

DIT Prequalification System for Demolition & Asbestos Removal



Government of South Australia
Department for Infrastructure
and Transport

DIT Building Prequalification System

Trades / Subcontractors: Demolition and Asbestos Removal

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1 INTRODUCTION

1.1 Background

The Department for Infrastructure and Transport (DIT) Prequalification System for Demolition and Asbestos Removal is used for all DIT projects that include demolition or asbestos removal.

Suitably experienced companies (“Applicants”) are invited to apply for prequalification with DIT in accordance with these Guidelines.

The purpose of the prequalification scheme is to:

- achieve consistency, fairness and transparency in DIT’s tendering and selection processes;
- minimise the work being undertaken by companies who do not have sufficient capability and capacity;
- reduce the cost of tendering and tender assessment for both industry and Government; and
- encourage high standards and continuous improvement that will contribute to a sustainable building and construction industry in South Australia.

The system applies regardless of whether the company undertaking the demolition and / or asbestos removal work is contracting directly with DIT or working as a sub-contractor.

1.2 Prequalification Categories

The following categories, which relate to the complexity, risk and value of the work are available:

D1: Demolition Simple:	Straightforward, low risk, small scale demolition such as residential houses.
D2: Demolition Complex:	Medium to large scale work, moderate to high risk & complexity, such as commercial and multistorey buildings.
AR1: Asbestos Removal Simple:	Small scale, straightforward removal.
AR2: Asbestos Removal Complex:	Medium to large scale work, moderate to high risk & complexity, such as commercial and multistorey buildings.

A more comprehensive description of each category is included in Appendix A.

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To become prequalified, a company must demonstrate that they have the experience, resources and management systems to successfully undertake the work for projects in the category that they have applied for. Prequalification in a higher category automatically prequalifies that company in the lower categories.

A company's financial capacity is not considered in the prequalification system. However, DIT reserves the right to undertake an assessment of financial capacity prior to the award of a contract.

1.3 Conditional Prequalification

Where an Applicant does not meet every specified eligibility criteria, the Applicant may be granted "Conditional" Prequalification. For example, where a newly formed company, which has suitably experienced personnel and satisfies the requirements for systems and other resources, is unable to satisfy all of the past experience criteria, but DIT considers that the company is competent to undertake the work.

The granting of Conditional Prequalification is at the absolute discretion of DIT. Providing the conditionally prequalified contractor continues to comply with the nominated conditions of their prequalification, they will be eligible to tender for contracts in the categories and financial level they are conditionally prequalified in.

1.4 Tendering

DIT may stipulate the use of a prequalified sub-contractor when calling tenders for a general building contract. If DIT intends to contract directly with companies who are prequalified under this trade / subcontractor system, DIT will either:

- issue a restricted tender call to selected prequalified companies; or
- publish tenders on www.tenders.sa.gov.au as an open call to all prequalified companies at the appropriate level.

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2 APPLICATION AND ASSESSMENT PROCESS

2.1 Applications

Companies are invited to apply for prequalification by completing and submitting the application form, which may be downloaded from: http://www.dit.sa.gov.au/contractor_documents/prequalification.

The application must be submitted in accordance with the instructions on the front of the Application Form. Do not submit a hard copy.

Enquiries may be directed to DIT.Prequal@sa.gov.au or the phone number on the above internet site.

2.2 Assessment Criteria

Listed below is an overview of the assessment criteria that will be used to assess Applicants. Full details of the information to be submitted and the minimum criteria for each level are included in the Application Form.

Criteria 1: Company experience

Applicants are required to demonstrate satisfactory performance on past and current relevant projects. Details of the nominated projects must be provided, along with Performance Reports and Referee details.

Criteria 2: Personnel

Applicants must have procedures and policies for staff competency assessment, training & development and evidence of implementation.

Criteria 3: Management Systems

The Applicant must have management systems which are appropriate for the category applied for which cover:

- safety;
- quality; and
- environmental.

2.3 Assessment of Applications

DIT may take into account information from any of the following sources:

- Information submitted with the application;
- documented evidence held by DIT or other government agencies regarding the Applicant's previous performance;
- information that was submitted in a previous prequalification application (where appropriate);
- any other valid information relevant to the Application, notwithstanding that the information has not been submitted by the Applicant.

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Performance reports will be a key consideration for determining whether an Applicant meets the minimum requirements for company experience. Where the Applicant submits a Performance Report from a DIT project, it must be on the DIT Performance Report proforma. If the project is a non-DIT project, the performance report must cover the same elements as the DIT Performance Report.

DIT is not obliged to accept a non-DIT Performance Report if DIT forms the reasonable opinion that it is biased, inadequate or not representative of the Applicant's actual performance on that project.

The referee must have a technical role in and knowledge of the contract and, in consultation with other team members, must be capable of making impartial technical assessments of the contractor's performance. The referee must be independent of the company.

Where a Performance Report indicates that the company's performance is marginal or unsatisfactory, the Applicant must demonstrate that it has successfully implemented corrective action to prevent a re-occurrence of the issue.

DIT may use internal and / or external assessors when considering an application.

2.1 Notification

Applicants will be notified in writing regarding which, if any, prequalification category it has achieved within 6 weeks of lodgement of their application. However, if the information provided is not sufficient to complete the assessment, DIT will advise the applicant accordingly within this 6 week period, which may also be extended.

Applicants that are not satisfied with the outcome of the assessment may lodge a request for a review or appeal, as detailed in Section 4 of these Guidelines.

2.2 Upgrading Prequalification Status

A prequalified contractor may apply for an upgrade of its prequalification status after having successfully completed several projects at the current level.

To be eligible for an upgrade, a Contractor must be able to demonstrate that its circumstances have changed sufficiently since its last prequalification application was assessed. As such, it may not be necessary to complete the entire application form and Applicants should confirm the requirements for the application with DIT before submitting an upgrade application. Temporary upgrades for specific projects will not be issued.

2.3 Maintenance of Prequalification

Prequalification is for a notional 3 year period. However, if a company is subject to adverse performance reports, undergoes a restructure or its competency is materially reduced, DIT may request a new application. At any time, DIT may seek confirmation that the information submitted with an application remains relevant or request an update of the information.

DIT will monitor and assess the ongoing performance of each prequalified company. A company's ongoing prequalification is subject to it maintaining a satisfactory level of performance in its delivery of contracts. A failure to comply with the requirements for maintenance of prequalification may result in the prequalification being withdrawn or the level downgraded in accordance with the DIT Building Conditions of Prequalification (refer Section 3 of these Guidelines).

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3 TERMS AND CONDITIONS OF PREQUALIFICATION

Applicants and prequalified contractors are required to comply with the Building Conditions of Prequalification, available from:

http://www.dit.sa.gov.au/contractor_documents/prequalification

Details of the review and appeal process are also included in the above document.

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APPENDIX A – CHARACTERISTICS AND EXAMPLES OF BUILDING PROJECTS IN EACH CATEGORY

The following characteristics are indicative for each category. However, it is not expected that any one project will include all of the following characteristics.

D1: Demolition Simple

- Total cost of demolition is typically; less than \$250,000.
- Small scale of work
- Low technical risk / complexity.
- Site reasonable accessible.
- Usually requires the use of standard demolition equipment.

D2: Demolition Complex

- Total cost of demolition typically greater than \$250,000.
- Medium to large scale work.
- May be medium to high technical risk / complexity, such as high-rise buildings, major steel structures or obsolete factories.
- Site may be confined and have access difficulties.
- Often in close proximity to buildings to be retained or currently occupied.
- May involve heritage buildings.
- May require special techniques such as using explosives / dealing with hazardous materials.
- Will require the use of multiple items of highly specialised / large demolition equipment such as long reach booms.

AR1: Asbestos Removal Simple

- Total cost of removal and reinstatement is typically less than \$100,000.
- Small scale of work.
- Low technical risk / complexity.
- May require some coordination / management of other building trades to reinstate the building once the asbestos has been removed.

AR2: Asbestos Removal Complex

- Typically total cost of removal and reinstatement in excess of \$100,000.
- Medium to large scale of work.
- May be of moderate to high technical risk / complexity (eg multistorey office blocks, commercial building, operating facilities)
- Usually will require significant coordination / management of other building trades to reinstate the building once the asbestos has been removed.