



Evaluation Plan construction works \$200k - \$10M

1. INTRODUCTION

This Evaluation Plan details the procurement 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.

A tender evaluation report will be based upon the latest template from the Intranet.

2. EVALUATION TEAM

The Evaluation Team detailed below has been formed to evaluate the tender responses for the stated projects. 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 to:

- (a) maintain probity;
- (b) evaluate the responses in accordance with the criteria and methodology;
- (c) document the evaluation process;
- (d) prepare an Evaluation Report;
- (e) seek Chief Executive or delegate approval to proceed with a contract with the preferred respondent; and
- (f) debrief unsuccessful respondents.

The Evaluation Teams for this project will comprise:

Position	Name	Title	Department
Gungahlin & Moncrieff			
Chairperson	Guna Seelan	Senior Project Director – Construction	LDA
Member	Gareth Burdon	Senior Manager - Project Governance	TCCS
Member	Darren Benson	Project Director – Construction	LDA
Member	Patrick Hancock	Senior Project Manager	PCW
Coombs			
Chairperson	Guna Seelan	Senior Project Director – Construction	LDA
Member	Patrick Hancock	Senior Project Manager	PCW
Member	Darren Benson	Project Director - Construction	LDA
Member	Gareth Burdon	Senior Manager - Project Governance	TCCS

All members were chosen based on their construction contract management experience and procurement experience. Members of the Evaluation Team are personally appointed and will not be withdrawn or replaced without the written approval of the delegate.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) WHS;
- (d) probity and technical procurement advice, including from the ACT Government Solicitor and PCW Directors/Managers (such advice may include, but not be limited to, technical drafting advice and review of draft evaluation reports for clarity and consistency with the *Government Procurement Act 2001* (ACT)); and / or
- (e) legal issues.

3. LATE TENDERS

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 within the limits set in AS4120 'Code of Tendering & Probity Advice'. 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.

Initial Conformance Statement

The Evaluation Team will examine each tender 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 conformance of the tender.

Conformance check

Tenders will initially be assessed for conformance with the Request for Tender. Conforming tenders and any non-conforming tenders accepted for further consideration will then be assessed in accordance with the procedure set out below.

Nonconforming Tenders

Any Tender that does not comply with the Request for Tender 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 Tenders

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 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 nor alters the tendered price. All requests for clarification must be fully documented and appropriately filed.

Public Sector Tenders

Any tenders 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. tenders should include all commercial costs that private sector organisations would include in their tenders.

Threshold Criteria

In the Request for Tender, tenderers are requested to provide all information to enable assessment of all evaluation criteria.

The Evaluation Team will assess the tenders against the Threshold Criteria. Tenders not complying with Threshold Criteria may be deemed nonconforming and excluded from further consideration.

Weighted Criteria

Following the assessment of the Threshold Criteria, all conforming tenders will be assessed against the Weighted Criteria and assigned a rating score as defined in the criterion. The weighted criteria apply to tendered WHS Systems (45%), the financial offer (45%) and Local Industry Participation via the Economic Contribution Test or ECT (10%).

An independent WHS Consultant will be engaged to provide an assessment against the WHS criteria. The Consultant will provide a report for all assessed Sample WHS Plans to assist the Tender Evaluation Team in assessing a rating for this criterion, as described in Table 2.

The Evaluation Team will assess the financial offers as described in Table 2.

Tenderers will be awarded an overall weighted score and ranked based on the highest combined weighted score.

Risk Based Criteria

All conforming tenders will be assessed against Table 3 – Risk Based Criteria.

If the highest ranked tender scores "Acceptable" for all criteria in Table 3, this tender will be recommended as the Preferred Tenderer.

Where the highest ranked tender is assessed as having one or more criteria as an 'unacceptable' risk, consideration is to be given as to the possibility, cost and effectiveness of measures to ameliorate these risk(s).

If in consideration of any amelioration measures it is assessed that there is an additional cost to LDA to manage any risk beyond that considered in the tender price, the additional cost will be considered as an additional component of the financial offer and will be re-assessed through the weighted criteria to determine if there is a change to the weighted score and ranking initially applied to that tender.

Any proposed measures should not impact on the probity of the tender process. If, following consideration of amelioration measures, the Evaluation Team considers the tender still 'unacceptable' against one or more Criteria the tender may be excluded from further consideration and consideration of the next highest ranked tender may be undertaken following the same process as described above. If no tender is deemed to be a Preferred Tender, then the Tender Evaluation Team is to advise the Delegate.

5. EVALUATION CRITERIA

THRESHOLD CRITERIA

Table 1 - Threshold Criteria	Complies Yes/No
<p>1. Prequalification category for Gungahlin Town Centre – East Estate R3 - F5</p> <p>Prequalification category for Moncrieff Trails and Pedestrian Bridge F5 - B2 - R2</p> <p>Prequalification category for Coombs 3A Pedestrian Network and Open Space Construction. F2 – R2 - CL</p>	
2. Must not be listed as non-compliant with the Workplace Gender Equality Agency i.e. must be compliant with Equal Opportunity legislation.	
3. Tenderers must demonstrate compliance with Industrial Relations and Employment Obligations Strategy (IRE). Tenderers must provide their IRE Certificate in the tender response.	
4. 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.	

WEIGHTED CRITERIA

Table 2 - Weighted Criteria		
<p>1 Financial Offer</p> <p>The Tender Price assessment will be based on an assessment of how the offer meets the requirement for “value for money” against the risks associated with the price in accordance with the <i>Scoring Regime</i>. The Tender Evaluation Team will use the below formula to ascertain a pricing weighted score out of a maximum of 10 multiplied by the weighting. Industry will set the median price from Tenders received.</p>		45%
<p>P = initial comparative price score (rounded whole number) prior to assessing risk</p> <p>M = a median value of all Compliant tenderers.</p> <p>T = the submitted tender price of a tenderer or Notional Tender Price as applicable.</p>		
<p>For T<M</p> <p>P = 18 - (12*T/M)</p>	<p>For T>=M</p> <p>P = 21 - (15*T/M)</p>	
<p>2 Demonstrated Work Health & Safety System to complete the project Provide and describe the following: (10%)</p> <ul style="list-style-type: none"> • Sample WHS site management Plan (from a similar project) suitable for implementation on this project, that demonstrates that the Tenderer is capable of proactively managing Work Health and Safety and Rehabilitation (WHS&R) requirements; <ul style="list-style-type: none"> ○ Management; ○ Planning; ○ Risk & Hazard management; ○ Training, competency and supervision; ○ High risk construction work; ○ Consultation; and ○ Reporting. • Preliminary WHS Risk Register identifying major WHS risks related to this project 		45%

<p>(20%);</p> <ul style="list-style-type: none"> Evidence that personnel have demonstrated ability to manage WHS requirements (40%); and Any sanction point lost as part of the ACT Government Active Certification Audit Process and/or any adverse action in a past project during the last three years. (30%) <p>Information provided in the Threshold Criteria WHS Declaration will also be considered in the assessment of this criterion.</p>	
<p>3 Local Industry Participation</p> <p>Tenderers must complete and submit an Economic Contribution Test (ECT). The ECT requires Tenderers to provide information on how both their tender and business contribute to the economic benefit of the Canberra Region by providing the following information:</p> <ul style="list-style-type: none"> Current business presence in the Canberra Region, including relevant capital investment history and/or new commitments; How the Tenderer will identify and consider products and capabilities provided by local businesses; The estimated number of labour hours associated with the head contract and the labour hours of local subcontractors within the head contract; Additional undertakings by the Tenderer to benefit the Canberra Region economy; and Approach to workforce skilling and local skills (eg, through supply chain or local subcontractors). 	<p>10%</p>

RISK BASED CRITERIA

Risk Based Criteria will be assessed and rated in terms of risk to the LDA as set out in the following table:

Rating	Description
Acceptable Risk (A)	The proposal represents a low or workable level of risk, typical of what the LDA would be expected to bear for this type of project.
Unacceptable Risk (U)	<p>The proposal is unacceptable if one or more apply:</p> <ol style="list-style-type: none"> represents a level of risk higher than "acceptable risk"; contains risks not present in other tenders; would reasonably be anticipated to take longer than the specified time to complete; and/or poses a greater risk to achieving the specified quality.

Table 3 - Risk Based Criteria	Score: Acceptable (A)/ Unacceptable (U) Risk
<p>1. Past performance in similar construction in relation to:</p> <ul style="list-style-type: none"> • Time performance and quality of workmanship – provide evidence of time and quality performance on completed similar projects in the past 5 years and contact details of referees. Provide information on the amount of any liquidated damages deducted for late time performance, awards and letter of commendation; • Environmental management, probity; and • Record of claims history and/or current litigation/arbitration with the Principal on any other contracts. <p>The Evaluation Team may also consider records of past and current performance, claims, and compliance with ACT Government requirements provided by other ACT Government Agencies (including directorates), contractors or consultants engaged by the ACT Government to determine the tenderers past performance on similar type projects.</p> <p>Past performance with the ACT Government and a record of working to achieve budgetary requirement and timeframe on projects will be taken into consideration in assessing this criterion</p>	A or U
<p>2. Financial Resources</p> <p>The Evaluation Team may use the latest financial information provided for the prequalification to assess the risk for this criteria. At the discretion of the Evaluation Team a Financial Assessment using an independent Financial Assessment firm may be undertaken.</p>	A or U
<p>3. Technical and Managerial Skills Provide/describe the following:</p> <ul style="list-style-type: none"> • Management structure, systems and personnel including CV of key personnel that will be used on this project, including communication links, roles and responsibilities Professional / technical capacity and capability to meet the requirements of this project. Provide statement on the availability of all key personnel and percentage of time to be allocated on this project. Qualifications, skills and experience on similar projects and/or in a similar role are to be stated. • Proposed subcontractors – tenderer to list proposed main subcontractors to be used. 	A or U
<p>4. Resource Capacity Tenderers to provide a statement with regard to the Resource availability & capacity / current commitment of the company of projects and proposed staff, including a clear statement of resources to be allocated to the proposed project including plant and equipment and their availability.</p> <p>Provide statement on the availability of key personnel and the percentage of time to be allocated on this project including current commitments on other projects This is a time critical project. Tenders must demonstrate that they have adequate resources to complete this project within the allocated construction time.</p>	A or U
<p>5. Project Delivery – Program & Works Provide/describe the following:</p> <ul style="list-style-type: none"> • Provide a detailed program for the project to complete the works within the contract period; • Describe critical activities and methods of achieving project milestones and project completion dates; <p>The assessment will include consideration of any other significant risks associated with the</p>	A or U

delivery of this project.	
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Post Tender Negotiations

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.

6. EVALUATION REPORT AND LETTERS OF DECLINE/DEBRIEFINGS

Evaluation Report

The evaluation team will prepare a Tender Evaluation Report in the form of LDA-040 to cover the following information as appropriate:

- (a) Background to the process;
- (b) Evaluation process,
- (c) 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

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

Letters sent to all unsuccessful tenderers should be of the form of LDA-038.

Any debriefings will be held in accordance with Procurement Circular 2007/05 Debriefing Unsuccessful Tenders

Attachment 'A'

Work Health and Safety Statutory Declaration

[Instructional note – delete this note from final declaration– persons preparing/making this declaration should complete the following prior to signature:

- a. Details of person making declaration as set out in the first line;
- b. the full tenderer details at paragraph 1e;
- c. Item 3 (by crossing or ticking the appropriate box); and
- d. Item 3A if applicable (having regard to the instructional note)

Any other amendments made to the form of the declaration may result in the provision of a declaration which renders the Tender non conforming.]

STATUTORY DECLARATION

Statutory Declarations Act 1959 (Cth)

I, [Name, address and occupation of person making declaration] make the following declaration under the Statutory Declarations Act 1959 (Cth),

1. In this declaration a reference to:
 - (1) **"Adverse Action"** means any ruling, order, notice (including, without limitation any improvement notice or prohibition notice), conviction or finding made or issued by any Authorised Entity.
 - (2) **"Associated Entity"** is any associated entity of the Tenderer (the principal) as determined or defined in section 50AAA of the *Corporations Act 2001* (Cth).
 - (3) **"Authorised Entity"** means any court, tribunal, board, commission, regulatory agency (including, without limitation, the director-general, commissioner, regulator or any inspector referred to in WHS Legislation) or other entity with jurisdiction to determine whether an entity (which includes a person)) has complied with, or is complying with WHS Legislation.
 - (4) **"Full Details"** means the details of:
 - (a) the nature of the Adverse Action;

- (b) The name of the relevant Authorised Entity;
 - (c) The date of the Adverse Action;
 - (d) The entity against which the Adverse Action was made or issued;
 - (e) any document setting out the Adverse Action (including provision of a copy of the same);
 - (f) any penalty, fine or order imposed by an Authorised Entity in respect of the Adverse Action and the maximum penalty, fine or order that could have been imposed under the WHS Legislation;
 - (g) any remedial measures or other actions proposed or recommended in the Adverse Action and details of steps taken by the Tenderer (or the Related Entity, if applicable) to comply with those remedial measures or other actions; and
 - (h) the status of the Adverse Action as at the date of the declaration.
- (5) **“Tenderer”** means [insert full legal name of Tenderer including the ACN/ABN as per that identified on the Tender].
- (6) **“WHS Legislation”** means each of the following:
- (a) *Work Safety Act 2008* (ACT);
 - (b) *Work Health and Safety Act 2011* (ACT);
 - (c) any Regulations and instruments made or issued under the above Acts;
 - (d) any laws which vary or replace the above laws, or any part of them; and
 - (e) all other laws applicable in the Australian Capital Territory which deal with matters relating to work health and safety.

2. I am authorised on behalf of the Tenderer and each Associated Entity to make this declaration.

3. No Adverse Action has been made or issued against the Tenderer or any Associated Entity of the Tenderer in the preceding 36 months of the date of this declaration.

True(delete 3A and initial) Not true (answer 3A)

3A. Full Details of all Adverse Action made or issued in the preceding 36 months of the date of this declaration against the Tenderer and each Associated Entity of the Tenderer (as applicable) are as follows.

[Instructional note - read carefully and delete from final document prepared for signature as required having regard to contents of note.

Insert Full Details of all Adverse Action – refer definition of “Full Details” for information which will be required to be provided.

If there is insufficient space to insert the Full Detail of all Adverse Action in this clause 3A of the declaration you may include the Full Detail in an attachment to this declaration which should be marked “Attachment A to statutory declaration of [insert name of person making declaration]”. The first page of Attachment A should be signed by both the person making the declaration and the witness to the declaration with a note as follows – “This and the following xxx [insert number of pages at Attachment A] pages are Attachment A to the statutory declaration of [insert name of person making declaration]”. The person making the declaration and their witness should also initial each page of Attachment A. If this process is to be adopted the person preparing this declaration should delete this instructional note and insert the following wording (in addition to retaining the existing wording in clause 3A) as part of ensuring a complying declaration is submitted with the Tender:

“The Full Detail of all Adverse Action are set out in Attachment A to this statutory declaration and the contents of that Attachment A form part of this declaration and are true and correct in every respect.”]

4. Below is a complete list of all projects (both completed and current) in the Australian Capital Territory where the Tenderer has had management or control of the project site and on which an audit into any aspect of work health and safety performance or compliance has been conducted in the 3 years prior to the date of this declaration.

[Instructional note - Insert full list of relevant projects]

5. I acknowledge that the Tenderer has fully considered all material provided in and with the RFT relating to any work health and safety requirements for the works and confirm that the tender price has been calculated:
 - (1) having regard to those requirements; and
 - (2) to provide for compliance with those requirements.

I understand that a person who intentionally makes a false statement in a statutory declaration is guilty of an offence under section 11 of the Statutory Declarations Act 1959, and I believe that the statements in this declaration are true in every particular.

[Signature of person making the declaration]

[Print name of person making the declaration]

Declared at [place] on [day] of [month] [year]

Before me:

[Signature of person before whom the declaration is made]

[Full name, qualification and address of person before whom the declaration is made (in printed letters)]

Note 1 A person who intentionally makes a false statement in a statutory declaration is guilty of an offence, the punishment for which is imprisonment for a term of 4 years – see section 11 of the Statutory Declarations Act 1959.

Note 2 Chapter 2 of the Criminal Code applies to all offences against the Statutory Declarations Act 1959 – see section 5A of the Statutory Declarations Act 1959.

A statutory declaration under the Statutory Declarations Act 1959 may be made before—

- (1) A person who is currently licensed or registered under a law to practise in one of the following occupations:

Chiropractor	Dentist	Legal practitioner
Medical practitioner	Nurse	Optometrist
Patent attorney	Pharmacist	Physiotherapist
Psychologist	Trade marks attorney	Veterinary surgeon

- (2) A person who is enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia, as a legal practitioner (however described); or

- (3) A person who is in the following list:

Agent of the Australian Postal Corporation who is in charge of an office supplying postal services to the public

Australian Consular Officer or Australian Diplomatic Officer (within the meaning of the Consular Fees Act 1955)

Bailiff

Bank officer with 5 or more continuous years of service

Building society officer with 5 or more years of continuous service

Chief executive officer of a Commonwealth court

Clerk of a court

Commissioner for Affidavits

Commissioner for Declarations

Credit union officer with 5 or more years of continuous service

Employee of the Australian Trade Commission who is:

- (a) in a country or place outside Australia; and
- (b) authorised under paragraph 3 (d) of the Consular Fees Act 1955; and
- (c) exercising his or her function in that place

Employee of the Commonwealth who is:

- (a) in a country or place outside Australia; and
- (b) authorised under paragraph 3 (c) of the Consular Fees Act 1955; and
- (c) exercising his or her function in that place

Fellow of the National Tax Accountants' Association

Finance company officer with 5 or more years of continuous service

Holder of a statutory office not specified in another item in this list

Judge of a court

Justice of the Peace

Magistrate

Marriage celebrant registered under Subdivision C of Division 1 of Part IV of the Marriage Act 1961

Master of a court

Member of Chartered Secretaries Australia

Member of Engineers Australia, other than at the grade of student

Member of the Association of Taxation and Management Accountants

Member of the Australasian Institute of Mining and Metallurgy

Member of the Australian Defence Force who is:

- (a) an officer; or
- (b) a non-commissioned officer within the meaning of the Defence Force Discipline Act 1982 with 5 or more years of continuous service; or
- (c) a warrant officer within the meaning of that Act

Member of the Institute of Chartered Accountants in Australia, the Australian Society of Certified Practising Accountants or the National Institute of Accountants

Member of:

- (a) the Parliament of the Commonwealth; or
- (b) the Parliament of a State; or
- (c) a Territory legislature; or
- (d) a local government authority of a State or Territory

Minister of religion registered under Subdivision A of Division 1 of Part IV of the Marriage Act 1961

Notary public

Permanent employee of the Australian Postal Corporation with 5 or more years of continuous service who is employed in an office supplying postal services to the public

Permanent employee of:

- (a) the Commonwealth or a Commonwealth authority; or
- (b) a State or Territory or a State or Territory authority; or
- (c) a local government authority;

with 5 or more years of continuous service who is not specified in another item in this list

Person before whom a statutory declaration may be made under the law of the State or Territory in which the declaration is made

Police officer

Registrar, or Deputy Registrar, of a court

Senior Executive Service employee of:

- (a) the Commonwealth or a Commonwealth authority; or
- (b) a State or Territory or a State or Territory authority

Sheriff

Sheriff's officer

Teacher employed on a full-time basis at a school or tertiary education institution

Attachment B – Scoring regime

Rating	Description	Score
Excellent	Exceeds requirements in all ways, with very little or no risk	10
Excellent / Very Good	Exceeds requirements in most ways, with very little or no risk	9
Very Good	Meets requirements in all ways, exceeds it in some, little risk involved	8
Very Good / Good	Meets the requirement, little risk involved	7
Good	Meets the requirement and is workable, acceptable risk	6
Good / Marginal	Meets the requirement, may require work in some areas, some element of risk	5
Marginal	Meets the requirement, workable but may be deficient or limited in some areas, element of risk	4
Marginal / Poor	Nearly meets requirement, deficient or limited in most areas, high element of risk	3
Poor	Information provided does not meet the requirement, is not workable and is deficient, high element of risk	2
Poor / Non-compliant	Information provided does not meet the requirement, is not workable and is deficient, higher element of risk	1
Non-compliant	Tenderer has either stated non-compliance, demonstrated non-compliance, or there is insufficient information to assess.	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?

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).

2.1 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.

**MINUTES
15/2016-17**

Government Procurement Board – Standing Proposals Meeting

**8.30 am – 11.00 am Tuesday 31 January 2017
Level 5 Boardroom, Macarthur House, 12 Wattle Street Lyneham**

Attendees:

Karen Doran (acting chair), Meredith Whitten, Shaun Strachan, Richard Bear, Virginia Shaw, Stephen Goggs, George Tomlins (ex officio), Vanessa Althorp (Secretariat)

1. Apologies:

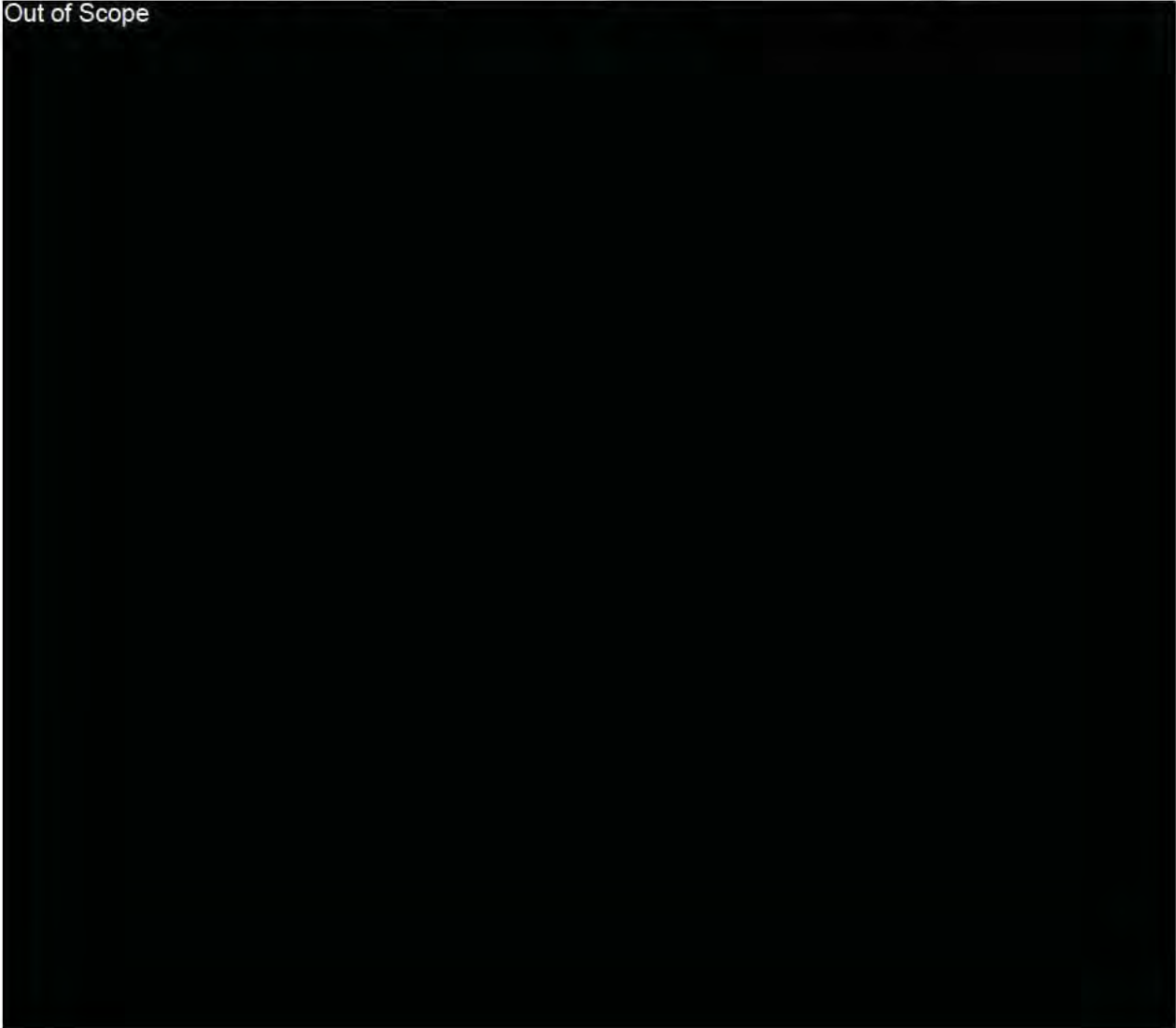
Roger Broughton, Graham Tanton, Glenn Bain

2. Conflict of Interest

No Conflicts declared

3. Procurement Plans for Consideration

Out of Scope



Out of Scope

GPB 966: LDA Qualified Contractors for Gungahlin, Moncrieff and Coombs 3A

Proponents:

- Tom Gordon - Executive Director, Greenfield, LDA, CMTEDD
- Guna Seelan – Director, Engineering, Greenfields, LDA, CMTEDD

The Board suggested that the proponent:

- a. Collaborate with other agencies, i.e. TAMS, EDD to coordinate programs

The Board endorsed the proposal 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 at an estimated cost of \$4 million for Gungahlin TC-EE, \$2.76 million for Moncrieff- TPB and \$1.7 million for Coombs 3A.

4. Other Business

5. Minutes from Previous Meeting

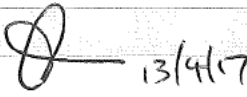
Out of Scope

6. Action Items Outstanding

The meeting closed at 10.00 am



Procurement Program Minute

Procurement Overview				
To	Chief Executive / Delegate  13/4/17			
Name of Project	Strategic Procurement Program - Construction 2016 -17 & 2017 – 18.			
Purpose	This Procurement Program is to advise and seek authorisation for the undertaking of all construction procurement activities covering 2016 -17 & 2017 – 18 financial years for LDA Greenfields Division.			
Estimated value (\$)	The procurements have been estimated as per below			
	Projects	Call Tender	Commence Construction	Duration
	North Coombs \$15m	May 2017	July 2017	12 months
	New West Hume Infrastructure \$4.5m	May 2017	July 2017	6 months
	North Wright \$10m	June 2017	August 17	15 months
	Taylor 2 Stage 1 \$18m	August 2017	October 2017	18 months
	Taylor 2 Stage 2 \$18m	October 2017	January 2018	18 months
	Taylor 2 Stage 3 \$18 m	November 2017	February 2018	18 months
	Taylor 2 Stage 4 \$18m	January 2018	March 2018	18 months
	Taylor 3 Stage 1 \$20m	April 2018	June 2018	18 months
	Taylor 3 Stage 2 \$20m	June 2018	August 18	18 months
	Coombs Peninsula \$5m	February 2018	April 2018	6 months
	Lawson Infrastructure Stage 2 \$10m	March 2018	May 2018	12 months
	Landscaping			
	Coombs 3A Phase 2 Landscaping	November 2017	January 2018	6 months

	\$5m			
	Coombs District Park \$3m	January 18	March 2018	6 months
	<p>There may be similar projects added or deleted from this program subject to changes in the Land Release Program within next 15 months. Same Evaluation Criteria may be used for these project.</p>			
Tender Number	N/A			

Is Government Procurement Board sign off required?	Yes This construction package is valued over \$1M which will require the Government Procurement Board for sign off.
Is ACT Government Solicitor consultation required?	No These construction packages are not high risk; the individual procurements that make up the program will not exceed \$30m and will not involve a non-standard contractual arrangement.
Procurement Requirements	
Objective or scope of works or services to be provided	To engage suitably prequalified contractors with experience, resources and financial capacity to undertake construction
Type	Construction, Civil and Landscaping
Prequalification	Civil works – F15, F10 or F5 (as appropriate) R3, LS Landscape Works – F5, CL or R3
Funding	The Project Manager for each project will confirm adequate funding is allocated within each business plan for construction works, prior to Tender.
Site	Civil and Landscaping Construction for Greenfields and Industrial sites
Consultation (including pre tender)	Each project includes a separate public consultation plan that details strategies for informing stakeholders of construction updates.
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 is one high risk item identified in the Risk Management Matrix. Refer to Attachment A .

Procurement Methodology	
Description of the procurement method to be used	All the Civil Works listed will be using either EDD Civil Engineering Panel or public tender and Landscape Projects will be following Public Tender process.
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 composition	Procurements to be evaluated by a panel of four. The Chair in each instance will be Construction Development Director Guna Seelan, the remainder three positions will be filled by LDA staff and a PCW staff member. All members with have construction management and procurement management 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 GC 21 /MW21 General Conditions of Contracts. The LDA has several officers experienced to act as the client representative.
Period of contract(s)	Majority of contracts will have terms between 6 – 18 months
AUSTRALIA—UNITED STATES FREE TRADE AGREEMENT	
Does the AUSFTA apply?	Yes for Works over \$7,769,000 (only relevant if the project is above specific thresholds –A\$551,000 for goods and services and A\$7,769,000 for works).

Procurement Review	
Procurement Board Bi-Annual Update	The LDA will update the ACT Government Procurement Board twice a year.

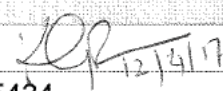
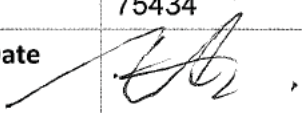
Procurement Plan Minute

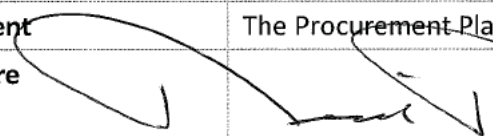
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Procurement Board Bi-Annual Update	The LDA will update the ACT Government Procurement Board twice a year.

LDA RECOMMENDATION			
Director Engineering	Guna Seelan	Signature and Date	 12/4/17
		Phone Number	75434
Manager	Tom Gordon	Signature and Date	

Chief Executive Officer / Delegate approval			
Name	David Dawes		
Position	Chief Executive/Delegate		
Statement	The Procurement Plan and attachments are approved		
Signature		Date	13/4/17

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 –	Ulkl	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>
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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 <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 	Contractual issues <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 	Technology / ICT <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 <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 	Public Liability <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 	Reputation <ul style="list-style-type: none"> Loss of public support Loss of financial support Inability to attract contractors Politicisation of process
Management / Administration <ul style="list-style-type: none"> Discrimination, wrongful act (libel, slander) Overcharging, poor billing practices 	Workplace Health & Safety <ul style="list-style-type: none"> Significant incident on work site Failure of WHS reporting Notifiable Incident Reporting 	Project <ul style="list-style-type: none"> Scope of project poorly defined or changes Timeframes not feasible Transition problems
Construction <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 	Insurance <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 	Political, Media, Community <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 <ul style="list-style-type: none"> Adverse audit finding Breach of legislation ACT Govt Contracts Register 	Viability of Contractor <ul style="list-style-type: none"> Insolvency, unable to continue Bonding and guarantee difficulties Inability or unwillingness to perform 	Security of Contract Products <ul style="list-style-type: none"> Burglary and theft, malicious damage, graffiti, arson.
Products Liability <ul style="list-style-type: none"> Loss, damage or destruction and / or injury, illness or death to third parties arising from faulty product 	Finance <ul style="list-style-type: none"> Interest rate fluctuations or extension of time Withdrawal of promised finance / funding 	Fraud <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
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Risk Matrix



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 hospitalization or multiple medical treatment cases.	Life threatening injury or multiple serious injuries causing hospitalization.	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	Risk Level					
	Frequency	Matrix		1	2	3	4	5	
Almost Certain	is expected to occur in most circumstances	Once a quarter or more	>1 in 10	5	Medium	High	High	Extreme	Extreme
Likely	Will probably occur	Once a year or more	1 in 10 - 100	4	Medium	Medium	High	High	Extreme
Possible	Might occur at some time in the future	Once every 1 - 5 years	1 in 100 - 1,000	3	Low	Medium	Medium	High	Extreme
Unlikely	Could occur but doubtful	Once every 5 - 20 years	1 in 1,000 - 10,000	2	Low	Medium	Medium	High	High
Rare	May occur but only in exceptional circumstances	Once every 20 - 100 years	1 in 10,000 - 100,000	1	Low	Low	Medium	Medium	High

Priority	Priority for Attention			
	Suggested Timing of Treatment	Authority for continued tolerance of risk Program	Authority for continued tolerance of risk Project	Authority for continued tolerance of risk Enterprise
Extreme	Short term - normally within one month** Detailed action plan required			Director- General Under-Treasurer
High	Medium term - normally within three months Needs senior management attention			Senior Executive
Medium	Normally within 1 year Specify management responsibility			Managers
Low	Ongoing control as part of a management system Managed 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 suggested examples of frequency and consequences.

Project Details			
Projects	Civil and Landscape Construction Projects within Industrial and Greenfield Developments		
Project Objectives	To engage suitably prequalified contractors with experience, resources and financial capacity to undertake construction activities related to		
Contact Details			
Directorate	CMTEDD	Business Unit (if applicable)	ED / LD & C / LDA
LDA	Guna Seelan	Phone no. 62074727	LDA
Name of Decision Maker / Authority Holder	Tom Gordon – Executive Director Greenfields		

Created by: Tristan Lee-Murphy

Date: 11 April 2017

Reviewed by: Guna Seelan

Date: 12/4/17

Approved by Exec Director: Tom Gordon

Date: 13.4.17

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

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.	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
	Time Frame								
	Poor time performance	Contractor submitted program unachievable, poor construction management by the contractor, lack of supply.	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
	Delay in asset Handover	Poor engagement with TCCS, contractor/super isn't proactive with advising TCCS of design changes / non standard works.	Delay to program Delay in handover to TCCS resulting in additional maintenance costs to LDA Additional costs to Superintendent	instigate a staged inspection process by super to ensure timely completion of works. Seek pre-handover reports and inspections with Superintendent prior to handover inspection.	TCCS / LDA	3	3	Med	Adq
	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
	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
	Delay by Principal		Delay in land sales, cost and time implications	Ensure early ongoing communications with project teams through PCG. Identify issues early Ensure correct documentation.	LDA	3	3	Med	Adq
	Overlap of construction works, Capital works or adjacent projects		Possible extensive delays	Regular meetings between project groups/agencies and Design Consultants.	LDA	3	2	Med	Adq
	Finance								

LDA Procurement Risk Management Plan

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
Reduced demand for land	Oversupply of serviced land, industrial land or overvalued land.	Revenue returns to Territory delayed creating an inventory of serviced land.	Assess the supply / demand and analyse the risk prior to commencing each stage of development. Hold up stages and consider later engjobo sale if demand drops off. Affordable housing policy applicable to all developments. Additional marketing strategies to make blocks attractive. Example super lots in Throsby.	LDA	3	3	Med	Adq
Excessive variations	Latent conditions Poor documentation	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								
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.	Contractor / LDA	3	3	Med	Adq
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. 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								
Insufficient submissions or poor tender engagement by suitable contractors	Oversaturation of work for prequalified suppliers.	Difficulties in achieving Value for money, delays to program, LDA expectations not reached and may need to re-tender project	Ensure adequate exposure and advanced notice of tenders, Consider additional advertising mediums	LDA	3	2	Med	Adq
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

LDA Procurement Risk Management Plan

Sourcing of materials and Landscape stock (trees, shrubs, proprietary items)	Long lead times for special items Unavailability of large quantities of stock.	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
Availability of less common building materials for construction of bridges and structures.		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
Documentation errors	Poor quality assurance by consultant, poor QA by LDA. Time constraints leave inadequate time to QA.	Increased costs due to variations and time delays due to possible redesign.	QA to be appropriately resourced by LDA with adequate time given to consultant and LDA staff for review.	LDA / Consultant	3	3	Med	Adq
Probity								
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								
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
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
Possible contaminated soil		Increased Development costs Reduced returns to Territory	Follow unexpected finds protocols	LDA / Contractor	2	3	Med	Adq
Excessive quantity of unsuitable material disposal	Inaccurate survey or Geotechnical information	Increased development costs and reduced returns to Territory	Identified location to where suitable material can be disposed. Blend unsuitable material with good material to reduce amount of unsuitable. Arrange additional surveys & Geotechnical investigations	LDA	3	3	Med	Adq

LDA Procurement Risk Management Plan

Work above and around waterway		Risk of pollution to water course	Work in Waterway licence must be acquired prior construction Contractor to submit a Construction Environmental Management Plan (CEMP) for approval to EPA, and implement environmental measures prior to construction commencing. Superintendent to monitor Contractor performance. Ongoing monitoring of contractor Environmental Protection measures.	LDA / Contractor	3	2	Med	Adq
Stormwater pollution	Large rain events, additional works due to variations are not treated with same due diligence	Flow of untreated water from site	Obtain environmental authorisation or environmental protection agreement Superintendent to carry out audit prior to commencement of works on site.	LDA / Super / Contractor	3	3	Med	Adq
Media								
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
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 to be developed and adopted for relevant projects. Relevant community groups are engaged and social media news released as per Community Consultation Plan and per direction from LDA Community Engagement. LDA Construction continues to update Community Engagement & Marketing and Communications. 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

WHS									
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	
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	
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	Principal Contractor / LDA	4	2	High	Adq	

<p>Urban traffic interface or injury to public</p>		<p>Possible traffic and pedestrian accidents</p>	<p>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</p>	<p>LDA / Contractor / TCCS</p>	<p>3</p>	<p>3</p>	<p>Med</p>	<p>Adq</p>
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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>	
			**	**	**	**			

Evaluation Plan

1. INTRODUCTION

This Evaluation Plan details the procurement 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 will be based on the evaluation criteria and methodology as set out herein.

A tender evaluation report will be based upon the latest template from the Intranet.

2. EVALUATION TEAM

The Evaluation Teams will be formed for each individual project to evaluate the tender responses. All members of the Evaluation Team will be made aware of their responsibilities, and the need to demonstrate confidentiality, impartiality and equity to all respondents.

The Evaluation Team will be responsible to:

- (a) maintain probity;
- (b) evaluate the responses in accordance with the criteria and methodology;
- (c) document the evaluation process;
- (d) prepare an Evaluation Report;
- (e) seek Chief Executive or delegate approval to proceed with a contract with the preferred respondent; and
- (f) debrief unsuccessful respondents.

The Evaluation Teams for these projects will be nominated on a project by project basis and approval sort from the Delegate for each project specific evaluation team. The Evaluation team structures will comprise of the following:

Position	Name	Title	Department
Chairperson	Guna Seelan	Director - Engineering	LDA
Member	TBA	Development Director (Gungahlin, Molonglo or Strategic Development, depending on project).	LDA
Member	Patrick Hancock	Senior Project Officer	PCW
Member	TBA	Project Manager	LDA

All members will be chosen based on their construction contract management experience and procurement experience. Members of the Evaluation Team are personally appointed and will not be withdrawn or replaced without the written approval of the 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) WHS;

- (d) probity and technical procurement advice, including from the ACT Government Solicitor and PCW Directors/Managers (such advice may include, but not be limited to, technical drafting advice and review of draft evaluation reports for clarity and consistency with the *Government Procurement Act 2001* (ACT)); and / or
- (e) legal issues.

3. LATE TENDERS

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 within the limits set in AS4120 'Code of Tendering & Probity Advice'. 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.

Initial Conformance Statement

The Evaluation Team will examine each tender 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 conformance of the tender.

Conformance check

Tenders will initially be assessed for conformance with the Request for Tender. Conforming tenders and any non-conforming tenders accepted for further consideration will then be assessed in accordance with the procedure set out below.

Nonconforming Tenders

Any Tender that does not comply with the Request for Tender 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 Tenders

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 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 nor alters the tendered price. All requests for clarification must be fully documented and appropriately filed.

Public Sector Tenders

Any tenders 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. tenders should include all commercial costs that private sector organisations would include in their tenders.

Threshold Criteria

In the Request for Tender, tenderers are requested to provide all information to enable assessment of all evaluation criteria.

The Evaluation Team will assess the tenders against the Threshold Criteria. Tenders not complying with Threshold Criteria may be deemed nonconforming and excluded from further consideration.

Weighted Criteria

Following the assessment of the Threshold Criteria, all conforming tenders will be assessed against the Weighted Criteria and assigned a rating score as defined in the criterion. The weighted criteria apply to tendered WHS Systems (45%), the financial offer (45%) and Local Industry Participation Plan (10%).

An independent WHS Consultant will be engaged to provide an assessment against the WHS criteria. The Consultant will provide a report for all assessed Sample WHS Plans to assist the Tender Evaluation Team in assessing a rating for this criterion, as described in Table 2.

The Evaluation Team will assess the financial offers as described in Table 2.

Tenderers will be awarded an overall weighted score and ranked based on the highest combined weighted score.

Risk Based Criteria

All conforming tenders will be assessed against Table 3 – Risk Based Criteria.

If the highest ranked tender scores "Acceptable" for all criteria in Table 3, this tender will be recommended as the Preferred Tenderer.

Where the highest ranked tender is assessed as having one or more criteria as an 'unacceptable' risk, consideration is to be given as to the possibility, cost and effectiveness of measures to ameliorate these risk(s).

If in consideration of any amelioration measures it is assessed that there is an additional cost to LDA to manage any risk beyond that considered in the tender price, the additional cost will be considered as an additional component of the financial offer and will be re-assessed through the weighted criteria to determine if there is a change to the weighted score and ranking initially applied to that tender.

Any proposed measures should not impact on the probity of the tender process. If, following consideration of amelioration measures, the Evaluation Team considers the tender still 'unacceptable' against one or more Criteria the tender may be excluded from further consideration and consideration of the next highest ranked tender may be undertaken following the same process as described above. If no tender is deemed to be a Preferred Tender, then the Tender Evaluation Team is to advise the Delegate.

5. EVALUATION CRITERIA

THRESHOLD CRITERIA

Table 1 - Threshold Criteria	Complies Yes/No
1. The Tenderer must be prequalified with the ACT to (<i>Prequalification levels to be nominated on a project specific bases</i>) or higher, as at the date of close of tenders.	
2. Must not be listed as non-compliant with the Workplace Gender Equality Agency i.e. must be compliant with Equal Opportunity legislation.	
3. Tenderers must demonstrate compliance with Industrial Relations and Employment Obligations Strategy (IRE). Tenderers must provide their IRE Certificate in the tender response.	
4. 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.	

WEIGHTED CRITERIA

Table 2 - Weighted Criteria													
<p>1 Financial Offer</p> <p>The Tender Price assessment will be based on an assessment of how the offer meets the requirement for “value for money” against the risks associated with the price in accordance with the <i>Scoring Regime</i>. The Tender Evaluation Team will use the below formula to ascertain a pricing weighted score out of a maximum of 10 multiplied by the weighting. Industry will set the median price from Tenders received.</p> <p>Formula (for Projects under \$10Million)</p> <table border="1"> <tbody> <tr> <td>$P = 18 - \frac{12T}{M}$</td> <td>$P = 21 - \frac{15T}{M}$</td> </tr> <tr> <td>Domain</td> <td>Domain</td> </tr> <tr> <td>T < M</td> <td>T ≥ M</td> </tr> </tbody> </table> <p>Formula (for Projects over \$10Million)</p> <table border="1"> <tbody> <tr> <td>$P = 31 - \frac{25T}{M}$</td> <td>$P = 50 - \frac{45T}{M}$</td> </tr> <tr> <td>Domain</td> <td>Domain</td> </tr> <tr> <td>T < M</td> <td>T ≥ M</td> </tr> </tbody> </table> <p>Where:</p> <p>P = initial comparative price score (rounded whole number) prior to assessing risk. M = a median value of all Compliant tenderers. T = the submitted tender price of a tenderer or Notional Tender Price as applicable.</p> <p>Tender price risks may include special terms and conditions suggested by the tenderer. Risks associated with the tender price will be considered in determining the final comparative price score.</p> <p>The following will also be considered in assessing of the tender price:</p> <ul style="list-style-type: none"> • Appropriateness of the rates in the Bill of Quantities; • Sensitivity analysis of costs involved in the extension of provisional 	$P = 18 - \frac{12T}{M}$	$P = 21 - \frac{15T}{M}$	Domain	Domain	T < M	T ≥ M	$P = 31 - \frac{25T}{M}$	$P = 50 - \frac{45T}{M}$	Domain	Domain	T < M	T ≥ M	45%
$P = 18 - \frac{12T}{M}$	$P = 21 - \frac{15T}{M}$												
Domain	Domain												
T < M	T ≥ M												
$P = 31 - \frac{25T}{M}$	$P = 50 - \frac{45T}{M}$												
Domain	Domain												
T < M	T ≥ M												

<p>quantities/foreseeable variations. (No additional information is required for submission by the Tenderer);</p> <ul style="list-style-type: none"> Daily hire rates to be used when pricing variations and Dayworks for resources (people and plant) for the duration of the project. Refer Annexure 4 to Attachment 2 Schedule of Rates. <p>Tenderers who have a price below the median value will be scored using the equation in the left hand column of the Formula. Tenderers who have a price equal or above the median will be scored using the equation in the right hand column. Where even numbers of proposals are tendered the median will be deemed to be the mean of the two middle bids.</p> <p>Tenderers will receive a score between a maximum of ten (10) and a minimum of zero (0).</p> <p>In assessing the tender price, and to provide a score 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, such as innovations and any time saving offered in the tender.</p>	
<p>2 Demonstrated Work Health & Safety System to complete the project Provide and describe the following: (10%)</p> <ul style="list-style-type: none"> Sample WHS site management Plan (from a similar project) suitable for implementation on this project, that demonstrates that the Tenderer is capable of proactively managing Work Health and Safety and Rehabilitation (WHS&R) requirements; <ul style="list-style-type: none"> Management; Planning; Risk & Hazard management; Training, competency and supervision; High risk construction work; Consultation; and Reporting. Preliminary WHS Risk Register identifying major WHS risks related to this project (20%); Evidence that personnel have demonstrated ability to manage WHS requirements (40%); and Any sanction point lost as part of the ACT Government Active Certification Audit Process and/or any adverse action in a past project during the last three years. (30%) <p>Information provided in the Threshold Criteria WHS Declaration will also be considered in the assessment of this criterion.</p>	<p>45%</p>
<p>3. Local Industry Participation (<i>Projects under \$5Million</i>) Tenderers must complete and submit an Economic Contribution Test (ECT). The ECT requires Tenderers to provide information on how both their tender and business contribute to the economic benefit of the Canberra Region by providing the following information:</p> <ol style="list-style-type: none"> Current business presence n the Canberra Region, including relevant capital investment history and/or new commitments; How the Tenderer will identify and consider products and capabilities provided by local businesses; The estimated number of labour hours associated with the head contract and the labour hours of local subcontractors within the head 	<p>10%</p>

<p>contract;</p> <p>d. Additional undertakings by the Tenderer to benefit the Canberra Region economy; and</p> <p>e. Approach to workforce skilling and local skills (eg, through supply chain or local subcontractors).</p> <p>3 Local Industry Participation (<i>Projects over \$5Million</i>) Tenderers must complete and submit a Local Industry Participation Plan (LIPP).</p> <p>The LIPP is a document that outlines the Tenderer's level of commitment to using local content and/or local businesses and how the Tenderer's tender and business contributes positively to the economic benefits of the Canberra Region. Typically the LIPP will require Tenderers to provide the following information:</p> <p>a. Current business presence in the Canberra Region and/or any new commitment including relevant capital investment history;</p> <p>b. The number of newly created and existing local jobs retained, including apprenticeships/traineeships directly linked to the contract;</p> <p>c. Estimate of the level of local value-added activities (local content);</p> <p>d. How the Tenderer will identify and consider products and capabilities provided by local businesses including joint ventures, partnerships, collaboration with local industry;</p> <p>e. The value of capital investment in the Canberra Region directly linked to the contract;</p> <p>f. Past performance of the Tenderer in meeting previous LIPP commitments;</p> <p>g. Additional undertakings by the business that support economic growth in the Canberra Region (eg, partnerships with universities, regional headquartering, training investments); and</p> <p>h. Approach to workforce skilling and local skills transfer (eg, through supply chain or local subcontractors).</p>	
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RISK BASED CRITERIA

Risk Based Criteria will be assessed and rated in terms of risk to the LDA as set out in the following table:

Rating	Description
Acceptable Risk (A)	The proposal represents a low or workable level of risk, typical of what the LDA would be expected to bear for this type of project.
Unacceptable Risk (U)	The proposal is unacceptable if one or more apply: <ol style="list-style-type: none"> (1) represents a level of risk higher than "acceptable risk"; (2) contains risks not present in other tenders; (3) would reasonably be anticipated to take longer than the specified time to complete; and/or (4) poses a greater risk to achieving the specified quality.

Table 3 - Risk Based Criteria	Score: Acceptable (A)/ Unacceptable (U) Risk
<p>1. Past performance in similar construction in relation to:</p> <ul style="list-style-type: none"> • Time performance and quality of workmanship – provide evidence of time and quality performance on completed similar projects in the past 5 years and contact details of referees. Provide information on the amount of any liquidated damages deducted for late time performance, awards and letter of commendation; • Environmental management, probity; and • Record of claims history and/or current litigation/arbitration with the Principal on any other contracts. <p>The Evaluation Team may also consider records of past and current performance, claims, and compliance with ACT Government requirements provided by other ACT Government Agencies (including directorates), contractors or consultants engaged by the ACT Government to determine the tenderers past performance on similar type projects.</p> <p>Past performance with the ACT Government and a record of working to achieve budgetary requirement and timeframe on projects will be taken into consideration in assessing this criterion</p>	A or U
<p>2. Financial Resources</p> <p>The Evaluation Team may use the latest financial information provided for the prequalification to assess the risk for this criteria. At the discretion of the Evaluation Team a Financial Assessment using an independent Financial Assessment firm may be undertaken.</p>	A or U
<p>3. Technical and Managerial Skills Provide/describe the following:</p> <ul style="list-style-type: none"> • Management structure, systems and personnel including CV of key personnel that will be used on this project, including communication links, roles and responsibilities Professional / technical capacity and capability to meet the requirements of this project. Provide statement on the availability of all key personnel and percentage of time to be allocated on this project. Qualifications, skills and experience on similar projects and/or in a similar role are to be stated. • Proposed subcontractors – tenderer to list proposed main subcontractors to be used. 	A or U
<p>4. Resource Capacity</p> <p>Tenderers to provide a statement with regard to the Resource availability & capacity / current commitment of the company of projects and proposed staff, including a clear statement of resources to be allocated to the proposed project including plant and equipment and their availability.</p> <p>Provide statement on the availability of key personnel and the percentage of time to be allocated on this project including current commitments on other projects This is a time critical project. Tenders must demonstrate that they have adequate resources to complete this project within the allocated construction time.</p>	A or U

<p>5. Project Delivery – Program & Works</p> <p>Provide/describe the following:</p> <ul style="list-style-type: none"> • Provide a detailed program for the project to complete the works within the contract period; • Describe critical activities and methods of achieving project milestones and project completion dates; <p>The assessment will include consideration of any other significant risks associated with the delivery of this project.</p>	A or U
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Post Tender Negotiations

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.

6. EVALUATION REPORT AND LETTERS OF DECLINE/DEBRIEFINGS

Evaluation Report

The evaluation team will prepare a Tender Evaluation Report in the form of LDA-040 to cover the following information as appropriate:

- (a) Background to the process;
- (b) Evaluation process,
- (c) 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

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

Letters sent to all unsuccessful tenderers should be of the form of LDA-038.

Any debriefings will be held in accordance with Procurement Circular 2007/05 Debriefing Unsuccessful Tenders

Attachment 'A'

Work Health and Safety Statutory Declaration

[Instructional note – delete this note from final declaration– persons preparing/making this declaration should complete the following prior to signature:

- a. Details of person making declaration as set out in the first line;
- b. the full tenderer details at paragraph 1e;
- c. Item 3 (by crossing or ticking the appropriate box); and
- d. Item 3A if applicable (having regard to the instructional note)

Any other amendments made to the form of the declaration may result in the provision of a declaration which renders the Tender non conforming.]

STATUTORY DECLARATION

Statutory Declarations Act 1959 (Cth)

I, [Name, address and occupation of person making declaration] make the following declaration under the Statutory Declarations Act 1959 (Cth),

1. In this declaration a reference to:

- (1) "Adverse Action" means any ruling, order, notice (including, without limitation any improvement notice or prohibition notice), conviction or finding made or issued by any Authorised Entity.
- (2) "Associated Entity" is any associated entity of the Tenderer (the principal) as determined or defined in section 50AAA of the *Corporations Act 2001* (Cth).
- (3) "Authorised Entity" means any court, tribunal, board, commission, regulatory agency (including, without limitation, the director-general, commissioner, regulator or any inspector referred to in WHS Legislation) or other entity with jurisdiction to determine whether an entity (which includes a person)) has complied with, or is complying with WHS Legislation.
- (4) "Full Details" means the details of:
 - (a) the nature of the Adverse Action;

- (b) The name of the relevant Authorised Entity;
 - (c) The date of the Adverse Action;
 - (d) The entity against which the Adverse Action was made or issued;
 - (e) any document setting out the Adverse Action (including provision of a copy of the same);
 - (f) any penalty, fine or order imposed by an Authorised Entity in respect of the Adverse Action and the maximum penalty, fine or order that could have been imposed under the WHS Legislation;
 - (g) any remedial measures or other actions proposed or recommended in the Adverse Action and details of steps taken by the Tenderer (or the Related Entity, if applicable) to comply with those remedial measures or other actions; and
 - (h) the status of the Adverse Action as at the date of the declaration.
- (5) **“Tenderer”** means [insert full legal name of Tenderer including the ACN/ABN as per that identified on the Tender].
- (6) **“WHS Legislation”** means each of the following:
- (a) *Work Safety Act 2008 (ACT)*;
 - (b) *Work Health and Safety Act 2011 (ACT)*;
 - (c) any Regulations and instruments made or issued under the above Acts;
 - (d) any laws which vary or replace the above laws, or any part of them; and
 - (e) all other laws applicable in the Australian Capital Territory which deal with matters relating to work health and safety.

2. I am authorised on behalf of the Tenderer and each Associated Entity to make this declaration.

3. No Adverse Action has been made or issued against the Tenderer or any Associated Entity of the Tenderer in the preceding 36 months of the date of this declaration.

True(delete 3A and initial) Not true (answer 3A)

3A. Full Details of all Adverse Action made or issued in the preceding 36 months of the date of this declaration against the Tenderer and each Associated Entity of the Tenderer (as applicable) are as follows.

[Instructional note - read carefully and delete from final document prepared for signature as required having regard to contents of note.]

Insert Full Details of all Adverse Action – refer definition of “Full Details” for information which will be required to be provided.

If there is insufficient space to insert the Full Detail of all Adverse Action in this clause 3A of the declaration you may include the Full Detail in an attachment to this declaration which should be marked “Attachment A to statutory declaration of [insert name of person making declaration]”. The first page of Attachment A should be signed by both the person making the declaration and the witness to the declaration with a note as follows – “This and the following xxx [insert number of pages at Attachment A] pages are Attachment A to the statutory declaration of [insert name of person making declaration]”. The person making the declaration and their witness should also initial each page of Attachment A. If this process is to be adopted the person preparing this declaration should delete this instructional note and insert the following wording (in addition to retaining the existing wording in clause 3A) as part of ensuring a complying declaration is submitted with the Tender:

“The Full Detail of all Adverse Action are set out in Attachment A to this statutory declaration and the contents of that Attachment A form part of this declaration and are true and correct in every respect.”]

4. Below is a complete list of all projects (both completed and current) in the Australian Capital Territory where the Tenderer has had management or control of the project site and on which an audit into any aspect of work health and safety performance or compliance has been conducted in the 3 years prior to the date of this declaration.

[Instructional note - Insert full list of relevant projects]

5. I acknowledge that the Tenderer has fully considered all material provided in and with the RFT relating to any work health and safety requirements for the works and confirm that the tender price has been calculated:
 - (1) having regard to those requirements; and
 - (2) to provide for compliance with those requirements.

I understand that a person who intentionally makes a false statement in a statutory declaration is guilty of an offence under section 11 of the Statutory Declarations Act 1959, and I believe that the statements in this declaration are true in every particular.

[Signature of person making the declaration]]

[Print name of person making the declaration]

Declared at [place] on [day] of [month] [year]

Before me:

[Signature of person before whom the declaration is made]

[Full name, qualification and address of person before whom the declaration is made (in printed letters)]

Note 1 A person who intentionally makes a false statement in a statutory declaration is guilty of an offence, the punishment for which is imprisonment for a term of 4 years – see section 11 of the Statutory Declarations Act 1959.

Note 2 Chapter 2 of the Criminal Code applies to all offences against the Statutory Declarations Act 1959 – see section 5A of the Statutory Declarations Act 1959.

A statutory declaration under the Statutory Declarations Act 1959 may be made before—

- (1) A person who is currently licensed or registered under a law to practise in one of the following occupations:
- | | | |
|----------------------|----------------------|--------------------|
| Chiropractor | Dentist | Legal practitioner |
| Medical practitioner | Nurse | Optometrist |
| Patent attorney | Pharmacist | Physiotherapist |
| Psychologist | Trade marks attorney | Veterinary surgeon |
- (2) A person who is enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia, as a legal practitioner (however described); or
- (3) A person who is in the following list:
- Agent of the Australian Postal Corporation who is in charge of an office supplying postal services to the public
 - Australian Consular Officer or Australian Diplomatic Officer (within the meaning of the Consular Fees Act 1955)
 - Bailiff
 - Bank officer with 5 or more continuous years of service
 - Building society officer with 5 or more years of continuous service
 - Chief executive officer of a Commonwealth court
 - Clerk of a court
 - Commissioner for Affidavits
 - Commissioner for Declarations
 - Credit union officer with 5 or more years of continuous service
 - Employee of the Australian Trade Commission who is:
 - (a) in a country or place outside Australia; and
 - (b) authorised under paragraph 3 (d) of the Consular Fees Act 1955; and
 - (c) exercising his or her function in that place
 - Employee of the Commonwealth who is:
 - (a) in a country or place outside Australia; and
 - (b) authorised under paragraph 3 (c) of the Consular Fees Act 1955; and
 - (c) exercising his or her function in that place
 - Fellow of the National Tax Accountants' Association
 - Finance company officer with 5 or more years of continuous service
 - Holder of a statutory office not specified in another item in this list
 - Judge of a court
 - Justice of the Peace
 - Magistrate
 - Marriage celebrant registered under Subdivision C of Division 1 of Part IV of the Marriage Act 1961
 - Master of a court
 - Member of Chartered Secretaries Australia
 - Member of Engineers Australia, other than at the grade of student
 - Member of the Association of Taxation and Management Accountants
 - Member of the Australasian Institute of Mining and Metallurgy
 - Member of the Australian Defence Force who is:
 - (a) an officer; or
 - (b) a non-commissioned officer within the meaning of the Defence Force Discipline Act 1982 with 5 or more years of continuous service; or
 - (c) a warrant officer within the meaning of that Act
 - Member of the Institute of Chartered Accountants in Australia, the Australian Society of Certified Practising Accountants or the National Institute of Accountants

Member of:

- (a) the Parliament of the Commonwealth; or
- (b) the Parliament of a State; or
- (c) a Territory legislature; or
- (d) a local government authority of a State or Territory

Minister of religion registered under Subdivision A of Division 1 of Part IV of the Marriage Act 1961

Notary public

Permanent employee of the Australian Postal Corporation with 5 or more years of continuous service who is employed in an office supplying postal services to the public

Permanent employee of:

- (a) the Commonwealth or a Commonwealth authority; or
- (b) a State or Territory or a State or Territory authority; or
- (c) a local government authority;

with 5 or more years of continuous service who is not specified in another item in this list

Person before whom a statutory declaration may be made under the law of the State or Territory in which the declaration is made

Police officer

Registrar, or Deputy Registrar, of a court

Senior Executive Service employee of:

- (a) the Commonwealth or a Commonwealth authority; or
- (b) a State or Territory or a State or Territory authority

Sheriff

Sheriff's officer

Teacher employed on a full-time basis at a school or tertiary education institution

Attachment B – Scoring regime

Rating	Description	Score
Excellent	Exceeds requirements in all ways, with very little or no risk	10
Excellent / Very Good	Exceeds requirements in most ways, with very little or no risk	9
Very Good	Meets requirements in all ways, exceeds it in some, little risk involved	8
Very Good / Good	Meets the requirement, little risk involved	7
Good	Meets the requirement and is workable, acceptable risk	6
Good / Marginal	Meets the requirement, may require work in some areas, some element of risk	5
Marginal	Meets the requirement, workable but may be deficient or limited in some areas, element of risk	4
Marginal / Poor	Nearly meets requirement, deficient or limited in most areas, high element of risk	3
Poor	Information provided does not meet the requirement, is not workable and is deficient, high element of risk	2
Poor / Non-compliant	Information provided does not meet the requirement, is not workable and is deficient, higher element of risk	1
Non-compliant	Tenderer has either stated non-compliance, demonstrated non-compliance, or there is insufficient information to assess.	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?

An independent probity adviser is not proposed to be appointed for these procurements.

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;
- Government Solicitors Office; 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).

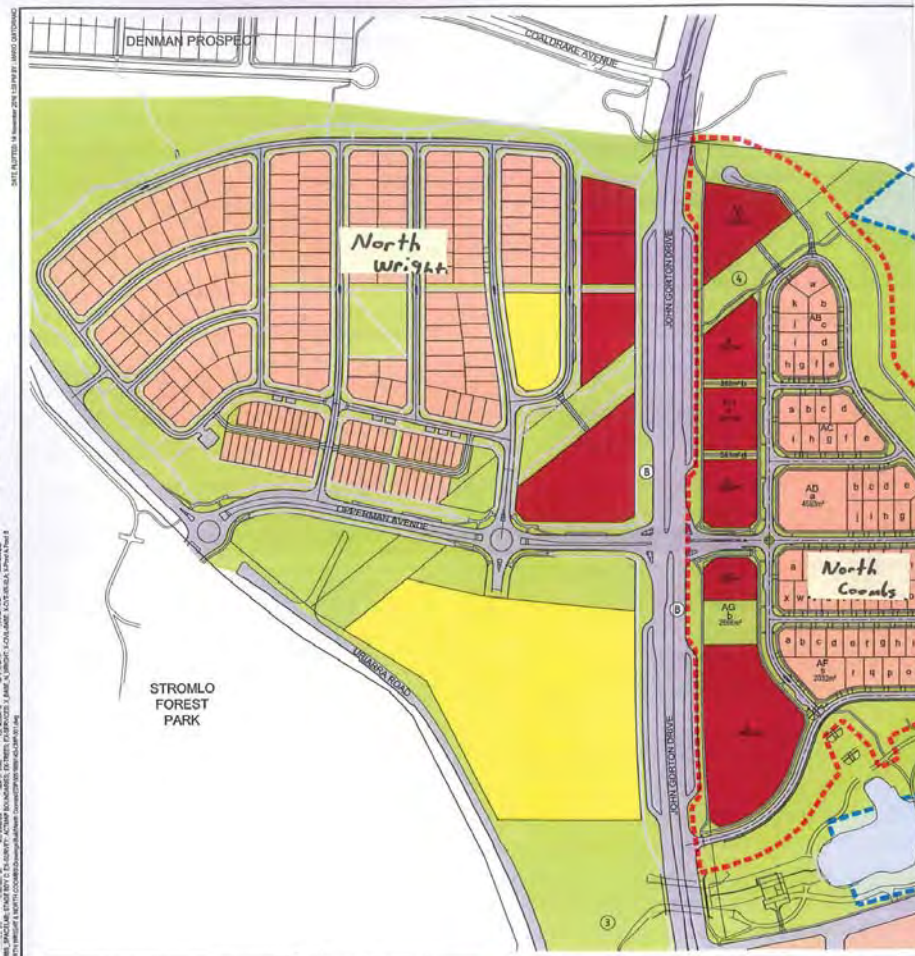
2.1 Probity Auditor

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.



- NUMBER REFERENCE**
- ① MOOLOLO RIVER CORRIDOR
 - ② GOOMBS FORD/URBAN OPEN SPACE
 - ③ HOLDEN'S CREEK
 - ④ BLAX WATERMAIN EXEMPT (40%)

Rev	Date	Description	By	Check	Date
A	15/12/2014	ISSUE FOR TENDERS
B	15/12/2014	REVISED



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Drawn	Date	Check	Date
...	15/12/2014	...	15/12/2014
...	15/12/2014	...	15/12/2014
...	15/12/2014	...	15/12/2014
...	15/12/2014	...	15/12/2014
...	15/12/2014	...	15/12/2014

LAND DEVELOPMENT AGENCY			
NORTH COOMBS RESIDENTIAL ESTATE			
ESTATE DEVELOPMENT PLAN			
PRELIMINARY			
NOT TO BE USED FOR CONSTRUCTION PURPOSES			
Project No.	Scale	Sheet	Of
2.01	A4D	1	2000
Project Name	Client	Drawn	Checked
50516097-CMP-301	LAND DEVELOPMENT AGENCY



Procurement Program Minute

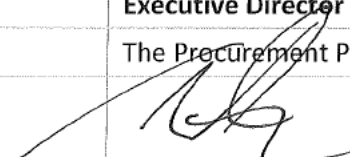
Procurement Overview												
To	Chief Executive / Delegate											
Name of Project	North Coombs & North Wright – Superintendency											
Purpose	This Procurement Program is to advise and seek authorisation for the undertaking of Construction Services Consultancy (Superintendent and PAD) procurement activities covering Greenfields and Industrial developments for the below mentioned period.											
Timeframe and Cost Estimation	<table border="1"> <thead> <tr> <th>Projects</th> <th>Call Tender</th> <th>Estimated Contract Commencement</th> <th>Duration</th> </tr> </thead> <tbody> <tr> <td>North Coombs & North Wright</td> <td>May 2017</td> <td>July 2017</td> <td>24 months</td> </tr> </tbody> </table> <p>Estimation of procurement is \$1.8 million and covers the superintendency of Civil Construction projects North Coombs and North Wright.</p>				Projects	Call Tender	Estimated Contract Commencement	Duration	North Coombs & North Wright	May 2017	July 2017	24 months
Projects	Call Tender	Estimated Contract Commencement	Duration									
North Coombs & North Wright	May 2017	July 2017	24 months									
Tender Number												
Is Government Procurement Board sign off required?	Yes The value of the procurement is estimated to be \$1.8 million which will require the Government Procurement Board for sign off.											
Is ACT Government Solicitor consultation required?	No Procurement is not high risk; the procurement will not exceed \$30m and will not involve a non-standard contractual arrangement.											
Procurement Requirements												
Objective or scope of works or services to be provided	To engage suitably prequalified consultants to undertake superintendency and PAD duties.											
Type	Consultancy – Construction Superintendency and PAD											
Prequalification	CE											
Funding	Funding has been allocated within the business plan.											
Site	North Coombs and North Wright Estate within Molonglo.											
Consultation (including pre tender)	Public consultation plans will be drafted for each development.											

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 is one high risk item identified in the Risk Management Matrix. Refer to Attachment .

Procurement Methodology																	
Description of the procurement method to be used	Methodology 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 .																
Evaluation team composition	<table border="1"> <thead> <tr> <th>Position</th> <th>Name</th> <th>Title</th> <th>Department</th> </tr> </thead> <tbody> <tr> <td>Chairperson</td> <td>Guna Seelan</td> <td>Director - Engineering</td> <td>LDA</td> </tr> <tr> <td>Member</td> <td>David Thornhill</td> <td>Development Director Molonglo</td> <td>LDA</td> </tr> <tr> <td>Member</td> <td>Patrick Hancock</td> <td>Senior Project Officer</td> <td>PCW</td> </tr> </tbody> </table> <p>All members have construction management and procurement management experience.</p>	Position	Name	Title	Department	Chairperson	Guna Seelan	Director - Engineering	LDA	Member	David Thornhill	Development Director Molonglo	LDA	Member	Patrick Hancock	Senior Project Officer	PCW
Position	Name	Title	Department														
Chairperson	Guna Seelan	Director - Engineering	LDA														
Member	David Thornhill	Development Director Molonglo	LDA														
Member	Patrick Hancock	Senior Project Officer	PCW														

Contract Management	
Number of contracts	One standard ACT Government Service Agreement.
Contract management	The contract will be managed under an ACT Government Services Agreement. Associated construction contracts will be managed under AS2124, GC21 or MW21.
Period of contract(s)	Term is anticipated between 24 months
AUSTRALIA—UNITED STATES FREE TRADE AGREEMENT	
Does the AUSFTA apply?	Yes, Works are anticipated to be above \$551,000 (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	 21/4/17
		Phone Number	75434

Delegate approval			
Name	Tom Gordon		
Position	Executive Director - Greenfields		
Statement	The Procurement Plan and attachments are approved		
Signature		Date	21.4.17

Attachments:

- A - Risk Management Plan
- B - Evaluation Plan
- C - Probity Plan

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 -	Ulk	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>
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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 deliver 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 <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 	Contractual issues <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 	Technology / ICT <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 <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 	Public Liability <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 	Reputation <ul style="list-style-type: none"> Loss of public support Loss of financial support Inability to attract contractors Polliticisation of process
Management / Administration <ul style="list-style-type: none"> Discrimination, wrongful act (libel, slander) Overcharging, poor billing practices 	Workplace Health & Safety <ul style="list-style-type: none"> Significant incident on work site Failure of WHS reporting Notifiable Incident Reporting 	Project <ul style="list-style-type: none"> Scope of project poorly defined or changes Timeframes not feasible Transition problems
Construction <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 	Insurance <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 	Political, Media, Community <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 <ul style="list-style-type: none"> Adverse audit finding Breach of legislation ACT Govt Contracts Register 	Viability of Contractor <ul style="list-style-type: none"> Insolvency, unable to continue Bonding and guarantee difficulties Inability or unwillingness to perform 	Security of Contract Products <ul style="list-style-type: none"> Burglary and theft, malicious damage, graffiti, arson.
Products Liability <ul style="list-style-type: none"> Loss, damage or destruction and / or injury, illness or death to third parties arising from faulty product 	Finance <ul style="list-style-type: none"> Interest rate fluctuations or extension of time Withdrawal of promised finance / funding 	Fraud <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
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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	Description	Frequency	Priority						
			1	2	3	4	5		
Almost Certain	is expected to occur in most circumstances	Once a quarter or more	>1 in 10	5	Medium	High	High	Extreme	Extreme
Likely	Will probably occur	Once a year or more	1 in 10 - 100	4	Medium	Medium	High	High	Extreme
Possible	Might occur at some time in the future	Once every 1 - 5 years	1 in 100 - 1,000	3	Low	Medium	Medium	High	Extreme
Unlikely	Could occur but doubtful	Once every 5 - 20 years	1 in 1,000 - 10,000	2	Low	Medium	Medium	High	High
Rare	May occur but only in exceptional circumstances	Once every 20 - 100 years	1 in 10,000 - 100,000	1	Low	Low	Medium	Medium	High

Priority for Attention

Priority	Suggested Timing of Treatment	Authority for continued tolerance of risk Program	Authority for continued tolerance of risk Project	Authority for continued tolerance of risk Enterprise
Extreme	Short term – normally within one month** Detailed action plan required			Director- General Under-Treasurer
High	Medium term – normally within three months Needs senior management attention			Senior Executive
Medium	Normally within 1 year Specify management responsibility			Managers
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 might 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 suggested examples of frequency and consequences.

Project Details			
Projects	Civil and Landscape Construction – Superintendency (and PAD) Consultancy Services		
Project Objectives	To engage suitably prequalified Engineering Consultants with experience, resources and financial capacity to provide engineering related services for the construction of Greenfields and Industrial Land Development.		
Contact Details			
Directorate	CMTEDD	Business Unit (if applicable)	ED / LD & C / LDA
LDA	Guna Seelan	Phone no.	LDA
		6207 5434	
Name of Decision Maker / Authority Holder	Tom Gordon – Executive Director Greenfields		

Created by: Tristan Lee-Murphy

Date: 18 April 2017

Reviewed by: Guna Seelan

Date: 20/4/17

Approved by Exec Director: Tom Gordon

Date:

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

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 Description (source/ event)	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 ³) are used to manage the risk?	Risk Owner <i>(person or entity who manages the risk)</i>				
					Consequence	Likelihood	Current level of risk	Control effectiveness
Finance								
Funding not available/ inadequate funding. 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 May result in increased cost	Use prequalified consultant Source additional budget if required Possible re-tender requirements Review cost estimates prior to tendering	LDA	2	2	Med	Adq
Consultant becomes insolvent during works		Contract targets not met May need to re-tender project May result in increased development costs	Allow tenders from pre-qualified consultants only. Follow approved Procurement Plan. Security of Payments Act provisions are adhered to.	LDA	2	2	Med	Adq
Probity								
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
Quality Assurance								
Consultant fails to meet performance expectations		Poor quality work leading to rework/defects Maintenance liability to the Territory Possible delay in handover Increased costs to complete works	Check consultant's past performance. Escalate unresolved issues to the senior management of the Consultancy if unsuccessful with personnel at the lower levels. Ensure LDA Project Manager identifies potential problems early.	LDA	3	2	Med	Adq
Scope of works not clearly defined.		Increased project costs Possibility to lead to disputes Consultant may misunderstand scope of works leading to variations and/or work not being performed.	Ensure that the consultancy brief issued is based on the most up to date template Check final version of the brief is correct by having peer reviews from other team members Incorporate lessons learned from prior projects into the brief.	LDA	3	2	Med	Adq
Loss of key personnel engaged on project		Delay in finding replacement Increased costs Difficulty for new personnel to adjust to the project issues in a short period of time Potential delays to the project	Ensure that more than one key personnel is running the project at all times (ie. The Superintendent's representative should have a backup plus a clerk of works, etc.) Have regular contact with the Superintendent and identify potential issues early Have an adequate filing system in order for the new personnel to be able to find required information.	LDA	2	2	Med	Adq

LDA Procurement Risk Management Plan

Construction								
Delay in asset Handover		Delay to program Delay in handover to TAMS resulting in additional maintenance costs to LDA Additional costs to Superintendent	Instigate a staged consolidation process plan to ensure timely completion of works. Instigate interim inspections with TAMS and representatives. Seek pre-handover reports and inspections with Superintendent prior to handover inspection.	TAMS / LDA	3	3	Med	Adq
Program and co-ordination issues		Delay in construction works, additional project resources and time delays.	Ensure programme and project timeframes are collaboratively agreed at outset of project and all parties impacting on timeframes are in agreement. Establish communication channels to ensure all related works likely to impact on or rely on project/timeframe has established process to communicate delays or scope changes.	LDA	3	2	Med	Adq
Urban Greenfield Interface	construction site access impact to public traffic flow	Construction delays, Health and safety risks, public complaints.	Traffic Management, TTM signoff by TCCS, Public consultation via mingle social media and as per Community Consultation Plan.	LDA / Super / Contractor	3	2	Med	Adq
Public Works Interface	Public enter site area	Health and safety risk	Traffic Management Devices, Secure construction site by man proof fencing, site surveillance and frequent safety checks carried out by superintendent to mitigate risks to public in after hour periods.	LDA / Super / Contractor	4	1	Med	Adq
Working close to Molonglo River Corridor & environmentally sensitive areas	Contamination due to runoff, contamination due to storm events.	Contamination risk, media scrutiny, delays to program and increased costs.	Environmental approvals required prior construction (CEMP), ongoing review of environmental controls by superintendent.	LDA / Super / Contractor	3	3	Med	Adq
Media								
Adverse Media attention & Negative public / Community feedback.	General public questions raised during construction activities are answered unsatisfactorily or not answered. Public discontent due to inconvenience or failure of project to meet expectations	Adverse media attention for the LDA, public complaints to Ministers. Disproportionate negative social media.	Community engagement plan developed by the LDA. LDA releases content through Mingle Social Media and Media Releases. Community engagement is scoped within the superintendency brief.	LDA	3	2	Med	Adq
WHS								
Project stakeholder fails to follow WHS regulations		Possible accidents, consequent losses (asset, life, productivity) and subsequent investigations, litigation, project delay and adverse publicity.	Ensure Superintendent regularly checks compliance and adherence, run active certification audits of both superintendent (PAD) and contractor and performance report on WHS behaviour and compliance.	LDA / Super / Contractor	4	2		Adq

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>	
			**	**	**	**			



Evaluation Plan

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.

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 Teams for these projects will be nominated on a project by project basis and approval sort from the Delegate for each project specific evaluation team. The Evaluation team structures will comprise of the following:

Position	Name	Title	Department
Chairperson	Guna Seelan	Director - Engineering	LDA
Member	David Thornhill	Development Director Molonglo	LDA
Member	Patrick Hancock	Senior Project Officer	PCW

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 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.

LATE Tenders

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.

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.

EVALUATION CRITERIA

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

Criteria	Weight
<p>Past Performance</p> <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 particular attention to the proposed teams involvement. Organization for whom the work was undertaken Value of the works undertaken Referee contact names and numbers <p>The Evaluation Team may also consider records of past and current performance, variations, and compliance with ACT Government requirements provided by other ACT Government Agencies (including directorates), contractors or consultants engaged by the ACT Government to determine the tenderers past performance on similar type projects.</p>	2
<p>Technical and Managerial Skill</p> <p>Technical skills of the team and the demonstrated capacity to carry out the tasks including people [including sub-consultants], systems, specific abilities, and allocation resource and capacity of resources proposed.</p>	2
<p>WHS</p> <p>Demonstrated skills in managing the WHS requirements as outlined in the brief. Tenderers must provide their methodology in representing the Principal on site activities, including reporting arrangements to the client.</p>	1
<p>Methodology and Risk Management</p> <p>Methodology, appreciation of the task and timing including identifying risks and managing these risks. Illustration of how project is to be tackled, scope of work proposed by the consultant.</p> <p>To address this criterion, the tenderer is required to prepare a risk matrix in accordance with ISO 31000-2009 that identifies the key risks and proposed controls for the project work to be delivered in this contract. In addition to the risk matrix, tenderers are welcome to include any general process descriptions that they may have to deliver the less risky elements of the contract. Any general process descriptions should be included as an appendix to the tender response.</p>	2
<p>Fee Assessment</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>	2

$F = 8 + 10(T - M) / M$	$F = 8 + 15(M - T) / M$	
Domain	Domain	
$T \leq M$	$T \geq M$	

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.

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. 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. 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.

LIPP Tenderers must complete and submit an Economic Contribution Test (ECT). The ECT requires Tenderers to provide information on how both their tender and business contribute to the economic benefit of the Canberra Region by providing the following information: The ECT can be downloaded from http://www.procurement.act.gov.au/canberraregion-lipp	1
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Scoring Regime

The Evaluation Team will use the numerical scoring scale set out below.

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. The following table contains the scores to be applied. Half scores may be used.

Rating	Description	Score (example)
Excellent	Exceeds requirements in all ways, with very little or no risk	10
Very Good	Meets requirements in all ways, exceeds it in some, little risk involved	8-9
Good	Meets the requirement and is workable, acceptable risk	6-7
Marginal	Nearly meets requirement, workable but may be deficient or limited in some areas, some element of risk	4-5
Poor	Offer is difficult to assess against criteria, high risk	1-3
Non-compliant	Tenderer has either stated non-compliance, demonstrated non-compliance, or there is insufficient information to assess	0

ASSESSING THE LEVEL OF RISK

The Project Team will prepare a Risk Management Plan (*Template 10C – 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.

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. thanks for submitting an offer, registration or pre-qualification information
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 to debrief
5. an encouragement to submit offers in the future.

Any debriefings will be held in accordance with Procurement Circular 2007/05 Debriefing Unsuccessful Tenders

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?

An independent probity adviser is not proposed to be appointed for these procurements.

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;
- Government Solicitors Office; 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).

2.1 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.

MINUTES
22/2016-17

Government Procurement Board – Standing Proposals Meeting

8.30-10.00am Tuesday 2 May 2017

Level 5 Boardroom, Macarthur House, 12 Wattle Street Lyneham

Attendees:

Karen Doran (Chair), Meredith Whitten, Shaun Strachan, Graham Tanton, Roger Broughton, Virginia Shaw, Richard Bear, George Tomlins (ex officio), Glenn Bain (ex officio), Vanessa Althorp (Secretariat)

1. Apologies:

Stephen Goggs

2. Conflict of Interest

No Conflicts declared

3. Procurement Plans for Consideration

LDA Strategic Procurement Plan – Construction

Proponents:

- Tom Gordon – Executive Director, Greenfield, Land Development Agency
- Guna Seelan – Engineering Director, Greenfield, Land Development Agency

The Board noted the advice from the proponent that:

- a) The Land Development Agency (LDA) is seeking approval for forward procurements of construction works, to the value of \$150 million over 14 months.
- b) The forward procurement program is consistent with the government's Indicative Land Release Program and has been approved within Estate Development Plans.
- c) The exiting panel will be used until the panel no longer exists.
- d) The existing panel will be refreshed in approximately 12 months.

The Board requests:

- a) That while in principle the Board considers a strategic approach is a positive endeavour, the LDA supplement the papers provided to the Board with a written context brief to provide the governance and financial approval framework within which the strategic approach is being proposed that is consistent with government strategy and approved budget.
- b) Ensure application of the Canberra Region Local Participation Policy is up to date.
- c) LDA report to the Board on implementation of the strategic approach on a bi-annual basis and provide written advice when a unique circumstance arises.
- d) The Chair for the Evaluation Committee be rotated
- e) A member external to LDA or PCW is included on the Tender Evaluation Committee.

LDA Strategic Procurement Plan – Superintendency


Proponents:

- Tom Gordon –Executive Director, Greenfield, Land development Agency
- Guna Seelan – Engineering Director, Greenfield, Land development Agency

The Board endorsed the proposal to engage a prequalified consultancy to undertake superintendency and PAD duties to the value of \$1.8 million.


4. Other Business

Out of Scope



5. Action Items Outstanding

Out of Scope



The meeting closed at 10.00 am



ACT
Government
Economic Development



Land
Development
Agency
CANBERRA FIRST

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Vanessa Althorp
Procurement and Capital Works
Level 2 Annex, Macarthur House, 12 Wattle St
Lyneham ACT 2602

Cc: Government Procurement Board

CONTRACT VARIATION FOR THE CONSTRUCTION OF THE WEST BASIN POINT PARK, CITY TO THE LAKE

Dear Vanessa,

Documentation for the above project has been compiled by the Land Development Agency for presentation to the Government Procurement Board on 23 May 2017.

Documentation includes:

- Briefing Minute which provides a project/process overview;
- Original Procurement Plan Minute;
 - PPM Attachment A (1) – Risk Register
 - PPM Attachment A (2) – Risk Register
- Original Project Brief; and
- Amended Risk Plan requested previously in April 2016 by GPB with approvals and negotiation with NCA.

We trust this meets the requirements of the Board. Please advise if you require clarification or any additional information.

Yours sincerely

Peter Rea
Senior Infrastructure Manager
Land Development Agency, City to the Lake

17 May 2017



ACT
Government
Economic Development



BRIEF

Date	17 May 2017
To	Government Procurement Board
From	Nick Holt, A/g Director City to the Lake
Subject	Contract Variation for the ongoing Construction of the West Basin Point Park

PURPOSE

To brief the Government Procurement Board (GPB) on the proposed contract variation to the West Basin Point Park contract that was awarded to Chincivil Pty Ltd in October 2015.

BACKGROUND

In September 2014, the Government announced its commitment to construct the West Basin Waterfront.

To deliver on this commitment, the Land Development Agency (LDA) undertook to develop the Waterfront design and establish a procurement framework, in parallel with securing the capital funding to deliver the associated construction works.

The project required the establishment of a National Capital Authority (NCA) Design Review Panel (DRP) as an independent advisory group. The panel assisted 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 a project framework that satisfied the NCA's statutory requirements within the Territory's project budget.

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

- design control to ensure NCA and ACT Government requirements are achieved prior to award of a 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.

PROCUREMENT MODEL SELECTION

To address the key aspects mentioned above, the selected procurement and delivery model was an open request for tender under a GC21 contract with a two stage D&C (similar to a Managing Contractor contract). The two stage process is outlined as follows:

- Stage 1 – Preliminary design development and GCS offer; and
- Stage 2 – Design documentation and construction within the agreed GCS.

THE ORIGINAL TENDER PROCESS (STAGE 1)

The GPB endorsement of the original Procurement Plan (copy attached) was limited to design development and due diligence necessary to provide the Territory with a Guaranteed Construction Sum (GCS) that is within an appropriated budget and compliant with the NCA Works Approval. This is described as Stage 1.

An open Request for Tender titled 'Early Contractor Involvement (ECI) Design and Construct (D&C)' for the design and construction of the West Basin Waterfront project was advertised on Monday 14 December 2014. The public tender invited participation in a two stage pricing process that would result in a D&C GCS contract.

Scope

The original scope of design and construction is summarised in [Figure 1](#). Extracted from the Project Brief, [Figure 1](#) defines the physical extent of the project as Stage 1A that is shown in red on the plan.

Item 7.2.1 of the Project Brief describes the project outcome as follows:

***West Basin Foreshore (from Commonwealth Avenue to the proposed Aquatic Centre).** This is comprised of site clearing/preparation, land reclamation, sea wall (lake edge retaining structure), a boardwalk, promenade, access road and public realm landscaping. The West Basin Foreshore (from Commonwealth Avenue to the Aquatic Centre) development project has a Target Construction Sum (including contingency) of \$27.5 million.*

The project will deliver a foreshore development which creates a public urban realm of exceptional quality. The foreshore works will create new, safe and legible pedestrian connections that will activate the foreshore boardwalk, promenade and public open space. The works will create a space that will accommodate the necessary pedestrian, bicycle and vehicular access required to use the west basin for events and future waterfront developments (residential, commercial and retail). The works will also be staged to accommodate the current land-use to minimize the inconvenience to the general public and minimize disruption to the current occupiers of the land (if any).

The project seeks to achieve the highest levels of safety, environmental compliance and quality of built form.

The Construction contractor will work together co-operatively with the Project Teams of concurrent projects to achieve a co-ordinated and integrated design outcome across the City to the Lake (CtTL) Precinct, within the total project construction budget noted above.

To avoid confusion with the D & C Stages 1 and 2, as defined in the GC21 contract, this minute will in future refer to the physical extent of construction as Work Packages 1A, 2A and 3A, rather than as Stage 1A.

The project outcomes for Work Packages 1A, 2A and 3A are as follows:

- Work Package 1A – Point Park Waterfront includes 150m of boardwalk, Point Park Parkland and Commonwealth Avenue Intersections (which has been deferred pending the design outcome of Light Rail Stage 2);
- Works Package 2A will include construction of the remaining 500 metres of West Basin lake wall, boardwalk and land reclamation; and
- Works package 3A will finalise the waterfront development; this will include the promenade, pavilions and vehicular access road.

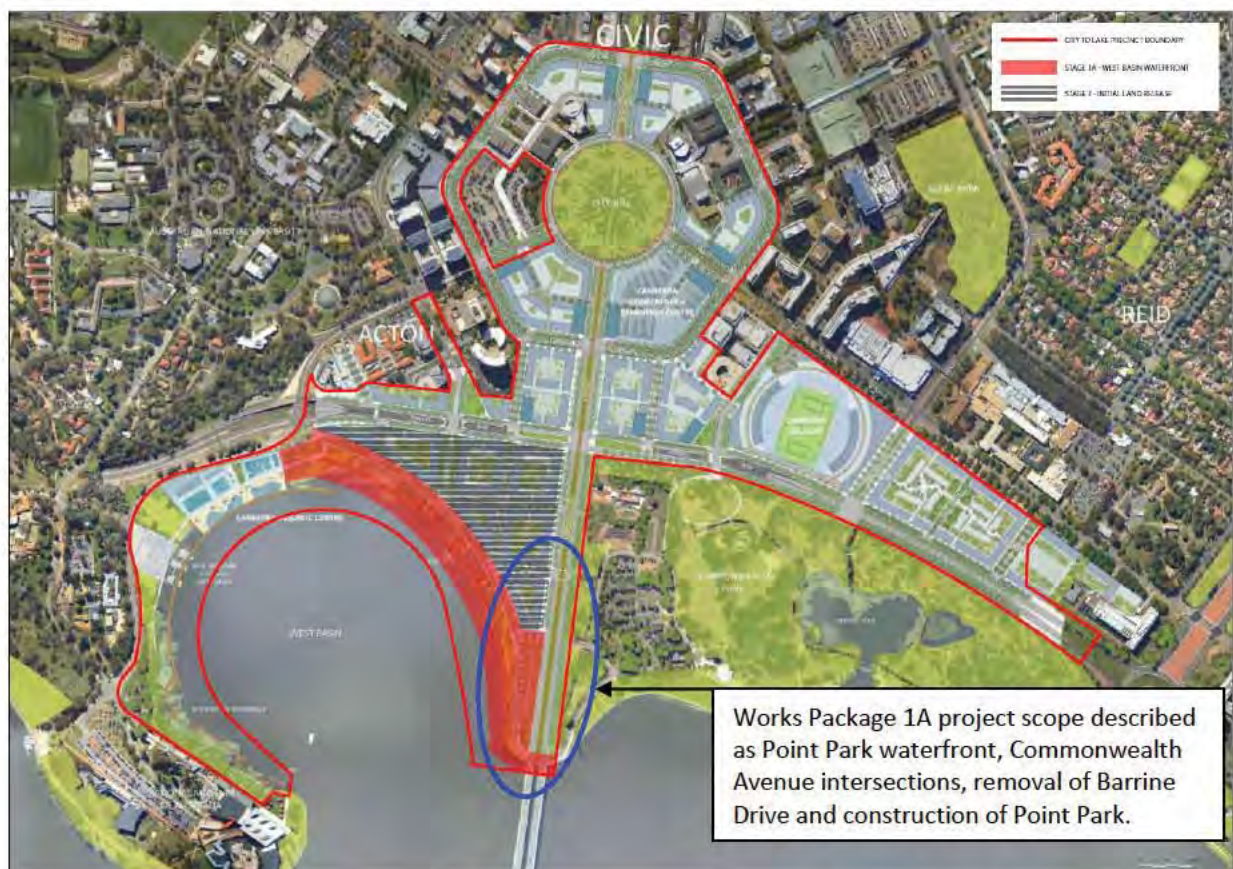


Figure 1: City to the Lake precinct with Stage 1A West Basin Waterfront shaded in red.

To summarise, the clear intent of the ECI D&C tender was to:

Stage 1: Refine the concept design and provide a GCS for relevant Work Packages; and

Stage 2: Subject to funding and acceptance of the GCS, construct the relevant Work Packages.

The tender states that the project may be terminated at any stage.

Tenders Received

The following Tenders were received by the close tender date of Friday 22 January 2015:

1. Chincivil Pty Ltd;
2. Construction Control Australia Pty Ltd; and
3. Woden Contractors Pty Ltd.

Tender Evaluation Team Assessment

The Tender Evaluation Team (TET) recommended that Chincivil be selected as the preferred tenderer. Chincivil demonstrated a very good understanding and appreciation of the project based on extensive similar land reclamation work at Kingston Foreshore. Its nominated team had recognised expertise in delivering similar projects and in managing project specific risk in order to achieve Project Brief requirements. Chincivil's submission was assessed as offering the best value for money to the Territory.

Delay in awarding the contract to Chincivil

While the TET made its recommendation in March 2015 the contract was not awarded until 30 November 2015. The eight month delay in awarding the contract to Chincivil arose from the loss of resources in the CttL team and from uncertainties about capital funding and the scope of the Work Packages.

Final scope of work defined in the contract with Chincivil

The 2015-16 Budget includes \$10.098m for construction of *City to the Lake – West Basin Infrastructure*. Concurrent with capital funding was advice from the NCA that it will only grant staged Works Approval as follows:

Work Package 1A	Lake Foreshore including boardwalk adjacent to Point Park;
Work Package 1B	Complete the construction of Point Park Public Realm, including the inclusion of a shared zone to replace Barrine Drive; and
Work Package 1C	Commonwealth Avenue signalised intersections at Albert and Corkhill Streets (which has been deferred pending the design outcome of Light Rail Stage 2).

Given the constraints of NCA Works Approval and the currently available funding, the potential construction component included in Chincivil's contract was de-scoped from the whole to Work Packages 1A, 2A and 3A valued at \$27.5m, to Work Packages 1A, 1B and 1C described above with a probable order of cost of \$13.5m. This reduced scope is indicated in [Figure 1](#).

GUARANTEED CONSTRUCTION SUM OFFER (STAGE 2)

Background

Works Package 1A

Chincivil provided a draft GCS for Works Package 1A on Monday 18 April 2016 and a meeting with Andrew Crompton (Chincivil) and the LDA was held on Tuesday 19 April to discuss the offer.

In summary, Chincivil was requested to review the following:

- proposed team based on resources that will be available to begin the works and in the demobilisation period; and
- the TTM costs.

On Thursday 21 April 2016 a formal GCS Offer for Works Package 1A was submitted to the LDA in the amount of \$5,487,641.56 (Inc GST).

LDA presented the proposal to the Board on 3rd May 2016.

The Board **endorsed** the variation submitted by LDA to Chincivil Pty Ltd's existing contract to the value of \$6 million (including GST) representing GCS Work Package 1A.

Works Package 1B

Chincivil provided a draft GCS for Works Package 1B on Wednesday 10 May 2017 and a meeting with Matt Houghton and Andrew Crompton (Chincivil) and the LDA was held on Monday 15 May to discuss the offer.

In summary, Chincivil was requested to review the following:

- program to ensure completion of works by end January 2018; and
- fixed element percentages (e.g. preliminaries and contingency).

On Thursday 18 May 2017 a formal GCS Offer for Works Package 1B was submitted to the LDA in the amount of \$5,980,595.94 (Ex GST).

Purpose

In order to execute the next construction phase of the D & C contract, the LDA is seeking GPB approval to vary the existing contract with Chincivil through a Contract Variation.

VALUE FOR MONEY

In determining value for money of each GCS and as part of the Project Brief, Value for money safeguards during Stage 2 would include:

- The initial two (2) stage D&C (or Managing Contractor contract) has been competitively tendered and locks in:
 - Margin;
 - Preliminaries;
 - Rates; and

- Stage 1 fees;
- The LDA has engaged a Quantity Surveyor (QS) to provide independent QS advice;
- 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.

RECOMMENDATION TO THE GOVERNMENT PROCUREMENT BOARD

It is recommended that:

1. the GPB approves a variation to Chincivil Pty Ltd's existing contract in an amount of \$5,980,595.94 (Ex GST) representing the GCS for Work Package 1B, being the construction of Point Park Public Realm, including the inclusion of a shared zone to replace Barrine Drive;
2. the GPB notes that further variation requests will be submitted for future Work Packages, once the GCS' and funding are determined; and
3. the GPB notes that Work Packages 1A to 2A are inter-related and the single D & C contract offers economies of scale. All other work related to the broader development of West Basin will be the subject of a new procurement.

Nick Holt
A/g Director City to the Lake

Attachments



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																		
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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</i> 9/12/14
		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

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		
LIKEHOOD	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
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Category: Management / Administration

1	Procurement activities not undertaken in accordance with relevant legislation	Breach in legislation	<u>Minor</u>	<u>Unlikely</u>	<u>Low</u>	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. 	<u>Minor</u>	<u>Unlikely</u>	<u>Low</u>
2	Project managing not undertaken in accordance with LDA protocols.	Breach of LDA protocols	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>	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. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>
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)	<u>Major</u>	<u>Possible</u>	<u>High</u>	1	<ul style="list-style-type: none"> Refer risk treatment plan. 	<u>Major</u>	<u>Unlikely</u>	<u>High</u>

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.	<u>Major</u>	<u>Possible</u>	<u>High</u>	2	<ul style="list-style-type: none"> Refer risk treatment plan. 	<u>Major</u>	<u>Unlikely</u>	<u>High</u>
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.	<u>Moderate</u>	<u>Possible</u>	<u>High</u>	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. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>

Category: Personnel / Contractors / Consultants / LDA Staff

6	Poor performance of LDA project team	Poor project outcomes (program creep, scope creep, budget overruns, poor quality, inadequate communication)	<u>Moderate</u>	<u>Possible</u>	<u>High</u>	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. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>
7	Poor performance of Consultant Team	Poor project outcomes (program creep, scope creep, budget overruns, poor quality, inadequate communication)	<u>Moderate</u>	<u>Possible</u>	<u>High</u>	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. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>

Category: Tender Process

8	Delay in the engagement of a consultant.	Project delay (adverse impact on program of works)	<u>Moderate</u>	<u>Possible</u>	<u>High</u>	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. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>
9	Poor consultant selection	Engagement of a consultant with inadequate resources and experience to successfully deliver project outcomes (adverse impact on program, quality, etc)	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>	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. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>
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).	<u>Moderate</u>	<u>Possible</u>	<u>High</u>	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. 	<u>Minor</u>	<u>Unlikely</u>	<u>Medium</u>
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)	<u>Minor</u>	<u>Possible</u>	<u>Medium</u>	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'). 	<u>Minor</u>	<u>Unlikely</u>	<u>Low</u>

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.	<u>Moderate</u>	<u>Possible</u>	<u>High</u>	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. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>
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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)	<u>Major</u>	<u>Possible</u>	<u>High</u>	3	<ul style="list-style-type: none"> Refer risk treatment plan. 	<u>Major</u>	<u>Possible</u>	<u>High</u>
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)	<u>Major</u>	<u>Possible</u>	<u>High</u>	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. 	<u>Major</u>	<u>Possible</u>	<u>High</u>
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	<u>Moderate</u>	<u>Possible</u>	<u>High</u>	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. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>

Category: Insurance

16	Inadequate level of insurance	Consultant and ACT Government exposure to claims	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>	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. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>
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Category: Finance

17	Budget Overrun	Poor estimation early in project leads to an unrealistic order of costs.	<u>Moderate</u>	<u>Possible</u>	<u>High</u>	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. 	<u>Moderate</u>	<u>Unlikely</u>	<u>Medium</u>
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Category: Occupational Health & Safety

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>
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Category: Project

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>

Category: Client

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>
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Category: Reputation

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>
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<u>Category: Project</u>										
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>

<u>Category: Fraud</u>										
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
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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: High Risk			
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: <u>Unlikely</u>		Consequence Rating after Treatment: <u>Major</u>	
RISK RANKING AFTER TREATMENT (RESIDUAL RISK) AND REQUIRED ACTION: High Risk			
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: <i>High Risk</i></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: <i>High Risk</i></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	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: 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 undertaken 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: <i>High Risk</i>		
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: <i>Choose Rating</i>		Consequence Rating after Treatment: <i>Choose Rating</i>
RISK RANKING AFTER TREATMENT (RESIDUAL RISK) AND REQUIRED ACTION: <i>Choose Rating</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.

****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.

LAND DEVELOPMENT AGENCY
WEST BASIN FORESHORE STAGE 1A

RISK PROFILE		
Best	Most	Worst
10%	80%	10%

RISK REGISTER

Category and No.	Risk	Description	Consequence	Rationale / Mitigation	Timing	Cost Driver	Cost (\$, nominal)	Cost (\$, NPV)	Probability of Event (%)	RISK PROFILE			Overall Impact	Probability x Impact	Risk Quantification (\$ NOMINAL)			Risk Quantification (\$ NPV)			Advanced Risk Quantification (\$ NPV)	Additional comments
										Best Case	Most Likely	Worst Case			Best Case	Most Likely	Worst Case	Best Case	Most Likely	Worst Case		
Category: Management / Administration																						
1	Project Management and administration processes not established and under resourced	Lack of resources or appropriate project management and control processes	Internal procedures cannot be completed with additional project risks realised, there is inadequate reporting and control over cost, time and quality	Projects are resourced with internal personnel with the appropriate skills, experience. Project management processes and control systems are established and maintained with suitably qualified and experienced resources.	Construction	DEV	\$ 2.52	\$ 2.52	1%	0%	0%	2%	0%	0.00%	\$ -	\$ -	\$ 0.00	\$ -	\$ -	\$ 0.00	\$ 0.00	
2	Insufficient coordination with Government Departments and Stakeholders	Inter agency co-ordination is poorly managed causing late changes to design and construction	late changes to design and affects schedule or expectations of stakeholder agencies are not met.	there is extensive consultation currently being undertaken with identified stakeholders and the plan to engage with stakeholders is being developed in detail. There is a specific consultation plan to resolve the details of the design prior to submission to the NCA for approval. The design review and approval process through the NCA process has been initiated with a Design Review Panel convened by the NCA.	Construction	DEV	\$ 2.52	\$ 2.52	20%	0%	15%	20%	14%	2.80%	\$ -	\$ 0.08	\$ 0.10	\$ -	\$ 0.08	\$ 0.10	\$ 0.07	
Category: Client																						
4	Unclear Governance and Management arrangements	The Governance and management arrangements are not transparent and known to the project participants	If there is a lack of clarity over the governance and management arrangements, there is likely to be a lack of clarity over decision making and direction setting for the project. This can cause confusion and attract additional exposure to the client during delivery as the process for timely decision making during delivery will not be clear to the team and could result in delays and additional costs.	The LDA has established inter agency and internal governance arrangements. The management responsibilities and roles for the project are to be captured in a project management plan. The plan is to be socialised across the whole project team	Construction	DEV	\$ 2.52	\$ 2.52	5%	5%	10%	15%	10%	0.50%	\$ 0.01	\$ 0.01	\$ 0.02	\$ 0.01	\$ 0.01	\$ 0.02	\$ 0.01	
5	Car Parking requirements and park usage requirements not defined in the project brief	there may be a need to maintain a certain level of car parking and pedestrian access to facilitate events in the precinct	A failure to define the minimum car parking requirements for the precinct under the various modes of operation and to resolve the level of pedestrian, bicycle and maintenance access to be maintained during the construction will result in late changes to scope, staging and incur cost and delays	the LDA has documented a project brief and the functional and technical requirements are being resolved and agreed with the NCA as a key stakeholder, approving authority and an authority with interest over the land	Construction	AR	\$ 0.97	\$ 0.97	90%	30%	60%	90%	60%	54.00%	\$ 0.26	\$ 0.52	\$ 0.79	\$ 0.26	\$ 0.52	\$ 0.79	\$ 0.52	
6	Stakeholder consultation delaying the project	definition of the consultation plan is not resolved	there could be opposition to the project that results in extended consultation and approvals processes that increase cost late design change and incur delays	there is extensive consultation currently being undertaken with identified stakeholders and the plan to engage with stakeholders is being developed in detail	Construction	PRE	\$ 3.65	\$ 3.65	10%	2%	5%	10%	5%	0.52%	\$ 0.01	\$ 0.02	\$ 0.04	\$ 0.01	\$ 0.02	\$ 0.04	\$ 0.02	
7	the EPBC approvals are not obtained in a timely manner	the works are deemed to be a controlled action	implementing the works in accordance with the specific conditions of the controlled action can increase costs and significantly increase the project time lines	the contract would not be executed for the Stage 2 process without this approval in place	Construction	DEV	\$ 2.52	\$ 2.52	5%	0%	5%	10%	5%	0.25%	\$ -	\$ 0.01	\$ 0.01	\$ -	\$ 0.01	\$ 0.01	\$ 0.01	
8	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 ownership, maintenance and management of the new assets is not resolved in a timely manner	There is uncertainty over the ownership, maintenance and management requirements and if resolved late in the project, the asset owners and maintainers may require late changes to the design and construction to accommodate these requirements affecting the cost, quality and completion timeline.	The LDA proposes to resolve these matters through the Stage 1 process with the interested parties and through the inter-agency governance and management processes	Operations	DEV	\$ 2.52	\$ 2.52	80%	2%	4%	10%	4%	1.32%	\$ 0.02	\$ 0.03	\$ 0.08	\$ 0.02	\$ 0.03	\$ 0.08	\$ 0.03	

Category and No.	Risk	Description	Consequence	Rationale / Mitigation	Timing	Cost Driver	Cost (\$ nominal)	Cost (\$ NPV)	Probability of Event (%)	Overall Impact			Probability x Impact	Risk Quantification (\$ NOMINAL)			Risk Quantification (\$ NPV)			Advanced Risk Quantification (\$ NPV)	Additional comments		
										Best Case	Most Likely	Worst Case		Best Case	Most Likely	Worst Case	Best Case	Most Likely	Worst Case				
9	The functional requirements for vessel berthing are not defined	The design of the berthing structures and the use of the foreshore needs to respond to a brief to accommodate vehicles and vessels of a defined type proposed functional requirement	the failure to define these elements through the project brief and articulate the functional and technical requirements will result in a loose set of design documents that incur additional cost in the construction phase	the LDA has documented a project brief and the functional and technical requirements are being resolved and agreed with the NCA as a key stakeholder, approving authority and an authority with interest over the land	design	DEV	\$ 2.52	\$ 2.52	5%	0%	5%	10%	5%	0.25%	\$ -	\$ 0.01	\$ 0.01	\$ -	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	
10	the project landscaping requires additional external services to what is currently documented	the design definition includes specific irrigation, controls and water storage requirements	there is an additional requirement to include irrigation, control and landscaping provisions using additional costs		design	EKS	\$ 2.10	\$ 2.10	90%	1%	2%	5%	2%	1.98%	\$ 0.02	\$ 0.04	\$ 0.09	\$ 0.02	\$ 0.04	\$ 0.09	\$ 0.04	\$ 0.09	
11	the scope of the trees to be included in the landscaping be greater than anticipated	the design specifications for landscaping needs to include mature trees	additional cost and time due to specification increase to include mature trees costing more and having longer lead times		design	LDCS	\$ 5.56	\$ 5.56	90%	2%	3%	5%	3%	2.79%	\$ 0.10	\$ 0.15	\$ 0.25	\$ 0.10	\$ 0.15	\$ 0.25	\$ 0.15	\$ 0.25	
12	The functional requirements for the playground and other recreational facilities are not resolved	The design of the playground and the recreational facilities and the use of the foreshore needs to respond to a brief to accommodate specific facilities to provide a specified function/use	the failure to define these elements through the project brief and articulate the functional and technical requirements will result in a loose set of design documents that incur additional cost in the construction phase	the LDA has documented a project brief and the functional and technical requirements are being resolved and agreed with the NCA as a key stakeholder, approving authority and an authority with interest over the land	Construction	LDCS	\$ 5.56	\$ 5.56	20%	0%	20%	40%	20%	4.00%	\$ -	\$ 0.22	\$ 0.44	\$ -	\$ 0.22	\$ 0.44	\$ 0.22	\$ 0.44	
13	The NCA guidelines need to accommodate the specific number and scale of the pavilions	the current master plan and design is predicated around activating the foreshore with pavilions that are used for commercial/recreational activities	the failure to define these elements through the project brief and articulate the functional and technical requirements will result in a loose set of design documents that incur additional cost in the construction phase	the LDA has documented a project brief and the functional and technical requirements are being resolved and agreed with the NCA as a key stakeholder, approving authority and an authority with interest over the land	Construction	BWP	\$ 13.67	\$ 13.67	15%	5%	10%	30%	12%	1.73%	\$ 0.10	\$ 0.20	\$ 0.61	\$ 0.10	\$ 0.20	\$ 0.61	\$ 0.10	\$ 0.20	
14	The access to the site for construction of the work is unresolved as there are leases/licences which divert control of the land required for the project to third parties	There is a delay in the acquisition of land not controlled by the LDA and which land is required for the construction of the project.	The Principal is required to provide access to the site and may not be able to commit to do so early in the project schedule. If this land acquisition is deferred late into the program there may be additional costs for delivery due to increased staging constraints. There is also an additional exposure if the construction contract is executed before there is certainty over access to the land.	The LDA is engaging with the lease/licence holder and has initiated a negotiation to acquire the leases. In the event the negotiations fail to settle an acceptable acquisition the LDA intends to use the existing legislation to acquire the leases/licences and provide access to construct the works. This process may take 6-9 months and is unlikely to be resolved before the end of the 2015 calendar year.	Construction	PRE	\$ 3.65	\$ 3.65	50%	5%	10%	50%	14%	6.75%	\$ 0.09	\$ 0.18	\$ 0.91	\$ 0.09	\$ 0.18	\$ 0.91	\$ 0.09	\$ 0.18	\$ 0.91
15	interfaces with related projects	There are interdependencies between the related but separate projects that form the West Basin Development area. The West Basin is framed by the foreshore, Parkes Way and the related public realm	If the master planning and design interfaces and not resolved properly there could be a loss in developable area and the benefits of the development may not be realised in full.	The project is being reviewed through an NCA Design Review Panel and there is a strong alignment to the CTL Master Plan. The LDA has a thorough understanding of the development parameters required to be met. The design for the West Basin includes an overall master plan that incorporates the options for the alignments of Parkes Way.	design	PRE	\$ 3.65	\$ 3.65	5%	0%	5%	20%	6%	0.30%	\$ -	\$ 0.01	\$ 0.04	\$ -	\$ 0.01	\$ 0.04	\$ 0.01	\$ 0.04	
17	Quality of the project brief and resultant design	A poorly defined project brief results in loosely scoped functional/performance requirements that in turn result in poor design documentation.	Poor design documentation causing a lack of certainty over the quality of the built form design outcome and not suitable for informing a well constructed project budget causing variance in cost and quality	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	Construction	LDCS	\$ 5.56	\$ 5.56	10%	0%	5%	15%	6%	13%	7%	12%	8%	11%	9%	10%	\$ 0.72	This risk is deemed immaterial	
18	Quality of the cost estimates and rigour in developing the project budget	The quality of cost estimates could be unreliable where there is uncertainty over the costs to construct elements of the scope where the cost is dependent on trade inputs (equipment), methodology and treatment of site conditions and the like	If there is a late trade input to the cost planning and there is no reliable basis for defining the treatment of site conditions such as land contamination, dust control, temporary access staging, siltation protection, etc. there could be variances in the budget where the contingencies are inadequate to deal with these costs	Early contractor involvement with construction estimating, trade inputs and sound construction planning will reduce these risks. The early contractor involvement will also provide a sound basis for prioritising site investigations to reduce the site conditions risks.	Procurement	DEV	\$ 2.52	\$ 2.52	20%	10%	20%	40%	21%	36%	24%	33%	26%	32%	28%	31%	\$ 0.91		

Category and No.	Risk	Description	Consequence	Rationale / Mitigation	Timing	Cost Driver	Cost (\$ nominal)	Cost (\$ NPV)	Probability of Event (%)	Overall Impact			Probability x Impact	Risk Quantification (\$ NOMINAL)			Risk Quantification (\$ NPV)			Advanced Risk Quantification (\$ NPV)	Additional comments				
										Best Case	Most Likely	Worst Case		Best Case	Most Likely	Worst Case	Best Case	Most Likely	Worst Case						
19	The quality of the inputs derived through the Stage 1 EC process	Poor engagement by the early contractor involvement and integration with the design team (largely based in Sydney) resulting in a lack of meaningful inputs into the design, planning and project budgeting process	Poor integration during the stage 1 design process with the design team and the client organisation will mean that the benefits of the early contractor involvement are not fully realised.	The LDA has negotiated a commitment from the designers to resource engagement sessions in the ACT. The LDA is also engaging professional personnel experienced in the early contractor involvement model to facilitate integration across the team quickly. The LDA has engaged an independent OS (Wide and Woollard) to add to the rigour and transparency with which the contractors trade pricing inputs will be assessed.	Procurement	ERS	\$ 8.78	\$ 8.78	10%	0%	2%	5%	2%	4%	3%	4%	3%	4%	3%	4%	\$ 0.39				
Category: Construction Procurement Process - Stage 2 Realisation																									
20	Stage 2 design services not resolved	The Stage 2 design services needs to be novated design arrangement or the Contractor needs to agree the Stage 2 design services for documentation of the Stage 1 design and the LDA incurs additional costs to have a third party designer warrant the Stage 1 design and complete the documentation to progress the project.	The incumbent design team does not provide a reasonable fee for the Stage 2 design services for documentation of the Stage 1 design and the LDA incurs additional costs to have a third party designer warrant the Stage 1 design and complete the documentation to progress the project.	The LDA has executed a contract with Arup that includes a deed of novation and has agreed the terms under which a novation would occur. The LDA has also obtained a fee estimate from Arup for the Stage 2 design services which is included in the project budget. There is a possibility that late changes to the scope results in poor quality documentation in Stage 1 and increases the Stage 2 fees beyond the current budget allocation/estimate.	Construction	DEV	\$ 2.52	\$ 2.52	5%	0%	5%	10%	5%	0.25%	\$ -	\$ 0.01	\$ 0.01	\$ -	\$ 0.01	\$ 0.01	\$ -	\$ 0.01			
21	Stage 1 documentation not comprehensive	The Stage 1 design documentation and the contractors inputs for the construction planning and methodology are poorly co-ordinated.	Poor co-ordination of the Stage 1 inputs will result in a poorly specified PRN for inclusion in the D&C contract (GZ1) which could increase the Guaranteed Construction Sum and decrease the level of certainty over the quality of the works causing cost, time and quality implications.	The LDA is establishing a professional project management team to support the client. The LDA has specified the minimum requirements for the performance of the Stage 1 services and has established controls within the special conditions of contract to facilitate a value for money outcome. The LDA has also constructed a master program to guide the delivery of the project.	Procurement	DEV	\$ 2.52	\$ 2.52	10%	0%	5%	10%	5%	0.50%	\$ -	\$ 0.01	\$ 0.03	\$ -	\$ 0.01	\$ 0.03	\$ -	\$ 0.01	\$ 0.03		
22	Guaranteed Construction Sum not acceptable	The LDA does not achieve a Guaranteed Construction Sum within the project budget.	The failure to achieve an offer for a D&C lump sum within the project budget will cause a delay to the schedule and may cause the budget increase late in the program.	The Stage 1 process is a closely monitored process with transparent pricing which includes trade prices, collated by the construction contractor estimator. The pricing is scrutinised during the Stage 1 process by the clients OS acting independently. The process for engagement with the early contract involvement and the designers is controlled by a master program and there are milestones at which the cost plans will be reviewed and value management carried out to bring the project within the budget. In the event of an ambit contractor offer, the LDA has the right to terminate the process and seek separate pricing for the works from the market. The LDA's exposure is limited to the Stage 1 fees payable to the contractor.	Procurement	ERS	\$ 8.78	\$ 8.78	10%	10%	20%	30%	20%	2.00%	\$ 0.09	\$ 0.18	\$ 0.26	\$ 0.09	\$ 0.18	\$ 0.26	\$ 0.09	\$ 0.18	\$ 0.26	\$ 0.18	Factored into preliminary costing
Category: Design and Construction																									
23	There is limited or no support from other agencies to incorporate innovation in the design	The project brief and the design is currently seeking to incorporate innovative solutions for WSUD, services, landscaping that may not be supported by the approving bodies (TAMS, ACTEW etc.) a future owner, operator/maintainer	There is uncertainty to the project scope as there is an inclusion of innovation in areas such as stormwater treatment, and other elements where there is no current basis or standard to which the approving authorities can refer, causing delays in schedule or cost increases due to late changes in design that have implications on the timing and construction methodology	The areas where there is no support or limited support and no agreed design basis to include design innovation are to be resolved before the conclusion of Stage 1 to be included in Stage 1 documents.	Construction	EXS	\$ 2.10	\$ 2.10	5%	0%	5%	10%	5%	0.25%	\$ -	\$ 0.01	\$ 0.01	\$ -	\$ 0.01	\$ 0.01	\$ -	\$ 0.01	\$ 0.01	\$ 0.01	

Category and No.	Risk	Description	Consequence	Rationale / Mitigation	Timing	Cost Driver	Cost (\$ nominal)	Cost (\$ NPV)	Probability of Event (%)	Overall Impact			Probability x Impact	Risk Quantification (\$ NOMINAL)			Risk Quantification (\$ NPV)			Advanced Risk Quantification (\$ NPV)	Additional comments		
										Best Case	Most Likely	Worst Case		Best Case	Most Likely	Worst Case	Best Case	Most Likely	Worst Case				
24	The construction methodologies do not comply with the conditions of an EPBC permit	There may be a requirement to obtain an EPBC approval and have particular permit conditions that restrict certain construction methods	If the constructions methods are not conceived in a manner that complies with the permit conditions additional cost and times delays may be incurred	The LDA is establishing a process for monitoring construction compliance with the permit requirements (if any). The methodologies proposed by the contractor will be known prior to works approval application and are expected to be assessed by a qualified professional to assess compliance of construction techniques with permit requirements. These issues are limited to cultural and heritage requirements, not sensitive flora and fauna	Construction	PRE	\$ 3.65	\$ 3.65	2%	0%	2%	5%	2%	0.04%	\$ -	\$ 0.00	\$ 0.00	\$ -	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
25	latent conditions causing additional time and cost	latent conditions not properly mitigated	gaps in the existing information increasing the exposure to latent conditions either increasing the construction offer for a guaranteed construction sum or increasing the exposure to the LDA.	the LDA intends implementing a detailed site investigation to mitigate high risk areas during the stage 1 process with a resultant risk transfer through the Stage 2 construction contract conditions.	Construction	BWP	\$ 13.67	\$ 13.67	15%	0%	20%	40%	20%	3.00%	\$ -	\$ 0.41	\$ 0.82	\$ -	\$ 0.41	\$ 0.82	\$ -	\$ 0.41	
26	Site conditions not defined and causing additional time and cost	site conditions assessments relying on historical documents may not reflect the actual conditions	the actual site conditions may not be fully documented to a level that is suitable to establish robust design and construction solutions and effect a latent conditions risk transfer with an acceptable level of defined risk	The LDA intends implementing a detailed site investigation where there are gaps in the existing site condition reports, during the stage 1 process. These will be done with the inputs through the early contractor involvement with a focus on resolving high risk areas first.	Construction	ERS	\$ 8.78	\$ 8.78	10%	10%	20%	30%	20%	2.00%	\$ 0.09	\$ 0.18	\$ 0.26	\$ 0.09	\$ 0.18	\$ 0.26	\$ -	\$ 0.18	
27	Temporary parking and traffic management requirements causing additional time and cost	the temporary car parking, traffic and access conditions may not be fully resolved	changes to traffic conditions, parking and access during construction may trigger claims for variations from the construction contractor	the LDA is seeking to establish a process to manage the interfaces with events and other inter-agency interests. The interface requirements will be resolved for major events such as Floriade at through the Stage 1 development process.	Construction	LDCS	\$ 5.56	\$ 5.56	5%	1%	5%	10%	5%	0.26%	\$ 0.00	\$ 0.01	\$ 0.03	\$ 0.00	\$ 0.01	\$ 0.03	\$ -	\$ 0.01	
28	the progress of the works is later than expected due to an underestimation of the construction time lines	the progress of the work is slower than expected	there is uncertainty over the date form completion resulting in additional costs for re-schedule events and potentially accelerate the works	The Stage 1 inputs include detailed planning and an identification of the processes to manage the interfaces to deliver the works. There is also a plan to establish robust construction monitoring, reporting and contract management throughout the construction process	Construction	PRE	\$ 3.65	\$ 3.65	5%	1%	5%	10%	5%	0.26%	\$ 0.00	\$ 0.01	\$ 0.02	\$ 0.00	\$ 0.01	\$ 0.02	\$ -	\$ 0.01	
29	the construction and temporary works cannot be staged in a way that allows the continued use of the west basin and its existing facilities		changes to scope, or delays in schedule not caused by the contractor cause additional staging, temporary works and other activities that do not prevent the use of the park or require additional cost and time to mitigate these late requirements		Construction	PRE	\$ 3.65	\$ 3.65	5%	1%	5%	10%	5%	0.26%	\$ 0.00	\$ 0.01	\$ 0.02	\$ 0.00	\$ 0.01	\$ 0.02	\$ -	\$ 0.01	
30	the contractor is not able to obtain the necessary permit and approvals in the required time frames or based on the specified design		there are specified elements of the design for which ACTIW and TAMS do not approved causing cost and time implications		Construction	DEV	\$ 2.52	\$ 2.52	5%	1%	5%	10%	5%	0.26%	\$ 0.00	\$ 0.01	\$ 0.01	\$ 0.00	\$ 0.01	\$ 0.01	\$ -	\$ 0.01	Mitigated by having 350 at grade car parks
31	the contractor is not able to obtain the necessary utilities connections to achieve the design solution and the program		the utilities trunk services are insufficient to service the site and the permanent works		design	EXS	\$ 2.10	\$ 2.10	5%	2%	5%	10%	5%	0.26%	\$ 0.00	\$ 0.01	\$ 0.01	\$ 0.00	\$ 0.01	\$ 0.01	\$ -	\$ 0.01	
33	Inadequate level of insurance	Consultant and ACT Government exposure to claims	Consultant and ACT Government exposure to claims	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.	Procurement	DEV	\$ 2.52	\$ 2.52	1%	2%	5%	10%	5%	0.05%	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ -	\$ 0.00	

Category and No.	Risk	Description	Consequence	Rationale / Mitigation	Timing	Cost Driver	Cost (\$ nominal)	Cost (\$ NPV)	Probability of Event (%)	Probability			Overall Impact	Probability x Impact	Risk Quantification (\$ NOMINAL)			Risk Quantification (\$ NPV)			Advanced Risk Quantification (\$ NPV)	Additional comments
										Best Case	Most Likely	Worst Case			Best Case	Most Likely	Worst Case	Best Case	Most Likely	Worst Case		
35	Budget Approval for Stage 2 works	The process for budget approval is not resolved or the budget approval for Stage 2 is not obtained	The Stage 1 process is the only funded work. There is no current budget approval for Stage 2. If the budget approval process does not align with the project timelines or the budget is not approved there is a sunk cost to the LDA and there will be a significant delay to the implementation if not deferral of the project	The LDA is preparing a business case and is in regular contact with and is briefing the approval bodies (Treasury, LDA Board, Chief Ministers Office) and there is generally a strong support for the project to be implemented by October 2016.	Procurement	DEV	\$ 2.52	\$ 2.52	10%	5%	20%	100%	27%	2.65%	\$ 0.01	\$ 0.05	\$ 0.25	\$ 0.01	\$ 0.05	\$ 0.25	\$ 0.07	
Category: Occupational Health & Safety																						
36	Safety in Design	Exposure to litigation through a lack of consideration of safety during design	Exposure to litigation through a lack of consideration of safety during design. The level of input is constrained as the asset owner and maintainer is currently not resolved	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. The LDA has maintained these assets previously and is including people with the necessary skills and experience in the safety in design forums	Operations	DEV	\$ 2.52	\$ 2.52	10%	2%	5%	10%	5%	0.52%	\$ 0.01	\$ 0.01	\$ 0.03	\$ 0.01	\$ 0.01	\$ 0.03	\$ 0.01	
37	Safety of construction personnel	there is a potential increase in the safety exposure if the project start is delayed and the program is accelerated through multiple work fronts and concurrent activities (overlapping time frames and different trades in the same work area)	A compression in the program and intensified work activities with multiple concurrent trades needs careful management to ensure safety is maintained throughout the construction process	The program is monitored and the construction management plans are required to be development prior to commencement on site. Any compression or acceleration required due to a later than expected start will be known prior to commencement and the LDA intends ensuring that contractors plan and manage their work accordingly	Construction	DEV	\$ 2.52	\$ 2.52	10%	2%	5%	10%	5%	0.52%	\$ 0.01	\$ 0.01	\$ 0.03	\$ 0.01	\$ 0.01	\$ 0.03	\$ 0.01	
38	Safety of the general public	making construction activity with access for the general public to the west basin will require specific protection works to be implemented to maintain a safety environment for all	the failure to properly plan, protect, monitor and maintain activities in the park and the construction activities through protection works, signage, communications and surveillance could result in an increased safety exposure to all parties involved.	the LDA plans to have the contractor prepare all management plans prior to commencement on site. The LDA will select contractors will an appropriate level of resourcing and proven track record of managing projects of this nature successfully. The LDA intends implementing a robust monitoring and audit process to ensure the safety provisions are of the highest standard and fully protect the general public accessing west basin.	Construction	DEV	\$ 2.52	\$ 2.52	10%	2%	5%	10%	5%	0.52%	\$ 0.01	\$ 0.01	\$ 0.03	\$ 0.01	\$ 0.01	\$ 0.03	\$ 0.01	
Category: Reputation																						
39	Loss of financial support for project	Reduction in scope or cancellation of project.	Reduction in scope or cancellation of project.	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.	Procurement	DEV	\$ 2.52	\$ 2.52	10%	2%	5%	10%	5%	0.52%	\$ 0.01	\$ 0.01	\$ 0.03	\$ 0.01	\$ 0.01	\$ 0.03	\$ 0.01	
Category: Fraud																						
40	Fraudulent activities by Consultant personnel or ACT Government staff	Fraudulent activity	Fraudulent activity	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.	Procurement	DEV	\$ 2.52	\$ 2.52	10%	2%	5%	10%	5%	0.52%	\$ 0.01	\$ 0.01	\$ 0.03	\$ 0.01	\$ 0.01	\$ 0.03	\$ 0.01	



ACT
Government
Economic Development



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.....

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PROJECT BRIEF

1.0 TERMINOLOGY AND INTERPRETATION

The following terminology is used in this Project Brief:

- “**ACTPLA**” means the Planning and Land Authority, as established by the PDA. Administratively, ACTPLA is division of EPD;
- “**Basic Brief**” means *ACT Government Basic Brief for Construction Works (Revision M - 25 February 2012)*;
- “**Construction Contract**” refers to a contract or contracts for construction of the civil and/or landscape estate works at City to the Lake Precinct. The contract/s is/ are to be based on GC21 (General Conditions of Contract, with special conditions);
- “**CMP**” means Contamination Management Plan;
- “**Construction Phase Services**” includes but may not be limited to:
 - Project Delivery;
 - Providing on-site services including on-site representation as per this project brief and co-ordinating design changes in a timely manner;
 - Administering contract requirements and monitoring Work Place Health and Safety (WHS) on behalf of the LDA and reporting in a timely manner, including taking all necessary action to facilitate WHS safety audits by an independent WHS Auditor and follow up audits as required;
 - Providing other construction phase services contemplated in this brief including at the expiry of the Defects Liability Period and at project completion;
 - Providing geotechnical engineering services (including site classifications);
 - Providing surveying services (including block pegging and preparation of draft Deposited Plan);
- “**Consultancy**” means the *Services Agreement*;
- “**Construction contractor**” has the same meaning as that in the *GC21 form of construction Contract*;
- “**CttL**” means City to the Lake;
- “**EDD**” means the Economic Development Directorate of the ACT Government, including any successors;
- “**EDP**” means Estate Development Plan;
- “**EPBC Act**” means the *Commonwealth Environment Protection and Biodiversity Conservation Act 1999*;
- “**EPU**” means Environment Protection Unit;
- “**EPD**” means Environment and Planning Directorate, or its successors, which incorporates, administratively, ACTPLA;
- “**ILRP**” means the ACT Government Indicative Land Release Programs 2013-14 to 2016-17;
- “**Lake**” means Lake Burley Griffin;
- “**LDA**” refers to the Land Development Agency, as established in the PDA;
- “**NCA**” means the National Capital Authority, as established in the *Australian Capital Territory (Planning and Land Management Act) 1988 (Cwlth)*;
- “**OCG**” means the Office of the Coordinator General. Administratively, OCG is located within EDD;
- “**PDA**” means the *Planning and Development Act 2007*;

- “**RFT**” means Request for Tender;
- “**SSP**” means Shared Services Procurement or its successors;
- “**TAMS**” means the Territory and Municipal Services Directorate or its successors;
- “**Tender Compliance Report**” means a technical assessment and price review report prepared by the Construction contractor once construction tenders are received. This analysis will form part of the Tender Evaluation Report;
- “**TOD**” means Transit Oriented Development;
- “**UDS**” means Urban Design Sub-construction contractor;
- “**Urban Design**” means architecture, urban design, urban planning, environmental planning and assessment, landscape architecture and soil science;
- “**Urban Design Strategy Report**” means *Linking City to the Lake – Urban Strategy Report (December 2013)*;
- “**WA**” means Works Approval;
- “**WAEs**” means Works-as Executed drawings and any associated quality records;
- “**Foreshore**” means the Foreshore of West Basin;
- “**West Basin**” means West Basin of the Lake;
- “**WHS**” means Workplace Health and Safety; and
- “**WSUD**” means Water Sustainable Urban Design.

Interpretation

The Basic Brief has been written on the basis that the Territory (rather than the LDA) is the Principal of the *Agreement*, and the Project Officer is from the Territory (rather than from the LDA). LDA is an agency of the Territory. Therefore, for the purposes of interpreting the terminology in the Basic Brief, the following applies:

“Territory”

means:

- (1) when used in the sense of the role as Principal in the *Agreement*, or in the sense of the Project Officer’s employer, the LDA
- (2) when used in a geographical sense, the Australian Capital Territory; and
- (3) when used in any other sense, the body politic established by section 7 of the *Australian Capital Territory (Self-Government) Act 1988 (Cth)*.

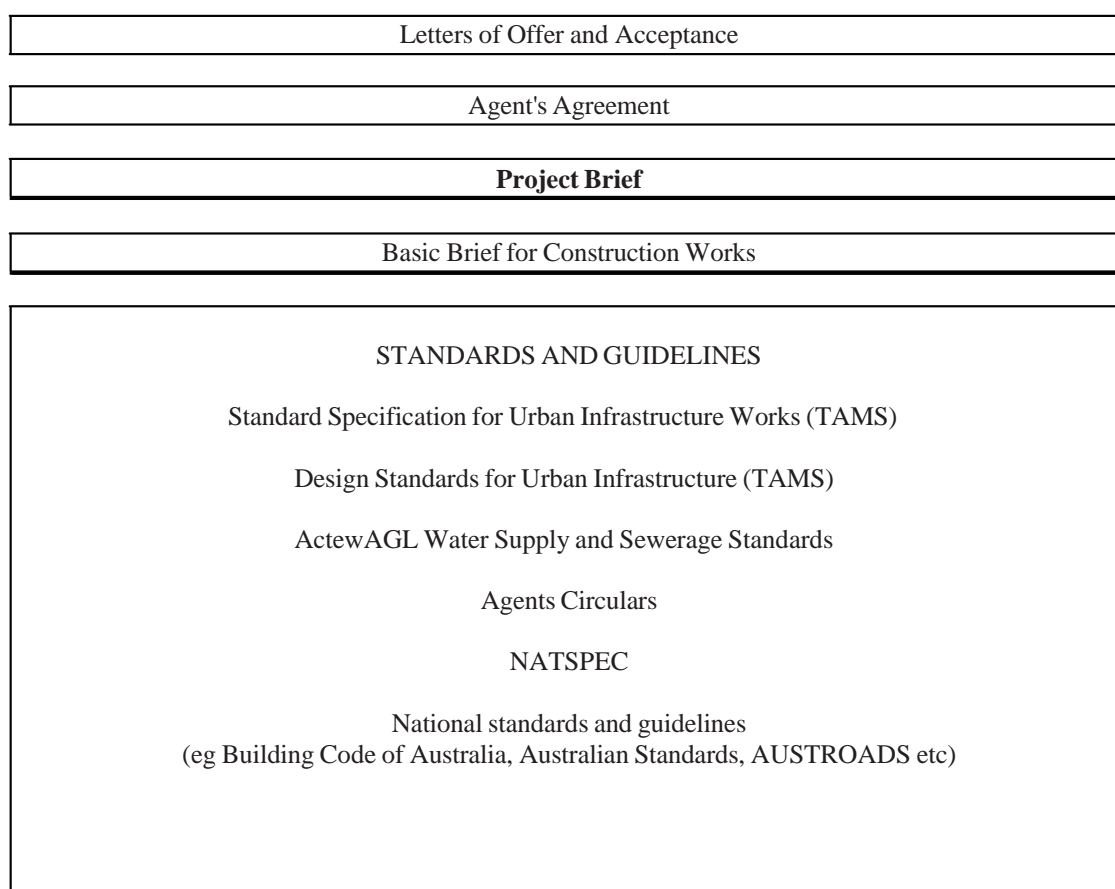
The Construction contractor may engage sub-contractors (which, for the avoidance of doubt, includes sub-construction contractors) in accordance with the *Agreement*.

2.0 INTRODUCTION

The brief for this project comprises this **Project Brief** together with the **Basic Brief for Construction Works**.

The Project Brief details project specific requirements, the Basic Brief details the general requirements and administrative procedures (including content of submissions), and the Reference documents provide guidance on technical matters.

The following indicates how this document relates to other key documents used in the engagement of the Contractor.



3.0 OBJECTIVES

The City to the Lake (CttL) 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 CttL are set out in the Executive Summary of the report *Linking City to the Lake – Urban Strategy (December 2013)* [Urban Design Strategy Report].

CttL 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.

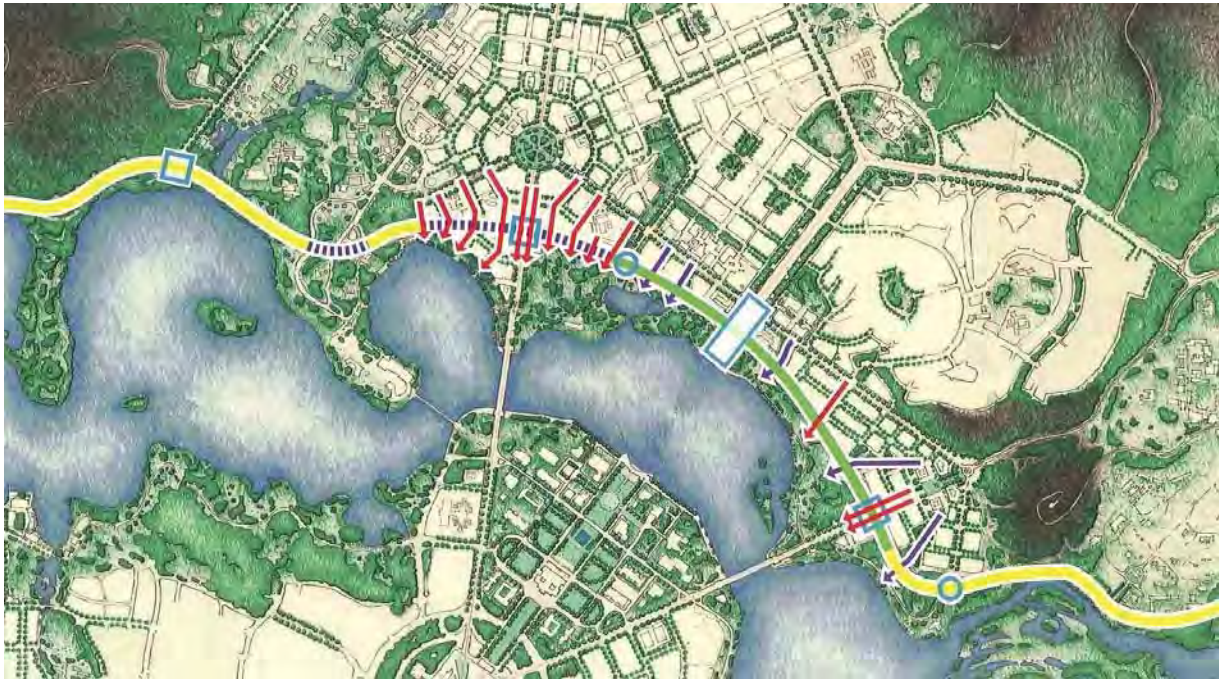
This recommendation was the genesis of Parkes Way.

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.



Parkes Way – Reducing the Barrier

- Landscape Parkway
- Urban Parkway
- Tunnel
- New 4-way Grade-separated Intersection
- New Intersection (at grade)
- New Intersection (subject to specific pedestrian/vehicle links master plan)
- Pedestrian Links
- Pedestrian Underpass

Figure 1: The Parkes Way area. Source: NCA’s *Griffin Legacy*



Figure 2a. Griffin’s final 1918 Plan



Figure 2b. The 1925 Gazetted Plan.

6.0 CITY TO THE LAKE (CttL) - OVERVIEW

The City Plan and CttL establish a development framework for the broad southern flank of the Canberra's city centre which is largely undeveloped, incorporating a series of important civic initiatives. The CttL precinct stretches from the West Basin to Anzac Parade including Parkes Way, London Circuit, Canberra Olympic Pool and the existing convention centre, and large surface car parks.

CttL takes as its starting point work done by the ACT Government and National Capital Authority (NCA) in 2007 to determine how the area between Civic and the Lake Burley Griffin (the Lake) can be better connected and best be developed. It identifies the engineering, public space and development issues for linking the City to the Lake. It also refers to community values articulated in *Time to Talk 2030*.

Since the commencement of CttL, the Australian Government provided funding of \$500,000, under the *Liveable Cities Program*, for the formulation of a planning strategy for the City (the City Plan). The City Plan aims to unlock the potential of the City so that it is more productive, connected, sustainable and liveable.

CttL sits within the context of the City Plan and is a catalyst project.

On behalf of the Office of the Coordinator General (OCG), construction contractors SMEC, Hill Thalys and JILA have produced the Urban Design Strategy Report.

Key elements that have been investigated include the broad design feasibility of a new multi-purpose stadium and site for a new convention and exhibition centre (the Australia Forum).

A workshop was conducted in September 2013, and as a result, the City Hill site (part Block 11 Section 19 City) was agreed as the site for the proposed convention and exhibition centre. This is reflected in the City Plan which nominates this site as the preferred location for the Australia Forum.

The City Plan also nominates West Basin as the preferred location for a new aquatic centre on the Lake Foreshore and the existing Civic Pool site as the preferred location for a new City stadium.

For further information, the City to the Lake web site, including a fly through animation dated 27 March 2013, can be found at

<http://www.citytolake.com.au/>

The site of the CttL precinct includes parts of the suburbs of Acton, City and Parkes and as shown on the locality plan at **Figure 3** and in the artist's impressions at **Figure 4**.



Figure 3: City to the Lake precinct locality plan.



Figure 4: Artist's impression - City to the Lake precinct.

7.0 PROJECT DESCRIPTION

7.1 Site

The site of the works is illustrated in **Figure 5** and is described as the area South of Parkes Way (Southern edge of Parkes Way road reserve), West of Commonwealth Avenue (West edge of Commonwealth Avenue road reserve), the Boundary of the Aquatic Centre and Lake Burley Griffin.

The City to the Lake precinct is illustrated in **Figure 6**.



Figure 5: West Basin Foreshore and West Basin Estate - Design Area.



Figure 6: CttL Precinct

7.2 Description of Works

7.2.1 Outline

West Basin Foreshore (from Commonwealth Avenue to the proposed Aquatic Centre). This is comprised of site clearing/preparation, land reclamation, sea wall (lake edge retaining structure), a boardwalk, promenade, access road and public realm landscaping. The West Basin Foreshore (from Commonwealth Avenue to the Aquatic Centre) development project has a Target Construction Sum (including contingency) of \$27.5 million.

The project will deliver a foreshore development which creates a public urban realm of exceptional quality. The foreshore works will create new, safe and legible pedestrian connections that will activate the foreshore boardwalk, promenade and public open space. The works will create a space that will accommodate the necessary pedestrian, bicycle and vehicular access required to use the west basin for events and future waterfront developments (residential, commercial and retail). The works will also be staged to accommodate the current land-use to minimize the inconvenience to the general public and minimize disruption to the current occupiers of the land (if any).

The project seeks to achieve the highest levels of safety, environmental compliance and quality of built form.

The Construction contractor will work together co-operatively with the Project Teams of concurrent projects to achieve a co-ordinated and integrated design outcome across the CttL Precinct, within the total project construction budget noted above.

7.2.2 Professional Services Inputs to Date

7.2.2.1 Urban Design Strategy

The Construction contractor will take into account the abovementioned Urban Design Strategy Report [SMEC, Hill Thalys and JILA] in providing the Services.

The urban strategy includes necessary investigations and synthesizes existing information into an overall urban design framework that links individual projects into an integrated City building vision. The strategy realises important structural improvements to Canberra City and the Central National Area in a manner that is consistent with the National Capital Plan. It also allows exploration of the synergies between projects to leverage wide public benefit.

In particular, the Urban Design Strategy Report takes into account and addresses the following issues:

- Exploration of the opportunities created under the National Capital Plan interpreting the various traffic, stormwater and engineering related studies, and preparation of an urban design framework that links a number of disparate projects into a clearly articulated city building vision;
- Stormwater and water sensitive urban design strategy addressing overland flow and water quality issues in respect of the City east and western catchments (in particular Coranderrk Street/ Parkes Way pond and West Basin);
- Capacity constraints and land take of the Coranderrk Street/ Parkes Way roundabout;

- Capacity constraints and pedestrian/ cycle conflicts on both the Acton and Commonwealth Park pedestrian overpasses;
- Incorporation of a Parkes Way smart boulevard alignment facilitating more direct links from the City to the Lake and Commonwealth Park for pedestrians, cyclists, public transport and cars;
- Future access requirements and Foreshore public realm design for West Basin;
- Extension of Allara Street to Commonwealth Park and Parkes Way;
- Estate development planning for the CttL precinct to create, and to allow release of, developable land;
- Development of Parkes Section 3 and the influence of Campbell Section 5
- Replacement of Civic Swimming Pool with a 25,000 roofed sports stadium integrated with other mixed uses and car parking;
- Concepts and site identification for a conference and exhibition centre (the Australia Forum) located on the south eastern quadrant of City Hill;
- Replacement of 1500 existing public parking spaces at the Civic Pool site and Parkes Section 3. The parking will be displaced when surface car parks are taken up for development;
- The future use of the existing convention centre facility pending decisions about the Australia Forum; and
- A City East bus terminus.

A copy of the Urban Design Strategy Report can be provided upon request.

7.2.2.2 Risk Management, Foreshore Design Brief, Public Realm Strategy

Arup Pty Limited (Arup) was engaged in March 2014 to undertake a risk management assessment and develop a Foreshore Design Brief, Public Realm Strategy, Green Star - Communities Report and Sustainability Strategy.

The construction contractor is to work with the LDA design team to develop on the risk management plan (by Arup) until design completion in accordance with this **Brief**.

The construction contractor is to work with the LDA design team to ensure that all aspects of the Public Realm Strategy and the West Basin Foreshore Design Brief as well as the provisions of Amendments 59, 60, 61 and 74 to the National Capital Plan are addressed in design.

7.2.3 Concurrent Projects

The Territory has / will be undertaking a number of concurrent projects within the City to the Lake Precinct. The list of projects is as follows:

- City Plan
- Capital Metro
- Re-engineering Parkes Way and Civic's Southern Road Network consultancy (SMEC)
- Parkes Block 6 Section 3 Planning and Engineering Design Consultancy (AECOM)

- Geotechnical Study
- Contamination Assessment
- Environmental Protection and Biodiversity Conservation – Heritage
- Environmental Protection and Biodiversity Conservation – Other aspects
- Communications Strategy (Tania Parkes Consulting)
- Valuation Report for the CttL Estate (if required)
- The three major facilities – investigations, functional briefs and property/ building concept designs.
- CttL EDP Risk Management Assessment, West Basin Foreshore Design Brief, West Basin Public Realm Strategy, Green Star - Communities and Sustainability Strategy.

A summary/overview of key projects and their current status is provided at **Attachment A**.

7.3 SCOPE OF SERVICES – STAGE 1

The scope of this brief is the provision of the following Services relating to the West Basin Foreshore (from Commonwealth Avenue to the Aquatic Centre) Project Works described in Clause 7.2.1.

7.3.1 Scope Definition

7.3.1.1 Risk Management

The construction contractor is to work with the LDA design team to develop on the risk management plan (by Arup) until design completion in accordance with this **Brief**.

7.3.1.2 West Basin Foreshore

The Construction contractor will be required to work with the LDA to manage and co-ordinate the design being prepared for a works approval application to the NCA. The Construction contractor is to provide advice on the construction schedule, temporary works and overall program for delivery. The construction contract shall provide the necessary pricing information on an “open book” basis, including trade pricing, market testing as inputs to the overall project budget and cost plan. The construction contractor shall provide a Guaranteed Construction Sum Offer (refer GC21) that does not exceed \$27.5 million for a defined scope of work that is developed with the LDA and the design team during Stage 1 of the process.

West Basin Foreshore (from Commonwealth Avenue to the Aquatic Centre) design area is shown in **Figure 5**.

Contractor Services Stage 1

The construction contractor is required to provide suitably experienced and skilled personnel to integrate with the LDA team (which includes the design team) in developing the project toward a Works Approval Application and all other necessary documentation that will form the basis for a Stage 2 pricing and a Guaranteed Construction Sum Offer. The services comprise of three elements:

- Management and co-ordination;
- Construction planning and scheduling; and
- Estimating.

Management and Co-ordination

The construction contractor is required to provide skilled and experienced resources that will co-ordinate the design disciplines and drive the development of the design that is closely integrated with a construction methodology and trade procurement plan that will optimize value for the LDA.

The design manager will have leadership qualities and professional qualifications appropriate for the scale and complexity of this project. The construction contractor will document all the necessary management plans to facilitate the project construction. These will include (not limited to):

- WHS Management Plan;
- Construction Environment Management Plan;
- Quality Management Plan;
- Traffic management plan (with inputs from designer);
- Risk management plan;
- Stakeholder and Communications Management Plan; and,
- Interface Management Plan.

The project management inputs will include the inputs of experienced construction professionals who will contribute to the overall delivery methodology, negotiation of trade pricing, manage trade supplier inputs and contribute to value management processes that will maintain the project within the overall construction budget ceiling.

Construction Planning and Scheduling

The construction contractor is required to provide skilled and experienced resources that will provide the entire team with an innovative approach to the high quality outcomes being sought by the LDA. The contractor will provide key inputs that will integrate with the entire design team these include:

- Overall delivery methodology, documented with staging diagrams and timelines;
- A strategy for optimum plant and equipment utilization that minimizes the impact to the surrounding precinct;
- Identifies and documents any dependencies on statutory approvals, long lead items and utility services procurement and implementation;
- Identifies and documents the construction mobilization, staging and laydown areas;
- Resolves the construction access, traffic management and site hoarding plans;

- Provide a construction program that has a work breakdown structure approved by the LDA (minimum three levels) and captures the design completion, statutory approvals, LDA design milestone reviews, trade package procurement and the overall construction process (including commissioning and completion); and,
- Communicates effectively across the whole team.

Estimating

The construction contractor is required to provide pricing information during the course of the development of the project. The pricing information will be for those elements not fixed as part of the selection process for Stage 1. The fixed elements which will form part of the selection process for Stage 1 include:

- Margin;
- Preliminaries;
- Construction contingency.

The pricing information required from the contractor will include pricing of specialized plant and equipment, trade pricing for key sub-contracted elements, estimated prices for self performed works and select sub-contractor works to allow a full estimate to be developed for the project at each design milestone. The estimating input will also include participation in value management forums and design forums where required.

7.3.1.3 NCA Works Approval for the West Basin Foreshore

Generally, CttL does not include any leased Territory Land, although some works are proposed in road reservations and undeveloped land which may be adjacent to leased land.

As CttL is generally located within a *designated area*, Works Approval is required from the NCA [as the relevant planning authority, see Section 12 *Australian Capital Territory (Planning and Land Management) Act 1988*].

As a consequence of both the above, the proposed development is generally exempt from the requirement for ACTPLA development approval (under Schedule 1.109 of the *ACT Planning Development Regulation 2008*) – other than for any proposed development related to land within a lease of Territory Land.

Following approval of the Draft Design Reports by the LDA, the LDA's consultant (Arup), with oversight and approval to be granted by the PO prior to lodgment, will be responsible for preparing and lodging Works Approval applications. The Construction contractor will also co-ordinate approvals from other ACT agencies with regulatory or infrastructure acceptance interest (for any further approvals required as a result of design changes since earlier approval).

The Construction contractor is not responsible for the payment of NCA Works Approval or ACTPLA Development Application lodgment fees.

8.0 ADDITIONAL DESIGN INFORMATION / REQUIREMENTS

8.1 Floating structures

The LDA consultant will provide a fully detailed design package for the floating structures. As is standard for floating structures of the likely size and use within CttL, it is expected that appropriate proprietary products will be adopted. These products have been progressively developed to specifically to meet particular functional requirements and would represent best value with respect to functional requirement, value for money and delivery programme.

The floating structures products should be evaluated selected and incorporated into the design during the concept and detailed design stages using the process outlined below. Any floating structure products will be evaluated by the consultant naval architects who should have extensive recent project experience in the design and technical review of such elements, including the floating pontoons.

- Construction contractor will develop a Function and Performance Specification for the pontoons, gangways and services. This specification will include geometric requirements, user comfort and floating structure response criteria, safety requirements and aesthetic requirements;
- With assistance from the Construction contractor, a Request for Expression of Interest (REOI) may be issued during the PSP stage to at least 3 potential suppliers with the Concept Design and Functional Specification. The Supplier's response shall include budget price, warranty details, delivery program, product specification and standard drawings. It should be made clear that the specification and drawings may be used as a part of a detailed design;
- With assistance from the Construction contractor, a preferred supplier may be selected and their proprietary product incorporated into the concept design and Performance Specifications;
- The Construction contractor's documentation will include the design of support piles, land side infrastructure, abutments and navigation aids;
- If required, the Construction contractor will include the Functional and Performance Specification and Supplier's Specification as an appendix within documentation. All references to proprietary products will be include wording “<proprietary name> or similar approved” to provide the contractor the flexibility to substitute products as required.

8.2 Design scope for utility services

The scope of design for utility services is summarised in the following table.

Utility service	Design by the Construction contractor (or novated Consultant)	Supplied by utility provider
NBN	Pit and pipe alignment	Cable design and installation
Actew Water (water and sewerage)	Full design	
ActewAGL	Co-ordination of electrical design within shared services trench and electrical services to blocks	Electrical design
ZNX (gas)	Co-ordination of gas designs within shared trench including block services	Gas reticulation design
Telecommunications – other than NBN (if required)	Co-ordination of additional telecommunications design within the shared trench	Pit and Pipe design. Cable design and installation.
Streetlight	Streetlight and open space lighting concept	Streetlight and open space lighting detailed design by ActewAGL

8.3 Project Coordination

The Construction contractor shall co-ordinate with all concurrent construction contractors (as required – refer **Section 6.2.3 of this Brief**) and is responsible for responding to the PO in a timely manner.

The Construction contractor is to advise the PO prior to any liaison or meetings with Agencies or stakeholders so that the PO may determine whether the PO wishes to also attend. The Construction contractor will also minute any liaison meetings that occur and report this information back to the PO with clear identification of required actions for discussion and/or response.

The Construction contractor must highlight to the PO, prior to submitting documents for agency approvals, any non-compliance to codes, guidelines and standards in any submission together with an explanation on why any dispensations are being sought.

The Construction contractor will discuss, as required on a day-to-day basis, any matters that have the potential to delay the completion of the project or affect the contract price.

The Construction contractor shall liaise with the PO to ensure that draft documentation is provided to the PO prior to any submission, allowing sufficient time for the PO to review and for the Construction contractor to make any necessary amendments.

9.0 WORKPLACE HEALTH AND SAFETY

9.1 Scope of works includes compliance with work health and safety requirements

Without limiting any other part of this brief to the extent this clause requires the Construction contractor to perform any tasks or take any actions they will form part of the scope of work as set out in this **Brief**.

9.2 Compliance with laws and consultation

The Construction contractor must comply with all work health and safety laws (which include, without limitation, the *Safe Design of Structures Code of Practice*). Complying with the obligations listed below does not relieve the Construction contractor of its obligations under these laws.

The Construction contractor must consult with the LDA about how to ensure that risks to health and safety arising from the design during the construction work are:

- (1) eliminated, so far as is reasonably practicable; or
- (2) if it is not reasonably practicable to eliminate the risks, minimised so far as is reasonably practicable.

(See section 17 of the *Work Health and Safety Act 2011* (ACT) and section 294 of the *Work Health and Safety Regulation 2011* (ACT)).

9.3 Duty to ensure health and safety in the workplace

The Construction contractor must ensure, so far as is reasonably practicable, that any plant or structure forming part of the project to be designed by the Construction contractor is designed to be without risks to the health and safety of persons:

- (1) who use the plant or structure for a purpose for which it was designed;
- (2) who construct the plant or structure;
- (3) who store the plant at a workplace;
- (4) who carry out any reasonable foreseeable activity at a workplace in relation to:
 - a. the manufacture, assembly or use of the plant for a purpose for which it was designed, or the proper storage, decommissioning, dismantling or disposal of the plant; or
 - b. the manufacture, assembly or use of the structure for a purpose for which it was designed or the proper demolition or disposal of the structure; or
- (5) who are at or in the vicinity of the plant or structure and who are exposed to the plant or structure or whose health and safety may be affected by a use or activity referred to in paragraph (1), (2), (3) or (4).

(See section 22(2) of the *Work Health and Safety Act 2011* (ACT)).

The Construction contractor must ensure that the design eliminates or where this is not reasonably practicable, minimises, the need for any hazardous manual task to be carried out in connection with the plant or structure.

(See section 61(1) and (2) of the *Work Health and Safety Regulation 2011* (ACT)).

9.4 Duty to test

The Construction contractor must carry out or arrange to be carried out, any calculations, analysis, testing or examinations that may be necessary for the performance of the duties referred to in clause 5.4.3.

(See section 22(3) of the *Work Health and Safety Act 2011* (ACT)).

9.5 Duty to provide information

The Construction contractor must give adequate information to each person who is provided with the design for the purpose of giving effect to it concerning:

- (1) each purpose for which the plant or structure was designed;
- (2) the results of any calculations, analysis, testing or examination referred to in clause 5.4.4;
- (3) any conditions necessary to ensure that the structure is without risks to health and safety when used for a purpose for which it was designed or when carrying out any activity referred to in clause 5.4.3(1) to (5); and
- (4) information about the features of the plant or structure that eliminate or minimise the need for any hazardous manual task to be carried out in connection with the plant or structure.

Upon request, the Construction contractor must, so far as is reasonably practicable, give current relevant information on the matters listed in clause 5.4.5 (1) to (4) to a person who carries out, or is to carry out the activities referred to in clause 5.4.3 (1) to (5).

(See section 22(4) and (5) of the *Work Health and Safety Act 2011* (ACT) and section 61(3) of the *Work Health and Safety Regulation 2011* (ACT).

9.6 Certified system

The construction contractor is required to have a certified OH&S system. This requirement is assessed as part of the prequalification to be held by the construction contractor.

9.7 Duty to provide written report

Upon provision of the final design by the Construction contractor to the LDA (and, if requested, at such other time as advised by the LDA), the Construction contractor must give the LDA a written report that states the hazards relating to the design of the structure that, so far as the Construction contractor is reasonably aware:

- (1) create a risk to the health or safety of persons who are to carry out any construction work in respect of structure; and
- (2) Are associated only with the particular design and not with other designs of the same type of structure.

(see section 295 of the *Work Health and Safety Regulation 2011* (ACT))

10.0 DESIGN INFORMATION

10.1 Standards

Works are to comply with the standards and guidelines identified in the **Basic Brief**.

10.2 Background Information

As well as the abovementioned Urban Design Strategy Report (referred to in Section 5.3.1), the following background material should be taken into account in providing the Services:

- The City Plan - Infrastructure Capacity Review Study, Cardno (NSW/ACT), 2014. Provided on request.
- AECOM (14 January 2010). *East West Corridor Infrastructure Study*. Canberra ACT including the *Paramics Modelling Technical Report*. Provided on request.
- AECOM (May 2012). Coranderrk Street Gross Pollutant Trap Short Term Options Study. Provided on request.
- Catchment analysis compiled in Cardno (April 2006). *City Area Infrastructure Capacity and Catchment Study*. Provided on request.
- SMEC (February 2006) Coranderrk Street Pond Water Quality Improvement Feasibility Study. Provided on request.

10.3 Construction Contractor Prequalification

The Construction contractor is required to have and maintain prequalification with the ACT Government for the period of the project (refer RFT).

Note that, if the Construction contractor is not prequalified, a sub-construction contractor holding this prequalification is insufficient to meet this requirement.

It is anticipated the skills of the Construction contractor, including its sub-construction contractors, for the project require experience in the following technical disciplines:

- Land reclamation;
- Foreshore, urban regeneration (including wharf, jetty construction);
- Utilities;
- High quality public realm landscaping.

ActewAGL is the nominated contractor for electrical design. Although co-ordination would be provided by the LDA consultant during Stage 1, design fees for these services will be paid directly by the LDA.

10.4 Novated Consultants

The LDA reserves the right to novate the design services for each work package between Stages 1 and 2. The contractor's offer at the end of Stage 1 shall include for the completion of all design documentation and professional services support during the construction phase.

11.0 PROGRAM

As part of his Project Quality Plan, the Construction contractor will submit a detailed program at the commencement of the project, in the form of a Microsoft Project compatible Gantt chart setting out the intended commencement and completion dates of the various tasks required to complete the project.

This program must be generally consistent with the Dates as set out in the Indicative Program below and include milestones for submission, circulation and approval of each design phase.

Indicative Program – Project Work

Activity	Date
Issue RFT	13 December 2014
RFT Closes	22 January 2015
Appoint Contractor (for Stage 1 works)	January/February 2015
Work Package 1 – Stage 1 Works Approval Application	March 2015
Work Package 1 – Guaranteed Construction Sum	March 2015
Work Package 1 – Design and Construction (subject to LDA acceptance)	April 2015
Work Package 2 – Stage 1 Works Approval Application	June 2015
Work Package 2 – Guaranteed Construction Sum	June 2015
Work Package 2 – Stage 2 Design and Construction (subject to LDA acceptance)	August 2015

12.0 PROJECT CONSTRUCTION BUDGET

The project has a total construction budget of \$27.5 million (excluding Stage 1 design Arup Pty Ltd fees). The construction contractor is required to co-ordinate the design with the proposed construction methodology, delivery schedule and trade package inputs to deliver a Guaranteed Construction Sum that is within a ceiling price of \$27.5million.

12.1 Validity of Stage 2 Pricing

The Stage 2 pricing is to be held valid for 150 days from submission to the LDA.

13.0 QUALITY ASSURANCE

13.1 LAND DEVELOPMENT AGENCY PROCUREMENT REQUIREMENTS

13.1.1 General

The Construction contractor shall undertake the design in accordance with Quality Assurance requirements detailed in **Attachment C** (forms USF944 and USF960 Tables as applicable). A Project Quality Plan for the Design Phase is required to be submitted within 2 weeks of engagement.

13.1.2 Design Verification

In particular, the Construction contractor shall submit a design plan and/or a design verification plan in accordance with Quality Requirements - Document Submission Form **USF960**.

13.1.2 Design Changes

The construction contractor shall notify the LDA in writing where the need for a significant design change becomes evident and shall obtain the LDA's written approval for any significant design change.

A significant design change is a change to an LDA approved design which;

- (i) significantly affects the basis of the LDA design approval, or

- (ii) significantly affects a formal commitment regarding the design made directly by the LDA to another agency, or
- (iii) affects LDA's specified requirements.

At final design (Document Readiness) stage the construction contractor is to certify that the design meets all statutory requirements and Brief requirements.

13.1.3 Design Validation

The Construction contractor shall plan and undertake validation of the design in accordance with the requirements below to ensure that the works conform to defined user needs and/or requirement.

USE ASPECT	STAGE VALIDATION REQUIRED

Submissions on design validation shall be lodged in accordance with the requirements for document submission set out in Form USF960.

14.0 LIAISON

All liaison with the LDA is to be through the Project Officer (PO):

Name: Nathan Greig

Telephone: (02) 6205 5192

Facsimile: (02) 6207 5101

Email: nathan.greig@act.gov.au

15.0 ATTACHMENT

Attachments are as follows:

Attachment A – Summary of Concurrent Projects

Attachment B – Quality Documentation

Attachment C – Foreshore Extent of Works (Concepts Sketches)

Risk Management Plan – Guide Notes

This 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 arrived at. 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	Risk Effectiveness Rating
Insignificant – Insig.	Rare - Rare	Low – Low	Adequate – Adq.
Minor – Min	Unlikely – U/L	Medium – Med	Room for Improvement – RFI
Moderate – Mod	Possible – Poss	High – High	Inadequate – I/ad
Major – Mai	Likely – Lklv	Extreme – Ext.	

Analysing (rating) the risk under 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." (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 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**
 - Adequate – doing everything we can
 - Room for improvement – more that could be done
 - Inadequate – controls do not treat the root cause of the risk.

Control: A measure that is modifying risk	Treatment: A process to modify risk.
A control can include any process, policy, practice or other action which modify risk. (ISO Guide 73:2009) This is something that is currently modifying the risk or managing the risk.	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). A treatment is a future planned action or process to be put in place to manage the risk.

NOTE TO USERS – Pages 1 – 4 are guide notes and can 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.

Risk Matrix



ACT Government
Chief Minister, Treasury and Economic Development

Risk Matrix Program / Project

		Frequency				
		Emergency	1	2	3	4
		>1 in 10	1 in 10 - 100	1 in 100 - 1,000	1 in 1,000 - 10,000	1 in 10,000 - 100,000
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 inquiring, 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		Severity		Risk	
	1	2	3	4	5	6
Almost Certain	Is expected to occur in most circumstances	Once a quarter or more	>1 in 10	High	High	Extreme
Likely	Will probably occur	Once a year or more	1 in 10 - 100	Medium	High	Extreme
Possible	Might occur at some time in the future	Once every 3 - 5 years	1 in 100 - 1,000	Low	Medium	High
Unlikely	Could occur but doubtful	Once every 5 - 20 years	1 in 1,000 - 10,000	Low	Medium	High
Rare	May occur but only in exceptional circumstances	Once every 20 - 100 years	1 in 10,000 - 100,000	Low	Low	High

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

Control Effectiveness Rating	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 suggested examples of frequency and consequences

Project Details			
Project	West Basin Point Park		
Project Objectives	The design and construction of the West Basin Foreshore – (from Commonwealth Avenue to the proposed Aquatic Centre).		
Contact Details:			
Directorate	LDA	Business Unit (if applicable)	
Name of Contact	Peter Rea	Phone no.	
Name of Decision Maker / Authority Holder	Liz Lopa		

Created by: Peter Rea

Date: 27/04/2016

Reviewed by: Nicholas Hudson

Date:

Approved by: Liz Lopa

Date: 27/04/2016

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, City to the Lake (CttL)	ICW are the project proponents responsible for timely project delivery within the allocated budget.	High
National Capital Authority (NCA)	Is a body of the Australian Government that was established to manage the Commonwealth's interest in the planning and development of Canberra as the capital city of Australia. Responsible Authority for Granting Works Approval	High
Transport Canberra and City Services (TCCS)	The ultimate asset owner of the road infrastructure component. Responsible for ensuring compliance with the Territory's Design Guidelines for Urban Infrastructure and asset acceptance.	High

Procurement Risk Management Plan

Public Transport TAMS (including ACTION)	Public Transport administers all aspects of transport for the Territory including public transport services (ACTION) and public transport infrastructure management.	Medium
ICON Water	ICON Water responsible for approving works and acceptance of assets under their responsibility including watermain relocation.	Medium
Jemena/ZNX	Jemena/ZNX responsible for approving works in the vicinity of the high pressure gas main.	Medium
Telecommunication Services Providers (Telstra, ICON, Opus, NBN)	Telecommunication services providers are responsible for approving works in the vicinity of their assets.	Medium
Environment, Planning and Sustainable Development Directorate (EPSDD)	Responsible Directorate for planning the Northbourne Avenue corridor. The Environment Protections Authority (EPA), as part of EPSDD are responsible for compliance with the regulatory framework related to use of water during construction, sediment and erosion control, dust emission etc.	Medium

Procurement Risk Management Plan

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	Tree Removal	<ul style="list-style-type: none"> Public or media criticism. 	<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. 	Project Officer Site Manager PAP	Moderate	Possible	Medium	Adequate
2	Disturbing Wildlife	<ul style="list-style-type: none"> Public or media criticism. 	<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. 	Project Officer Site Manager PAP	Moderate	Possible	Medium	Adequate

Procurement Risk Management Plan

3	Realign Cycle Path	<ul style="list-style-type: none"> Public or media criticism; and The community is unable to utilise sections, incurring possible inconvenience. 	<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. 	Project Officer Site Manager PAP	Moderate	Possible	Medium	Adequate
4	Lake Users (e.g. Kayaking and Fishing)	<ul style="list-style-type: none"> Public or media criticism; and The community is unable to use closed off areas. 	<ul style="list-style-type: none"> NCA to provide regular updates in meetings with lake users; and Extensive community consultations on NCA Works Approval. 	Project Officer Site Manager PAP	Moderate	Possible	Medium	Adequate
5	Non compliance of construction to current legislation	<ul style="list-style-type: none"> Building approval not granted; Delays in completion; Additional costs incurred; and Stakeholders unable to use Facilities 	<ul style="list-style-type: none"> An independent Building Certifier may be engaged to review documentation for compliance purposes. The Building Certifier will also provide a Building Approval and Building Permit based on the developed design documentation, undertake inspections of the works at key stages of the project and provide the Certificate of Occupancy and Use upon satisfactory completion of the works. 	PAP	Moderate	Possible	Medium	Adequate

Procurement Risk Management Plan

6	Ineffective management of contracts to ensure the safe and economical completion of the works.	<ul style="list-style-type: none"> Exposure and /or delivery of sub-standard / unprofessional work; Unsafe work practices applied; Danger to contractor and any subcontractor on site; and Community exposed to unnecessary risk and dangers. 	<ul style="list-style-type: none"> Principals Authorised Personnel (PAP) to monitor / coordinate: invoicing, contractor performance and budget compliance; tracking the progress of work and monies paid; conducting performance reviews and manage poor performance and identify remedial actions and outcomes; and safety reporting in accordance with contract and WHS Guidelines. 	PAP	Moderate	Possible	Medium	Adequate
7	Unsafe work practices and / or damage to property not part of the works.	<ul style="list-style-type: none"> Adverse media attention and/or criticism directed back to Government over the conduct of the works; Injury to onsite personnel and / or to members of the community; Inadequate site safety containments and / or security measures in place; Disregard for WHS compliance requirements; Community confidence diminished; and Closure of site pending an outcome of an audit/investigation. 	<ul style="list-style-type: none"> Principals Authorised Personnel (PAP) to undertake regular inspections to ensure the safety of all individuals onsite as well as to safe guard the safety of members of the community; and Safety reporting undertaken in accordance with Short Form Contract and WHS Guidelines to provide assurance to Territory. 	PAP	Major	Unlikely	High	Adequate

Procurement Risk Management Plan

8	Work Health & Safety (WHS) issues identified during construction	<ul style="list-style-type: none"> Disregard for WHS processes to ensure the safety and well-being of all onsite personnel including to members of the community; Contractor does not possess sufficient or adequately trained staff to safely undertake the works; Criticism directed at Government from a variety of sources (other businesses, the Opposition and the general public) over construction work practices; and Contractors may look to increase costs through price variation requests to accommodate WHS requirements. 	<ul style="list-style-type: none"> Principals Authorised Personnel (PAP) to ensure WHS plans are developed and implemented and that all nominated staff and/or sub-contractors are appropriately qualified and trained prior to the conduct of any work; and Checks to regularly review WHS plans, staff qualifications and work processes including Safe Work Management Plans for suitability. 	PAP	Major	Possible	High	Room For Improvement
9	Project not delivered on time. Disruption due to wet weather.	<ul style="list-style-type: none"> Unanticipated or unexpected work delay associated with the delivery of the work; and Additional cost to accelerate program. 	<ul style="list-style-type: none"> Regular monitoring of work against the program. Re-schedule program if slippages occur to critical path items. Close monitoring of timely progress by Principals Authorised Personnel (PAP) during construction. 	PAP	Moderate	Possible	Medium	Adequate
10	Unsatisfactory Temporary Traffic Management Plans (TTM's).	<ul style="list-style-type: none"> Disruption and/or inconvenience to travelling public; and Possible traffic ,pedestrian and worker accidents 	<ul style="list-style-type: none"> TTM plans require authorisation. Contractor to develop conceptual TTM plans for approval. PAP to constantly monitor work site. Road closure outside peak hours only. Detour route to be provided. 	PAP	Moderate	Possible	Medium	Adequate

Procurement Risk Management Plan

11	Work Health & Safety (WHS) issues identified during construction	<ul style="list-style-type: none"> Disregard for WHS processes to ensure the safety and well-being of all onsite personnel including to members of the community; Contractor does not possess sufficient or adequately trained staff to safely undertake the works; Criticism directed at Government from a variety of sources (other businesses, the Opposition and the general public) over construction work practices; and Contractors may look to increase costs through price variation requests to accommodate WHS requirements. 	<ul style="list-style-type: none"> Principals Authorised Personnel (PAP) to ensure WHS plans are developed and implemented and that all nominated staff and/or sub-contractors are appropriately qualified and trained prior to the conduct of any work; and Checks to regularly review WHS plans, staff qualifications and work processes including Safe Work Management Plans for suitability. 	LDA /PAP	Major	Possible	High	Room For Improvement
12	Long lead time on specific NCA material items	<ul style="list-style-type: none"> Investigate the availability of goods and equipment. Undertake procurement allowing sufficient lead time for delivery Include Liquidated Damages in contracts. 	<ul style="list-style-type: none"> LDA and PAP to monitor procurement program. Effect timely approvals. 	LDA /PAP	Moderate	Possible	Medium	Adequate
13	Formal project approvals not given to enable construction stage to commence	<ul style="list-style-type: none"> Possible changes to approved design and documentation required. Delays in completion Additional costs incurred 	<ul style="list-style-type: none"> Regular LDA fortnightly meeting with NCA to alleviate any delays in seeking approval. LDA Project Manager to review all draft deliverables prior to submission to approving authority. Project plan must detail deliverable due dates. 	LDA	Moderate	Possible	Medium	Adequate

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/ Cause) <i>The risk event, source and cause. (Copied from above)</i> <i>What can happen (that will affect our ability to meet our objectives) and how it comes about.</i>	Additional Risk Treatments or actions to be taken: to Manage the risk. <i>(In addition to the Business as Usual Controls listed above.)</i> <i>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	Control effectiveness	Implementation and Reviewing		Emergency Response Should Control Measures Fail. <i>(The risk is realised.)</i> <i>Contingency Plan.</i>
							Responsible Officer <i>(Officer responsible for implementation and ongoing review)</i>	Implementation Date <i>(Date to be completed by)</i>	
11	Work Health & Safety (WHS) issues identified during construction	<ul style="list-style-type: none"> Initial briefing to Contractors to include information about project specific WHS requirements; and Principals Authorised Person (PAP) to be available to monitor on site works as necessary. 	Major	Possible	High	Room For Improvement	PAP	Ongoing	<ul style="list-style-type: none"> Stop work on site and inform relevant Authorities (i.e. WorkSafe ACT); and Ensure that work does not continue until problems have been resolved and relevant authorities have provided formal confirmation.

**MINUTES
24/2016-17**

Government Procurement Board – Standing Proposals Meeting

**8.30 am – 11.00 am Tuesday 23 May 2017
Level 5 Boardroom, Macarthur House, 12 Wattle Street Lyneham**

Attendees:

Karen Doran (Chair), Meredith Whitten, Shaun Strachan, Richard Bear, Roger Broughton, Virginia Shaw, Stephen Goggs, Vanessa Althorp (Secretariat)

1. Apologies:

Graham Tanton, George Tomlins, Glenn Bain

2. Conflict of Interest

No Conflicts declared

3. Procurement Plans for Consideration

Construction of the West Basin Point Park, City to the Lake- Land Development Agency (LDA)

Proponents:

- Neil Bulless – A/g Deputy Director- General, Urban Renewal, LDA
- David Hughes – Development Director, City to the Lake, LDA
- Peter Rea –Senior Infrastructure Manager, City to the Lake, LDA
- Judy Xiao - City to the Lake, LDA

The Board noted the presentation from the proponents, providing background and context for the procurement approach:

- a. There have been considerable savings achieved through negotiating percentages within the contingency
- b. The original figures presented to the Board are no longer accurate
- c. LDA has been working closely with National Capital Authority
- d. LDA is committed to an open tender for Stage 2

The Board asked the proponent to provide a brief with a summary of the variation, approvals and arrangements.

The Board noted the LDA will bring the RFT to the Board for Stage Two.

The Board endorsed the variation to the contract for construction of the West Basin Point Parklands 1B with a total value not exceeding \$5,980,595.94 (Ex GST)

Out of Scope



4. **Other Business**
Out of Scope



The meeting closed at 10.00 am



Suburban Land Agency

MINUTE

Date	22 November 2017	TRIM No: BM17/2041
		File No:
To	Government Procurement Board	
From	Chief Executive Officer, Suburban Land Agency	
Subject	West Belconnen Joint Venture – Procurement	

 22/11/2017
 APPROVED FOR RELEASE

Purpose

1. To provide an overview of the joint venture at West Belconnen and advice received from the ACT Government Solicitor (ACTGS) on the application of the *Government Procurement Act 2001* (the Act).

Background

2. The Australian Capital Territory (Territory) has entered into a joint venture to develop land in Belconnen and into adjacent land in New South Wales. The Participants to the joint venture, being the Territory and Riverview Developments Pty Ltd (Riverview), have also sought to develop a selection of housing on the land being developed by way of a separate agreement.

3. Sch 1 s1.2

West Belconnen Joint Venture

4. The West Belconnen Joint Venture is a large land development project proposed on the western edge of Belconnen in the ACT, which will extend across the border into a small landlocked area of New South Wales (NSW). The development is contemplated as a cross-border development.
5. In May 2016, the Territory entered into an unincorporated joint venture agreement with Riverview Developments Pty Ltd (Riverview) to develop the cross border site.
6. The development, branded and known as Ginninderry, aims to deliver approximately 11,500 dwellings over a 40 year period. The site comprises several leased and unleased parcels of land in the ACT and several freehold parcels in NSW owned by Riverview, with the majority of land currently being used for rural purposes. The Ginninderry project is an extension of the existing urban area of Belconnen. It provides a third residential development front within the ACT (in addition to Gungahlin and Molonglo Valley).
7. The Joint Venture Agreement sets out terms for the development and sale of land, and establishes a Board that will be the executive management vehicle for the joint venture. All decisions and determinations required to be made by the Participants in relation to

- the joint venture will be made through and by the Board, and the Board will exercise on behalf of the Participants overall supervision of the project and the joint venture.
8. Operational management of the project is carried out by a Development Manager and a Marketing and Sales Manager which are both subsidiary companies of Riverview and are appointed by the Joint Venture Participants. The operational management is overseen by a Project Control Group consisting of members from Riverview and the Suburban Land Agency.
 9. The formation of the Joint Venture came after many years of discussion and negotiation between the Territory and Riverview, which included the Territory signing a Heads of Agreement in 2013 as a precursor to the Joint Venture. The terms of that agreement included Riverview providing the development management and sales and marketing services for the project.
 10. The Joint Venture is based on 60:40 share between the Participants. The Territory has a sixty percent interest, with Riverview holding a forty percent interest. The determination of each Participant's share is based on respective returns from land held by the Participants that are committed to the project. Funding of the Project is via a finance facility agreement with an approved lender or by the Suburban Land Agency.
 11. Sch 1 s1.6 In February 2016 the Treasurer, under the *Financial Management Act 1996*, authorised the formation of the Joint Venture.
 12. Under the terms of the agreement the Land Development Agency (LDA) (now Suburban Land Agency) is appointed as the Territory's agent to manage its interests in the Joint Venture.
 13. Sch 1 s1.2
 14. The LDA Board endorsed the agreement to enter into the Joint Venture in March 2016.

Ginninderry Built Form Joint Venture

15. A key element of the Government's *Affordable Housing Action Plan* has been to increase supply of land and housing to those sectors of the market most in need. The Ginninderry project given its location and expected demographic profile is ideally suited to contribute in this area. In addition to the delivery and the sale of residential and other land, supply of affordable housing is an important consideration and objective of the Ginninderry project.
16. A separate Joint Venture (Ginninderry Built Form Joint Venture) is being formed between the Suburban Land Agency and Riverview in order to ensure this objective is met. The Joint Venture will allow both parties to equally share control of the delivery of

this housing product in line with broader objectives of the project. A key outcome of the Joint Venture is to demonstrate and deliver affordable and compact housing products that contributes to affordable sales in line with the *ACT Affordable Housing Action Plan* requirements. This aligns with Suburban Land Agency's function to increase the supply of affordable housing (s39 of the *City Renewal Authority and Suburban Land Agency Act 2017*).

17. In July 2016 a joint venture proposal was considered by the LDA Board. [REDACTED] Sch 1 s1.6 [REDACTED] in June 2017 the Treasurer, under the *Financial Management Act 1996*, authorised the formation of the joint venture.
18. The Built Form Joint Venture will be a 50:50 shared arrangement between the Suburban Land Agency and Riverview. The oversight of the Joint Venture will be provided by a Board, similar to the West Belconnen Joint Venture. Likewise the operational management for the delivery development and selling of land and housing packages is to be undertaken by Riverview.
19. For the first stage (Stage 1) of Ginninderry, the Built Form Joint Venture plans to deliver approximately 70 homes with land packages out of a total 356 land sales for this stage. The homes and associated land will be sold to members of the public that meet eligibility requirements, including having a maximum household income cap.
20. Subject to successful implementation in Stage 1 and consistent with the joint venture objectives, the project would continue to deliver housing in later stages of the Ginninderry project. The Joint Venture Board will regularly review the project and consider the financial performance, success of delivery to the intended market and other matters that may impact on the projects viability.

Operational Management

21. The West Belconnen Joint Venture and the Ginninderry Built Form Joint Venture are agreements that mirror similar arrangements within each agreement. The terms of both agreements appoint Riverview to the roles of Development Manager and Marketing & Sales Manager. Business Plans and Procedures Manuals align with each other to ensure the efficient operations of the broader project. A summary of the arrangements applying to the West Belconnen Joint Venture and the Ginninderry Built Form Joint Venture is at Attachment A.

Development Manager

22. Riverview is appointed as Development Manager under the terms of the Joint Venture Agreements. The Development Manager manages the delivery of the project including any subcontracting of works and management of subcontractors. The commercial arrangement of the joint venture recognises that Riverview has a shared interest in the performance, risk and financial return, and the appointment of Riverview provides:
 - the necessary experience and expertise for the delivery of the development consistent with the project objectives;
 - unique knowledge and allied objectives to efficiently and cost effectively deliver the project; and

- the capability of managing the variable delivery timeframes that will arise throughout the life of the project in a manner that is commensurate with the social and financial objectives of the project.

Marketing and Sales Manager

23. Riverview is appointed as Marketing and Sales Manager (MS Manager) under the terms of the Joint Venture Agreements. The MS Manager manages the sales and marketing of the land and housing product constructed for the Joint Ventures. The appointment by the Joint Venture of the MS Manager also recognises that Riverview has a shared interest in the performance, risk and financial return. Importantly, the appointment in both Joint Ventures ensures the efficiencies extend to the provision of a seamless sales experience for potential buyers.
24. Governance arrangements for the Joint Ventures are documented within the agreements to allow the project to function with the necessary oversight of its Board. In particular the terms of the agreements requires a Business Plan, detailing the budget, funding, outcomes and timing for the project's activities as well as the requirement for a Procedures Manual that will guide the operations of the project.
25. The Procedures Manual establishes the processes and procedures for the management of the project including the procurement of contractors and consultants, delegated authorities and responsibilities and any other authorisations deemed to be required by the Participants in accordance with the Board approved Business Plan. The Procedures Manuals are similar in both Joint Ventures, including the same requirements and approaches to the principles of value for money in procurement.
26. The respective Joint Venture Boards and the Project Control Groups have roles in approving procurements undertaken by the Development Manager and Marketing and Sales Manager. The financial thresholds set for procurements are endorsed by the Joint Venture Board. The Suburban Land Agency representatives on the Board and on the Project Control Group must ensure that approvals do not exceed their own delegated authority. In the event that the financial value of the procurement exceeds the delegation limits of the Suburban Land Agency representatives, they will seek approval from the relevant delegate within Suburban Land Agency prior to approving the procurement proposal.

Issues

27. In April 2017, the ACTGS provided advice on the structuring of agreements for the delivery of the project to ensure the Built Form Joint Venture is able to address the contractual aspects for the delivery of house and land packages.
28. Under the terms of both Joint Ventures, Riverview is fully responsible for the delivery of all necessary works for the project including those undertaken through subcontractors. In addition to the delivery of the project, Riverview is responsible for the sale of land and for the sale of homes, which involves selling an asset partly owned by the Territory. This issue has been considered by the ACTGS with advice that the Act will apply to the non-land component of the Built Form Joint Venture.

29. The application of the Act has effect as the Joint Venture establishes, under the terms of the agreement, the contracting of the provision of services by Riverview to the Joint Venture. Given the Suburban Land Agency is subject to the Act and it is a party to the Joint Venture, its involvement means the two contracted entities (Development Manager and Marketing & Sales Manager) are seen to be procurements that would be notified under the Act.
30. Further advice from ACTGS in September 2017 with respect to the West Belconnen Joint Venture Agreement, confirmed that the procurements that the Joint Venture has entered into by way of the associated agreements (contracting the Development Manager and Marketing & Sales Manager) are procurements to which the Act applies.
31. The advice noted that the particular structuring set out by the Joint Venture arrangements is not one that is directly contemplated by or provided for in the Act. ACTGS has advised that based on the structure of the Joint Venture Agreement the Act would not apply to procurement activities undertaken by Riverview on behalf of the Joint Venture. In summary the advice contends that application of the Act should apply to the engagement of the Development Manager and Marketing and Sales Manager, though not to the procurement activities of these respective entities.
32. In the past the former LDA has been involved in several land development joint ventures with similar agreements and governance arrangements which included development management services being provided the non-government participant. The joint venture framework, which is familiar to the land development industry, is typically utilised when the Territory elects to have greater involvement in development outcomes when releasing large parcels of land to the private sector. These joint ventures are usually brought to the market through a Request for Tender process for the development of an "englobo" parcel of land that will ultimately deliver a number of consequential parcels for sale.
33. The issue of the Territory's involvement in procurement activities undertaken by joint ventures had previously been considered by Chamberlains Law Firm in 2006 and advice given to the LDA that the Act was not applicable to the activities of the joint venture. Consistent with this advice, the LDA has managed joint ventures with a similar framework in this manner.

Recommendations

It is recommended that the Government Procurement Board **note**:

- The procurement arrangements for the Ginninderry project;
- The structure and arrangements for the West Belconnen Joint Venture and Ginninderry Built Form Joint Venture projects; and
- The contracts for Riverview undertaken by both Joint Ventures will be notified pursuant to the *Government Procurement Act 2001*.

It is recommended that the Government Procurement Board **endorse**:

- The procurement arrangements for the Ginninderry project noting that the contracts for Riverview undertaken by both Joint Ventures will be notified pursuant to the *Government Procurement Act 2001*.

Name: Tom Gordon
Title: Executive Director
Branch: Greenfields
Division: Suburban Land Agency
Date: November 2017

Action Officer: Chris Webb
Branch: Greenfields
Extension: x76824

ATTACHMENT A

Project Overview

	West Belconnen Joint Venture	Built Form Joint Venture
Project Name	Ginninderry, brand and market name for the West Belconnen Joint Venture	Built Form Joint Venture
Purpose	Development and sale of land within the ACT and NSW set out in the Joint Venture Agreement	Delivery and sale of affordable and demonstration homes within the Ginninderry project
Commercial arrangement	Unincorporated joint venture	Unincorporated joint venture
Term	Earlier of: - 99 years; - Completion of project objectives; or - Termination	Earlier of: - Termination of the West Belconnen Joint Venture; - Completion of project objectives; or - Termination
Funding	Project sources financing either through Commercial Finance facility or SLA	Project sources financing either through Commercial Finance facility or SLA
Participants	Australian Capital Territory (Territory) and Riverview Developments (Riverview)	Suburban Land Agency (SLA) and Riverview Developments (Riverview)
Agent representative of a Participant	Suburban Land Agency for the Territory	None
Approvals	Sch 1 s1.6 Treasurer 2016 (FMA) LDA Board 2016	Sch 1 s1.6 Treasurer 2017 (FMA) LDA Board 2017
JV Agreement Executed	May 2016	Not yet executed
Land Ownership	Territory (ACT land) Riverview (NSW land)	Land sold as separate contract to house contract
Participants Equity Share of Joint Venture	Territory 60% Riverview 40%	Territory 50% Riverview 50%

	West Belconnen Joint Venture	Built Form Joint Venture
Governance	<u>Board</u> 2 members SLA (1 Board, 1 Exec) 2 members Riverview 1 Independent Chair <u>Project Control Group</u> 2 members SLA (1 Exec, 1 Senior Officer) 2 members Riverview	<u>Board</u> 2 members SLA (1 Board, 1 Exec) 2 members Riverview 1 Independent Chair <u>Project Control Group</u> 2 members SLA (1 Exec, 1 Senior Officer) 2 members Riverview
Operational Management	Riverview appointed as - Development Manager & - Marketing and Sales Manager	Riverview appointed as - Development Manager & - Marketing and Sales Manager
Project Control Requirements	<u>Business Plan</u> –details scope of work to be completed to meet project objectives <u>Procedures Manual</u> – details processes and procedures for management of project in accordance with Business Plan. Monthly JV Board Reporting Financial Bi-annual Review Annual Financial Audit by ACT Audit Office	<u>Business Plan</u> –details scope of work to be completed to meet project objectives <u>Procedures Manual</u> – details processes and procedures for management of project in accordance with Business Plan. Monthly JV Board Reporting Financial Bi-annual Review Annual Financial Audit by ACT Audit Office

**MINUTES
13/2017-18**

Government Procurement Board – Standing Proposals Meeting

**8.00 am –10.00 am Tuesday 28 November 2017
Education Boardroom, 220 Northbourne Ave, Braddon**

Attendees:

Karen Doran (Chair), Richard Bear, Virginia Shaw, Graham Tanton, Stephen Goggs, Glenn Bain (ex- officio), Kylie Bailey (Secretariat)

1. Apologies:

Meredith Whitten, Roger Broughton

2. Conflict of Interest

Sch 2 s2.2(a)(ii)

Out of Scope

3. Procurement Plans for Consideration

West Belconnen Joint Venture

Proponents:

- Tom Gordon – Executive Director Greenfields, Suburban Land Agency (SLA)
- Chris Webb – Development Director, Industrial, Commercial, Greenfields, SLA

The Board **noted** the presentation from the proponents, providing a background to the project and their procurement approach:

- a) Ginninderry in a Joint Venture (60% ACT Government and 40% Riverview Developments) established in May 2016 to develop land in Belconnen and into NSW.
- b) The JV have also sought to develop a selection of housing on the land being developed by way of a separate JV (50/50) agreement.
- c) sch 1 s1.2
- d) These procurements have already been undertaken. The Proponents are seeking to inform the Board and provide an understanding of what has occurred to date.
- e) The JV was created under the Financial Management Act.
- f) A business plan is produced each year and a Procedures Manual has been developed which sets out the policies under which the JV should operate, delegations structure and procurement framework.

The Board **asked** the proponent to:


- a) Provide a copy of the Procedures Manual to members.

The Board acknowledged the processes and governance frameworks supporting the establishment and operation of the JVs. The Board **requested** a copy of the Procedures Manual and **agreed** to discuss further at the next meeting after reviewing the procurement framework elements of the Procedures Manual.

Out of Scope




Out of Scope



4. Other Business

Out of Scope



5. Minutes from Previous Meeting

Out of Scope



6. Actions

The meeting closed at 9.30 am



Procurement Plan Minute

PROCUREMENT OVERVIEW	
To	Executive Director Urban Renewal
Name of Project	Mixed Public Housing and Defence Housing Australia Development in Gungahlin
Project Number	NA
Tender Number/s	NA
Subject Type	Disposal
Procurement Methodology	Single Select
Purpose	Sch 1 s1.6
Estimated value (\$) Inclusive of GST	<p>A sales price has been negotiated and agreed as per below:</p> <p>Part Block 4 Section 249 Gungahlin - 8 Townhouses - \$4,646,160.00</p> <p>Part Block 1 Section 248 Gungahlin - 7 Townhouses - \$4,009,403.00</p> <p>Part Block 9 Section 39 Taylor - 10 Townhouses - \$5,331,420.00</p> <p>Part Block 3 Section 37 Taylor - 8 Townhouses - \$4,840,560.00</p> <p>A Heads of Agreement between the ACT Government and DHA guided the negotiation process and the agreed sales price was informed by two independent valuations.</p>
Timing/urgency	<p>Exchange of Contracts with DHA is expected in the next 2 or 3 weeks.</p> <p>(Note: timings are estimates and may change after the Procurement Plan is signed)</p>
Is Government Procurement Board sign off required?	<p>Yes.</p> <ul style="list-style-type: none"> \$1 million or more for all disposal activities.
Is ACT Government Solicitor (ACTGS) consultation required?	Sch 1 s1.2
PROCUREMENT REQUIREMENTS	
Scope of works or services to be provided	Disposal of 4 Townhouse Developments.
Funding	Sch 1 s1.6
Site	<p>Part Block 4 Section 249 Gungahlin</p> <p>Part Block 1 Section 248 Gungahlin</p> <p>Part Block 9 Section 39 Taylor</p> <p>Part Block 3 Section 37 Taylor</p>
Consultation (including	The Taskforce has consulted Chief Minister, Treasury and Economic