	
Patrick Hancock	Member	PCW	 12/2/17
Gareth Burdon	Member	TCCS	
Darren Benson	Member	LDA	
Statement on team composition			
All members were chosen based on their construction contract management experience and procurement experience.			

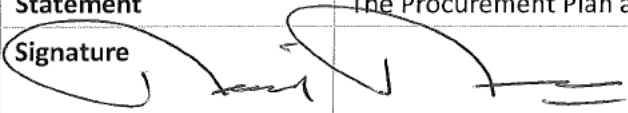
Contract Management

Number of contracts	Separate construction contracts will be awarded for each of the projects.
Contract management	The contracts will both be managed under AS2124 or MW21 General Conditions of Contract. The LDA has several officers experienced to act as the client representative.
Period of contract(s)	8 months for the Moncrieff TPB works. 7 Months for the Gungahlin TC-EE construction. 7 months for Coombs 3A works.

AUSTRALIA—UNITED STATES FREE TRADE AGREEMENT

Does the AUSFTA apply?	No (only relevant if the project is above specific thresholds—A\$551,000 for goods and services and A\$7,769,000 for works).
-------------------------------	---

LDA RECOMMENDATION			
Director Engineering	Guna Seelan	Signature and Date	 12/1/17
		Phone Number	75434
Manager	Tom Gordon	Signature and Date	 12.1.17

Chief Executive Officer / Delegate approval			
Name	David Dawes		
Position	Chief Executive/Delegate		
Statement	The Procurement Plan and attachments are approved		
Signature		Date	12/1/17

Attachments:

- A - Risk Management Plan
- B - Evaluation Plan
- C - Probity Plan
- D – Site Plans



Risk Management Plan – Guide Notes

This (PCW) Version 7.1 template has been developed in accordance with the ACTIA Risk Matrix template and the AS/NZS ISO 31000:2009 risk management standard.

The following pages will assist in the recording the results of the risk management process.

1. Title Page, setting the context:

- Allows the project to be clearly identified and the project outcomes/objectives to be defined.
- Identifies the Directorate, Directorate contact person and the Directorates' decision maker.
- Includes a basic stakeholder analysis to determine the interested parties and the level of interest held by each stakeholder.

2. Risk Criteria – Risk Matrix

- Sets out the criteria for measuring **consequence** and **likelihood** and how they combine to form the level of risk.
- Includes definitions of **consequence**
- Includes definitions of **likelihood**
- Provides measurements for the **control effectiveness rating** – how good our controls or risk mitigation strategies are at managing the risk.

3. More Sample Consequences:

- Provides more examples of how the consequence rating can be identified. This list is not exhaustive; it is a guide to use when determining the level of consequence.

4. Risk Register

- Tool to use to record the risks identified, their consequences, the control measures that manage the risk and how effective those measures are.
- Template includes free text fields and drop down boxes. The drop down boxes include the **consequence, likelihood, level of risk** and **risk control effectiveness ratings** that are used within Chief Minister, Treasury and Economic Development Directorate. (CMTEDD) *Refer to the risk criteria / risk matrix.*

5. Risk Treatment Action Plan

- A risk treatment action plan is required for all risks rated as **“Extreme”** or where the control effectiveness rating is **“room for improvement”** or **“inadequate.”**
- Abbreviations used in the drop box are:

Consequence		Likelihood		Level of Risk		Effectiveness Rating	
1- Insignificant -	Insig	1- Rare -	Rare	Low -	Low	Adequate -	Adq
2- Minor -	Min	2- Unlikely -	Ujkl	Medium -	Med	Room for Improvement -	RFI
3- Moderate -	Mod	3- Possible -	Poss	High -	Hgh	Inadequate -	Inad
4- Major -	Maj	4- Likely -	Lkly	Extreme -	Ext		
5- Catastrophic -	Cat	5- Almost certain -	Acert				

Analysing (rating) the risk under AS / NZS / ISO 31000:2009

1. No longer accepted practice to rate "Raw risk".
 - "Consequences, likelihoods and levels of risk will depend on the controls that are in place and their effectiveness." (SA/SNZ HB 89:2013).
 - Do not arrive at the risk level prior to treatment or inclusion of risk mitigation strategies
 - Must consider the current controls before rating the risk where a **Control** is a measure in place to manage risk. (ISO Guide 73:2009)
2. Must rate the consequence prior to the likelihood
 - "Risk is analysed by determining consequences and their likelihood." (AS /NZS/ ISO 31000:2009)
3. The consequence should be defined in its most normal form and not an extreme version of the risk.
 - For example a personal injury as a result of a paper cut would result in a minor injury not requiring medical treatment.
 - It would not in the normal form result in blood poisoning and death.
4. Following the process of AS / NZS / ISO 31000:2009 there are three questions to ask:
 - 1) What is the consequence that the risk would take in its "most normal form" (not an extreme form) should the risk occur?
 - 2) What is the likelihood of that consequence? (How likely it the consequence to occur?)
 - 3) How good are the existing controls at managing the risk?
5. Make an assessment as to the effectiveness of current controls
 - Effectiveness ratings as defined in the ACTIA Risk Matrix

<p>Control: A measure that is modifying risk</p> <p>A control can include any process, policy, practice or other action which modify risk. (ISO Guide 73:2009)</p> <p><i>This is something that is currently modifying the risk or managing the risk.</i></p>	<p>Risk Treatment: A process to modify risk.</p> <p>Treatment can involve avoiding the risk, taking the risk to pursue an opportunity, removing the risk source, changing the likelihood, changing the consequence, sharing the risk or retaining the risk by informed decision. (ISO Guide 73:2009).</p> <p><i>A treatment is a future planned action or process to be put in place to manage the risk.</i></p>
--	---

NOTE TO USERS— Pages 1 – 6 are guide notes and can be removed from the document to be presented for approval by Delegate or GPB.

		Sample Consequence				
		Insignificant	Minor	Moderate	Major	Catastrophic
Categories of Risk	Assets	Loss or destruction of assets up to \$2,000	Loss or destruction of assets \$2,000 to \$10,000	Loss or destruction of assets \$10,000 to \$100,000	Loss or destruction of assets \$100,000 to \$5M	Loss or destruction of assets greater than \$5M
	Compliance/regulation	Non-compliance with work policy and standard operating procedures which are not legislated or regulated	Numerous instances of non-compliance with work policy and standard operating procedures which are not legislated or regulated	Non-compliance with work policy and standard operating procedures which require self reporting to the appropriate regulator and immediate rectification.	Restriction of business operations by regulator due to non-compliance with relevant guidelines and / or significant non-compliance with policy and procedures which threaten business delivery.	Operations shut down by regulator for failing to comply with relevant guidelines and / or significant non-compliance with internal procedures could result in failure to provide business outcomes and service delivery.
	People	Injuries or ailments not requiring medical treatment.	Minor injury or First Aid Treatment Case.	Serious injury causing hospitalisation or multiple medical treatment cases.	Life threatening injury or multiple serious injuries causing hospitalisation.	Death or multiple life threatening injuries.
	Environment	Limited effect to something of low significance	Transient, minor effects	Moderate, short-term environmental harm	Significant, medium-term environmental harm	Long term environmental harm
	Financial	1% of Budget	2.5% of Budget	> 5% of Budget	> 10% of Budget	>15% of Budget
	Technology	Interruption to electronic records and data access less than ½ day.	Interruption to electronic records and data access ½ to 1 day	Significant interruption (but not permanent loss) to data and electronic records access, lasting 1 day to 1 week	Complete, permanent loss of some electronic records and/or data, or loss of access for more than one week	Complete, permanent loss of all electronic records and data
	General management activities	No impact on business outcomes and strategic objectives.	Minor impact on business outcomes and strategic objectives. Non-essential or subsidiary services experience minor disruptions.	Moderate impact on business outcomes and strategic objectives. A number of objectives not met, minor or subsidiary services impaired.	Significant impact on business and strategic objectives. Key service delivery impaired.	Strategic business outcomes processes fail and business objectives not met. Unable to delivery necessary services.
	Reputation & Image	Internal Review	Scrutiny required by internal committees or internal audit to prevent escalation.	Scrutiny required by external committees or ACT Auditor General's Office, or inquest, etc.	Intense public, political and media scrutiny. E.G.: front page headlines, TV, etc.	Assembly inquiry or Commission of inquiry or adverse national media.
	Cultural & Heritage	Low-level repairable damage to commonplace structures	Mostly repairable damage	Permanent damage to items of cultural significance	Significant damage to structures or items of cultural significance	Irreparable damage to highly valued items of cultural significance
	Business Process & Systems	Minor errors in systems or processes requiring corrective action, or minor delay without impact on overall schedule.	Policy procedural rule occasionally not met or services do not fully meet needs.	One or more key accountability requirements not met. Inconvenient but not client welfare threatening.	Strategies not consistent with Government's agenda. Trends show service is degraded.	Critical system failure, bad policy advice or ongoing non-compliance. Business severely affected.

Examples of LDA Risks

Personnel / Contractors / Consultants / LDA staff	Contractual issues	Technology / ICT
<ul style="list-style-type: none"> Inadequately trained staff Poor performance Loss of expert personnel from LDA Breaches of confidence Not physically capable Staff entitlements Known offenders engaged—work around schools, playgrounds etc Disputes—contractors and / or unions Retention of staff, attracting suitable staff 	<ul style="list-style-type: none"> Inappropriate documentation, lack of adequate records Litigation, penalties Contractor does not meet KPIs Failure to supply goods Lack of clarity between government and contractor re liability Ethical suppliers—breach of contract Monitoring and management of plans Conflict of interest Novation / assignment without permission Give or accept indemnities incorrectly 	<ul style="list-style-type: none"> Obsolescence No support after sale/purchase Does not perform as promised Lack of records (source codes) Difficult or no training Prototype difficulties Patent, copyright, intellectual property Lack of technical knowledge Transition— data migration difficulties Systems integration / interface problems
Environment	Public Liability	Reputation
<ul style="list-style-type: none"> Liability for changing the environment—spills, leakages—but can include noise, dust. Can be as simple as wet ink on a brochure or draining wash up liquid into storm drains Need for land remediation 	<ul style="list-style-type: none"> Negligence, (accidental) causing loss, damage or destruction to third party property and / or injury including illness and/or death to third parties 	<ul style="list-style-type: none"> Loss of public support Loss of financial support Inability to attract contractors Politicisation of process
Management / Administration	Workplace Health & Safety	Project
<ul style="list-style-type: none"> Discrimination, wrongful act (libel, slander) Overcharging, poor billing practices 	<ul style="list-style-type: none"> Significant incident on work site Failure of WHS reporting Notifiable Incident Reporting 	<ul style="list-style-type: none"> Scope of project poorly defined or changes Timeframes not feasible Transition problems
Construction	Insurance	Political, Media, Community
<ul style="list-style-type: none"> Site problems—rock, foundation conditions Site identification—survey incorrect Faulty workmanship—plan not followed Design errors, substandard quality control Construction method and works programming Excessive escalation of project end costs Sub-contractors without permission / notification Supplier unable to supply goods 	<ul style="list-style-type: none"> Wrong type, inadequate Incorrectly arranged or not arranged Cancelled during contract. Impact of liquidator of supplier on insurance Check principal arranged insurance (ACTIA) Insurance cover during transition Professional liability— designer or professional error 	<ul style="list-style-type: none"> Change of government policy Economic downturn Pressure groups Media campaigns Negative community reaction causing delays, changes Answering negative media comment
Compliance / Regulation	Viability of Contractor	Security of Contract Products
<ul style="list-style-type: none"> Adverse audit finding Breach of legislation ACT Govt Contracts Register 	<ul style="list-style-type: none"> Insolvency, unable to continue Bonding and guarantee difficulties Inability or unwillingness to perform 	<ul style="list-style-type: none"> Burglary and theft, malicious damage, graffiti, arson.
Products Liability	Finance	Fraud
<ul style="list-style-type: none"> Loss, damage or destruction and / or injury, illness or death to third parties arising from faulty product 	<ul style="list-style-type: none"> Interest rate fluctuations or extension of time Withdrawal of promised finance / funding 	<ul style="list-style-type: none"> Pilferage or ghosting supplies services or staff Certifying incorrect quantities

<ul style="list-style-type: none">• Product dangers, volatility—fireworks, bad foods, chemicals, chemical products	<ul style="list-style-type: none">• Cost overruns, poor estimating• Delay• Foreign exchange rate fluctuations• Reduction in takings• Cashflow timing	<ul style="list-style-type: none">• Sham contracts
--	--	--

Risk Matrix

LDA Procurement Risk Management Plan



ACT Government
Chief Minister, Treasury and Economic Development

Risk Matrix Program / Project

	Insignificant	Minor	Moderate	Major	Catastrophic
People	Injuries or ailments not requiring medical treatment.	Minor injury or First Aid Treatment Case.	Serious injury causing hospitalisation or multiple medical treatment cases.	Life threatening injury or multiple serious injuries causing hospitalisation.	Death or multiple life threatening injuries.
Reputation & Image	Internal Review	Scrutiny required by internal committees or internal audit to prevent escalation.	Scrutiny required by external committees or ACT Auditor General's Office, or Inquest, etc.	Intense public, political and media scrutiny, eg. front page headlines, TV, etc.	Assembly Inquiry or Commission of inquiry or adverse national media.
Environmental	Limited effect to something of low significance	Transient, minor effects	Moderate, short-term environmental harm	Significant, medium-term environmental harm	Long term environmental harm
Cultural & Heritage	Low-level repairable damage to commonplace structures	Mostly repairable damage	Permanent damage to items of cultural significance	Significant damage to structures or items of cultural significance	Irreparable damage to highly valued items of cultural significance
Business Process & Systems	Minor errors in systems or processes requiring corrective action, or minor delay without impact on overall schedule.	Policy procedural rule occasionally not met or services do not fully meet needs.	One or more key accountability requirements not met. Inconvenient but not client welfare threatening.	Strategies not consistent with Government's agenda. Trends show service is degraded.	Critical system failure, bad policy advice or ongoing non-compliance. Business severely affected.
Financial	1% of Budget	2.5% of Budget	> 5% of Budget	> 10% of Budget	>15% of Budget

Likelihood	Frequency	Matrix					
		1	2	3	4	5	
Almost Certain Is expected to occur in most circumstances	Once a quarter or more	1 In 10	Medium	High	High	High	High
Likely Will probably occur	Once a year or more	1 in 10 - 100	Medium	Medium	High	High	High
Possible Might occur at some time in the future	Once every 1 - 5 years	1 in 100 - 1,000	Low	Medium	Medium	High	High
Unlikely Could occur but doubtful	Once every 5 - 20 years	1 in 1,000 - 10,000	Low	Medium	Medium	High	High
Rare May occur but only in exceptional circumstances	Once every 20 - 100 years	1 in 10,000 - 100,000	Low	Low	Medium	Medium	High

Priority for Attention

Priority	Suggested Timing of Treatment	Authority for continued tolerance of risk	
		Program	Project
High	Short term – normally within one month** Detailed action plan required		Director- General Under-Treasurer
Medium	Medium term – normally within three months Needs senior management attention		Senior Executive
Low	Normally within 1 year Specify management responsibility		Managers
Very Low	Ongoing control as part of a management system Manage by routine procedures		All staff

Control Effectiveness Rating

Control Effectiveness	Guide
Adequate	Nothing more to be done except review and monitor the existing controls. Controls are well designed for the risk, are largely preventative and address the root causes and Management believes that they are effective.
Room for improvement	Most Controls are designed correctly and are in place and effective however there are some controls that are either not correctly designed or are not very effective. There may be an over-reliance on reactive controls. Some more work to be done to improve operating.
Inadequate	Significant control gaps or no credible control. Either controls do not treat root causes or they do not operate effectively. Controls if they exist are just reactive. Management has no confidence that any degree of control is being achieved due to poor control design and/or very limited operational effectiveness.

Priority for Attention - Action

Every care should be taken to act as soon as possible to implement risk control measures where ever possible or to take action to fix the problem. **Extreme Risks and High Risks especially where the risk relates to people & personal injury** require us to act immediately to take steps to fix the problem.

** The suggested timing of treatment does not mean that immediate action ought not be taken or that the timing can not be completed sooner than suggested.

Note: When identifying, analysing and rating risk consideration should be given, but not necessarily limited to, the attached categories of risk and the attached examples of frequency and consequences.

Project Details			
Projects	Gungahlin Town Centre – East Estate, Moncrieff – Trails and Pedestrian Bridge & Coombs 3A – Pedestrian Network and Open Space Construction		
Project Objectives	To engage suitably prequalified contractors with experience, resources and financial capacity to undertake construction at Flemington Road and Moncrieff delivering high quality assets safely and in a timely manner.		
Contact Details			
Directorate	CMTEDD	Business Unit (if applicable)	ED / LD & C / LDA
Name of Contact Gungahlin Town Centre – East Estate Moncrieff Trails and Pedestrian Bridge Coombs 3A - Pedestrian Network and Open Space Construction	Darren Benson Tristan Lee-Murphy Darren Benson	Phone no. 62074727 62076370 62074727	LDA LDA LDA
Name of Decision Maker / Authority Holder	Guna Seelan		

Created by: Tristan Lee-Murphy

Date: 30 November 2016

Reviewed by: Guna Seelan

Date: 30/11/16

Approved by Exec Director: Tom Gordon

Date: 12.1.17

Signature: 

Stakeholder Analysis		
Internal and External [Name and Agency/Organisation] (A=all) (M=Moncrieff) (G=Gungahlin) (H=Hume)	Level of Influence [Ability to influence project outcomes]	Level of Interest [Level of interest in the project outcome]
LDA Board (A)	High	High
Land Development Agency (A)	High	High
Environment and Planning Directorate (A)	Medium	Medium
TCCS (TAMS) (A)	High	High
Design consultants and contractors engaged by LDA (A)	Medium	High
Education (M)	Low	Low
Amaroo Catholic School (M)	Low	Medium
Stromlo Forrest Park	Low	Low
Equestrian Association	Medium	High

Risk Register

This risk register is consistent with AS/NZS / ISO 31000:2009 risk management standard and the LDA Risk Management Framework and Policy Statement; and Risk Management Policy.

Risk Ref. No.	Risk Description (source/ event) The risk event and source What can happen (that will affect LDA's ability to meet objectives) and how it may happen.	Describe the consequence If the event occurs, what is the impact or outcome? (In its most 'normal' form – not an extreme form)	Risk controls – what is in place to manage the risk. How are risks being Managed? What ordinary policies, procedures and actions (BAU ¹) are used to manage the risk?	Risk Owner (person or entity who manages the risk)	Consequence	Likelihood	Current level of risk	Control effectiveness
Applicable For All Projects								
Time Frame								
1	Poor time performance	Delay in handover of associated works to TCCS resulting in additional maintenance costs to LDA Additional costs to Superintendent Delays to realisation of revenue from settlements	Ensure Contractor is pre-qualified. Check contractors previous 'time performance', work commitments and resources. Ensure reasonable contract period in documents. Contractor to develop detailed construction program. Monitor progress against contractor's program. Liquidated damages included in contract Conduct regular site meetings to monitor progress	LDA / Contractor	3	3	Med	Adq
2	Delay in asset Handover	Delay to program Delay in handover to TCCS resulting in additional maintenance costs to LDA Additional costs to Superintendent	Instigate a staged handover process plan to ensure timely completion of works. Instigate interim inspections with TCCS. Seek pre-handover reports and inspections with Superintendent prior to handover inspection.	TCCS / LDA	3	3	Med	Adq
3	Delays caused by Service Authorities (eg. Availability of service authorities and resources are limited, etc.)	Delays to program May delay handover if critical path activities.	Contractor to organise availability of staff and associated material well before the due date. Ongoing programming and consultation with Authorities	LDA / Authorities	3	3	Med	Adq
4	Due Diligence not completed by design consultant award of contract – unforeseen constraints/services	Delay to Program Delay to land sales Possibility for project margins to decrease due to increased costs	Contractor to undertake service locations via dial before you dig and pothole depths at start of works to confirm existing services against design.	LDA	3	3	Med	Adq
Finance								
5	Tender prices come in over budget	Delay to program LDA expectation not reached May need to re-tender project Community expectations not reached Stakeholder expectations not reached	Source additional budget If required. Possible re-tender requirements. Review cost estimates prior to tendering	LDA	2	3	Med	Adq

LDA Procurement Risk Management Plan

Page 9 of 24

6	Excessive variations	Cost overrun	Variations are assessed by superintendent and assessed by LDA prior to being agreed to. Performance reporting undertaken for each project includes assessment against variations and disputes raised. Review documentation for completeness prior to calling tenders	LDA	3	3	Med	Adq
Viability of Contractor								
7	Public Liability Claim	Personal injury and property damage Bad reputation Adverse media attention	Potential claims are handled with a proactive approach to ensure prompt action. Principal has arranged public liability insurance in the amount of \$20M, as is the case for all large civil construction contracts. The policy is in the names of the principal, all contractors, subcontractors, construction managers and project managers.	Landscape Contractor / LDA	3	3	Med	Adq
8	Supplier becomes insolvent during works	Contract targets not met May need to re-tender project May result in increased construction costs and extended disruption to the public.	Allow tenders from pre-qualified suppliers only. Carry out credit rating checks. Undertake financial assessment, as required. Follow approved Procurement Plan. Security of Payments Act provisions are adhered to. LDA has extensive relationships within the industry and word of mouth rumours are investigated.	LDA / Consultant	3	3	Med	Adq
Quality Assurance								
9	Supplier selected may not perform to the standard required by the contract	Poor quality work leading to rework/defects Maintenance liability to the Territory Possible delay in handover	Only Pre-qualified suppliers will be awarded a contract Apply Quality Assurance and increase audit testing. Site surveillance to be increased. Increase frequency of site meetings and meetings with client. Past performance key aspect of tender assessment. Consider termination of contract.	LDA / Contractor / Consultant	3	3	Med	Adq
10	Sourcing of material and stock (trees, shrubs, proprietary items)	Compromises original design outcomes Unexpected delays to be experienced during the project	Ensure design consultant has made thorough enquiries into availability of proprietary items prior to tender issue. Contractor to confirm availability of stock early in contract Designer to confirm availability of nominated stock Identify alternative species stock for trees and shrub plantings General discussion with consultant about programme risks and resource availability leading up to construction phase.	LDA / contractor	2	2	Med	Adq
Probity								
11	Potential conflict of interest/ Probity issue arises	Delay to program May need to re-tender project	Advise delegate of situation. Follow approved Probity Plan	LDA	2	2	Med	Adq
Environmental								

LDA Procurement Risk Management Plan

12	Inadequate environmental controls	Untreated runoff could enter storm water system. Dust impact on local residents and businesses Noise impact on local residents and businesses	Contractor to submit an Environmental Management Plan (EMP) for approval to EPA, and implement environmental measures prior to construction commencing. Superintendent to monitor Contractor performance. Ongoing monitoring of contractor Environmental Protection Plans.	LDA / contractor	3	3	Med	Adq
13	Adverse environmental conditions, & Unidentified Items uncovered during trenching/ earthworks	Health Risk / Unsafe workplace and danger to public Significant delay to the project Damage to habitat Damage to Image/reputation through negative media	Extensive site investigation undertaken prior to construction informs Validation reports which are handed to contractors Environmental protocols in place for unexpected finds SWMS for identified incidents Only accredited and approved contractors to be engaged	LDA / contractor	3	2	Med	Adq
14	Possible contaminated soil	Increased Development costs Reduced returns to Territory	Follow unexpected finds protocols	LDA / Contractor	2	3	Med	Adq
	Media							
15	Industrial Relations activity on site	Delays to work progress Adverse publicity	Review of industrial relations performance. Tender response requires IRE declaration Maintain liaison with key industrial relations stakeholders (e.g. unions)	Contractor / LDA	3	3	Med	Adq
16	Public discontent due to poor public consultation and inconvenience (E.g. traffic delays, dust and noise)	Complaints from Public due to lack of information about neighbouring and proposed construction projects. Adverse media attention for the LDA Complaints from nearby residence Possible health hazard	Individual Community Consultation Plans have been developed and adopted for the three projects. The LDA has undertaken a number of community consultation exercises that cover these procurements, presentation was undertaken to Gungahlin Community Council in Nov 2016 with specific focus on the Moncrieff Project and connections to Amaroo and on the works the LDA will be doing in the Gungahlin Town Centre. For Moncrieff the LDA community Development Programme Mingle intends to provide information on the Moncrieff works within the Summer Newsletter. At a Mingle event in November LDA communicated directly with residents on the planned works. TTMs to be co-ordinated with any adjacent works/projects Ensure contract stipulates appropriate environmental control measures and construction working hours Control dust by using water cart Stop working if situation uncontrollable Contractor to maintain relevant EPA agreement / authorisation in place prior to commencement of works	LDA	3	3	Med	Adq

LDA Procurement Risk Management Plan

17	WHS			Principal Contractor / LDA	3	3	Med	Adq
	Safety (WHS) – injury to worker or public, contractor fails to achieve satisfactory WHS performance	Unsafe workplace Danger to employees and/or public Delay in program	Prequalified contractors Tender Evaluation Team to check contractor's WHS System and WHS past performance, eg ensure requirements for site inductions are documented in WH&S plan Carry out induction process prior to contractor commencing on site Superintendent to regularly conduct safety audits and monitor WHS performance, recommend appropriate levels and check implementation of these. LDA internal procedures include tracking of workplace incidents/accidents on Register. Ensure comprehensive design safety report is included in tender documentation Ensure tender submissions are properly reviewed/audited and address all issues outlined in design safety report Superintendent to review contractor's TTMPs Contractor to complete LDA's WHS Checklists monthly LDA to conduct 3 rd party WHS Active Certification audits on Principal Contractor in accordance with ACT Govt protocols. Active certification policy implemented by LDA					

LDA Procurement Risk Management Plan

Project Specific – Moncrieff								
Quality Assurance & Programme Delay								
18	Availability of less common building materials for construction of bridge.	Unexpected delays to be experienced during the project. Design compromised	Ensure design consultant has made thorough enquiries into availability of proprietary items prior to tender issue. Contractor to confirm availability of stock early in contract General discussion with consultant about programme risks and resource availability leading up to construction phase.	LDA / Consultant / Contractor	3	3	Med	Adq
Environmental								
29	Work above and around waterway	Risk of pollution to water course	Work in Waterway licence must be acquired prior threatening construction Contractor to submit an Environmental Management Plan (EMP) for approval to EPA, and implement environmental measures prior to construction commencing. Superintendent to monitor Contractor performance. Ongoing monitoring of contractor Environmental Protection Plans.	LDA / Contractor	3	2	Med	Adq
WHS								
20	School children accessing site	Risk of injury	School Principal advised of works progress and to make necessary announcements to inform children, teachers and parents. Site will be fenced Contractor to complete LDA's WHS Checklists monthly Tender Evaluation Team to check contractor's WHS System and WHS past performance, eg ensure requirements for site inductions are documented in WH&S plan Carry out induction process prior to contractor commencing on site Superintendent to regularly conduct safety audits and monitor WHS performance, recommend appropriate levels and check implementation of these.	LDA / Contractor / School	4	1	Med	Adq
21	Construction on a steep slope	Risk of Injury and risk of property damage	Additional Supervision during construction within steep areas and ensure Contractor SWIMS take risk into consideration	LDA Contractor	3	3	Med	Adq
22	Heavy lifting by crane	Risk of injury and risk of property damage	Appropriate licences Contractor to complete LDA's WHS Checklists monthly Superintendent to regularly conduct safety audits and monitor WHS performance, recommend appropriate levels and check implementation of these. Quarterly active certification audits undertaken ensuring safe work practices.	LDA Contractor	4	1	Med	Adq

LDA Procurement Risk Management Plan

Project Specific – Gungahlin									
WHS									
23	Urban traffic interface or injury to public	Possible traffic and pedestrian accidents	Temporary Traffic Management (TTM) Plans approved by Roads ACT. Contractor to include traffic management measures in accordance with the ACT Standard Specifications, Section 1 as part of their Quality Plan. Project Manager discusses any non-conformances of TTM audits at site meetings with Superintendent and contractor. LDA procurement procedures require Tender Evaluation Team to check contractor's WHS System and WHS past performance, e.g. ensure requirements for site inductions are documented in WH&S plan. Ensure Contractor holds the relevant Public Liability Insurance. Contractor to complete LDA's WHS Checklists monthly	LDA / Contractor / TCCS	3	3	Med	Adq	
Programme Delay									
24	Canberra Metro overlap of construction works	Possible extensive delays	Regular meetings with Capital Metro Design Consultants coordinating together Communications between project agencies project managers	LDA / Capital Metro	3	2	Med	Adq	

Coombs The project manager has confirmed the above risks have covered the scope of works for Coombs 3A.

Risk Treatment Action Plan

A risk treatment action plan is required for all risks rated as "Extreme" or where the control effectiveness rating is "room for improvement" or "inadequate."

Risk Ref. No.	Risk Description (source/ event) <i>The risk event, and source (copied from above). What can happen (that will affect LDA's ability to meet objectives) and how it may happen.</i>	Risk Treatments (actions to be taken to Manage the risk). <i>(In addition to the Business as Usual Controls listed above.) Could include a different treatment action for a new procurement (new technology) or an unusual project with different installation or construction techniques. For example: may include additional processes and procedures for sites that are known to contain asbestos.</i>	Consequence	Likelihood	Residual Risk Rating	Treatment effectiveness	Implementation and Reviewing		Emergency Response Should Control Measures Fail. <i>(The risk is realised.) Contingency Plan.</i>
							Responsible Officer <i>(Officer responsible for implementation and ongoing review)</i>	Implementation Date <i>(Date to be completed by)</i>	
			**	**	**	**			