

**Transport Infrastructure Project Delivery System  
Volume 3 – Requirements**

**National Prequalification System for Civil  
(Road and Bridge) Construction Contracts,  
Incorporating Asphalt Prequalification**

**March 2023**

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## 1 Introduction

### 1.1 Background

Austrroads has developed the *National Prequalification System* (NPS) to create a harmonised framework for roadworks and bridgeworks construction contracts. Companies wishing to submit tenders to Australian road agencies for these contracts must be prequalified under the NPS. The Department of Transport and Main Roads is a participant in the NPS.

Throughout this document, grey framed boxes (such as this one) indicate that the enclosed text is specific to Queensland and Transport and Main Roads prequalification system requirements.

The key features of the NPS include:

- consistent eligibility requirements and prequalification categories across Participating Agencies
- a company that is prequalified in one jurisdiction may have that prequalification recognised by other Participating Agencies
- minimisation of unique localised systems and requirements
- consistent contractor performance reporting and sharing of this information across road agencies, and
- the promotion of best practice in the road and bridge construction industry.

Prequalification consists of a continuous process of:

- an initial assessment of a contractor's capabilities at the time of lodgement of an application (including its operational management systems)
- further financial and/or technical checks during the tender assessment process, before a contract is awarded
- assessment of a contractor's performance in a contract, during and at completion of contracts and at other times when a review may be warranted
- periodic review of financial accounts as appropriate
- review of the technical capabilities after any significant changes within the company, and
- renewal every three years via the submission of a new application.

If the NPS or Transport Infrastructure Project Delivery System (TIPDS) Volume 3 are amended at any time, the department's prequalified contractors are required to satisfy the amended requirements to maintain their prequalification. The department will consider allowing a reasonable period to comply with any amended requirements, but the contractor must be able to demonstrate compliance before its next scheduled renewal period.

Further information about the Prequalification System may be obtained from:

<http://www.austrroads.com.au/road-construction/approved-contractors>

To access the register of prequalified companies, refer to:

<http://www.austroads.com.au/road-construction/approved-contractors/pre-qualified-contractors>

## 1.2 Scope

Prequalification is a mandatory requirement for all the department's civil construction contracts with an estimated value greater than \$1 million.

In Queensland, this system is typically applied to infrastructure works delivered using the 'construct only' Transport Infrastructure Contract – Construct Only (TIC CO) and may also apply to the Transport Infrastructure Contract – Sole Invitation (TIC-SI) and the Transport Infrastructure Contract - Design and Construct (TIC - D&C). However, use of the principles, concepts, systems and guidelines defined in this document, should be considered in the selection of contractors for other forms of contract and delivery arrangements, including Minor Infrastructure Contract (MIC) and Early Contractor Involvement (ECI) contracts. TIPDS Volume 3 should be used as a basis for limiting registration-of-interest applications where a two-stage selection process is used.

TIPDS Volume 3 is also used by the Queensland Government in the procurement of rail infrastructure and may be used from time to time by other Queensland Government agencies and local governments where roads, bridges, or other forms of transport infrastructure are required to be constructed as part of projects under their control.

The agencies listed in Table 1.2 are participants in the NPS.

**Table 1.2 – Participating agencies**

Jurisdiction	Agency(s)
New South Wales	Roads and Maritime Services, New South Wales (RMS)
Victoria	Roads Corporation, Victoria (VicRoads)
Queensland	Department of Transport and Main Roads, Queensland
Western Australia	Main Roads Western Australia (MRWA)
South Australia	Department for Infrastructure and Transport, South Australia (DIT)
Tasmania	Department of State Growth, Tasmania
Australian Capital Territory	Procurement and Capital Works, Chief Minister, Treasury and Economic Development Directorate, Australian Capital Territory

Note: Where a Commonwealth agency decides to seek tenders from prequalified contractors, it will recognise relevant prequalification status awarded by states and territories under the Austroads' National Prequalification System.

## 1.3 Applications

If a contractor wishes to become prequalified with Transport and Main Roads and it does not have existing prequalification with another Participating Agency, the contractor must apply by using the application form available from <https://www.tmr.qld.gov.au/business-industry/Technical-standards-publications/TIPDS/Volume-3> and submitting it in accordance with the instructions on the form.

If a contractor has previously applied for prequalification with another Participating Agency, the Applicant must include the relevant details in the current application. Unless agreed otherwise with the Participating Agencies concerned, Applications must be submitted to the Participating Agency in the state where the Applicant's head office is located.

#### **1.4 Mutual recognition**

If a contractor is already prequalified with another Participating Agency, the contractor may seek mutual recognition of that prequalification with Transport and Main Roads by the submission of a mutual recognition application found at <https://www.tmr.qld.gov.au/business-industry/Technical-standards-publications/TIPDS/Volume-3>.

Mutual recognition of prequalification granted by other Participating Agencies is not automatic and must be initiated by the prequalified contractor. The mutual recognition application must include a copy of the Prequalification Certificate and the letter from the original Assessing Agency. A copy of all third-party Management Certificates, together with any federal Workplace Health and Safety certification, must also be included.

A copy of all third party Management Certificates, together with any federal Workplace Health and Safety certification, must also be included.

Mutual recognition only applies to contractors with 'Full' prequalification. Contractors with a 'Conditional' prequalification (refer Section 3.3) are generally ineligible for automatic mutual recognition. However, at its sole discretion, Transport and Main Roads may elect to recognise the 'Conditional' prequalification status of a contractor.

Transport and Main Roads may undertake its own investigation of a company seeking mutual recognition and may request further information from the contractor, or from the original Assessing Agency before granting mutual recognition.

Mutual recognition is not applicable to asphalt prequalification or for categories other than road and bridge.

## **2 Prequalification categories and financial levels**

### **2.1 Overview**

Under the NPS, contracts for the construction of roadworks and/or bridgeworks are categorised as follows:

- Roadworks: R1 to R5 (with R1 being the lowest level), and
- Bridgeworks: B1 to B4 (with B1 being the lowest level).

Contracts are also categorised by financial levels, which are further described in Section 2.3.

Typical characteristics of contracts in each roadworks and bridgeworks category are summarised in Appendix A.

To become prequalified at a particular level, an Applicant must satisfy the Assessing Agency that it has the management systems, relevant technical experience of the key personnel as it relates to road and bridge construction and, in Queensland, asphalt works. It must also satisfy the Assessing Agency in relation to good performance on previous applicable projects, readily available resources and financial capacity to successfully complete a contract at that level.

## 2.2 Specialist categories in Queensland

- **Asphalt Prequalification**

The department also requires prequalification for Asphalt work. Contracts for asphalt works (manufacture and paving) are categorised A1 to A4, with A1 being the lowest level. At its complete discretion, the department may consider applications for prequalification in the A3 or A4 category for manufacturing only.

The four asphalt prequalification categories and their minimum requirements for prequalification are discussed in Appendix C.

- **Traffic Management Registration Scheme**

The department also operates a **Traffic Management Registration Scheme**. The scheme is applicable to organisations that provide 'traffic control services' on, or for, state-controlled roads. The registration requirement is in addition to the existing requirement for individual traffic controllers to be accredited. <https://www.tmr.qld.gov.au/business-industry/Business-with-us/Approved-products-and-suppliers/Traffic-engineering-and-road-safety-approved-products/Traffic-Management-Registration-Scheme>

- **Registered Specialist Suppliers**

The department maintains lists of registered suppliers and approved products (**Registered Specialist Suppliers**) for certain high cost and specialised products and services for use in the construction and maintenance of its infrastructure projects. The department's contracts require contractors to engage only specialist suppliers listed on the relevant department's specialist supplier register, where a register is applicable. It is advisable for contractors tendering for the department's works to consider this requirement when preparing tenders.

<https://www.tmr.qld.gov.au/business-industry/Business-with-us/Approved-products-and-suppliers>

## 2.3 Financial levels

The financial levels are identified by the letter 'F'. The levels are summarised in Table 2.3.

**Table 2.3 – National Prequalification Systems Financial levels**

Financial level	Maximum values (including GST)
F0.25*	\$250 000
F1*	\$1 million
F2*	\$2 million
F5	\$5 million



<b>Financial level</b>	<b>Maximum values (including GST)</b>
F10	\$10 million
F15	\$15 million
F20	\$20 million
F25	\$25 million
F50	\$50 million
F75	\$75 million
F100	\$100 million
F150	\$150 million
F150 PLUS	Unlimited

\*Financial levels F0.25, F1 and F2 are optional prequalification levels under the National Prequalification System. Transport and Main Roads does not recognise the financial level of F0.25

Applicants should note that the financial prequalification level is only indicative, as it represents the Applicant's financial capacity at a particular point in time. Transport and Main Roads will require an updated financial assessment to be undertaken prior to the award of any contract.

The results of any such updated assessment will not immediately affect the financial level a contractor is prequalified for. However, a major variance between the financial level assessed at pre-award and the approved level of financial prequalification, may trigger a review of the contractor's financial prequalification status. This could result in the contractor being excluded from further consideration with respect to the tendered works, and/or a reassessment of the contractor's financial level which could then result in a financial downgrade.

Transport and Main Roads will first assess the financial accounts of the Applicant seeking prequalification. Where an Applicant is a subsidiary company, the department reserves the right to examine the resources of the parent company in conjunction with the company seeking prequalification.

Prequalified contractors may seek financial reassessment at any time after the release of their annual accounts. However, any additional costs incurred as a result of additional assessment beyond those required by the department (i.e. annual reassessment required under the National Prequalification System, or updated financial assessments prior to the award of relevant contracts) will be borne by the prequalified contractor.

### **3 Prequalification requirements**

#### **3.1 General**

Companies (that is, entities with an Australian Company Number) are eligible to apply for 'Full' prequalification. At the absolute discretion of each Participating Agency, 'Conditional' prequalification, where the Applicant does not fully comply with every specified criterion, may be granted.

#### **3.2 Full prequalification**

##### **Companies**

Civil engineering construction companies that possess relevant experience in the construction of roads and bridge structures, are eligible to apply for prequalification.

Asphalt companies that possess relevant experience in asphalt mix design (where relevant), production (where relevant), supply and construction are eligible to apply for asphalt prequalification.

### **Incorporated joint ventures**

An incorporated joint venture is a separate legal entity that may have been formed specifically to undertake a project or projects. The entity may draw upon the resources (technical and/or financial) of the entities supporting the joint venture.

An incorporated joint venture applying for prequalification, must meet the criteria for prequalification in its own right. Transport and Main Roads recognises, however, that a newly formed joint venture may have difficulty satisfying some of the financial criteria (such as profit performance) and will therefore apply the same principles outlined below regarding newly formed companies.

### **3.3 'Conditional' prequalification**

Where an Applicant does not meet every specified eligibility criterion, but the Assessing Agency considers that there will be benefits to the Assessing Agency by allowing that company to submit tenders, the Applicant may be granted 'Conditional' prequalification.

Examples of 'Conditional' prequalification include:

- Where the Applicant does not meet the financial criteria in its own right, but the Assessing Agency is satisfied that financial stability can be ensured through the provision of a deed of guarantee from a parent company and/or an additional unconditional undertaking from an approved financial institution.
- The department may grant a Conditional 'in Queensland only' technical prequalification level, to enable an Applicant to tender a higher level in Queensland. However, under the NPS, the Applicant will be granted full prequalification at the lower level.
- 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 the Assessing Agency considers that the company is competent to undertake the work.
- Where a company does not completely satisfy all of the assessment criteria, but the Assessing Agency has a high level of confidence that the company could successfully complete a contract at that level and there would be strategic benefits in having an additional contractor being able to submit tenders in a regional area.

The granting of 'Conditional' prequalification is at the absolute discretion of the Assessing Agency and other Participation Agencies are under no obligation to recognise 'Conditional' prequalification. If another Participating Agency elects to recognise 'Conditional' prequalification, it may be on the same conditions imposed by the Assessing Agency, or similar conditions that meet the other Participating Agency's specific requirements.

Providing the conditionally prequalified contractor continues to comply with the nominated conditions of prequalification, the contractor will be eligible to tender for contracts in the categories and financial level of that 'Conditional' prequalification.

### **3.4 Unincorporated Joint Ventures**

The granting of prequalification to unincorporated joint ventures is at the sole discretion of each Participating Agency. Unincorporated joint ventures are only eligible for “Conditional” Prequalification and other Participating Agencies may elect to not mutually recognise these entities.

All parties to an unincorporated joint venture must already be prequalified under the NPS and will be jointly and severally liable for any debt.

Transport and Main Roads will require a joint venture deed to be completed and signed by all parties to the joint venture. The deed is to be submitted with the application prior to approval of prequalification application. A draft copy of the joint venture deed can be obtained by e-mailing [contractorprequal@tmr.qld.gov.au](mailto:contractorprequal@tmr.qld.gov.au) or calling (07) 3066 2047.

The application must include:

- the organisational structure of the joint venture
- details of key personnel from each of the joint venture parties,
- copies of the management certificates from both parties
- details of the management systems to be used by the joint venture
- pages 1 to 6 of the Application, together with the signed final page. Whilst it is acceptable to nominate the certified management systems of one of the joint venture parties for use by the joint venture, a statement should be provided to demonstrate how the systems will be integrated across the group and how other joint venture parties will be made familiar with the system details; and
- Ethical Threshold form

Prequalified unincorporated joint ventures are to be renewed every three years.

### **3.5 Overseas contractors**

Transport and Main Roads recognises there will be difficulties for overseas based companies in establishing operations within Australia. Some of the challenges and difficulties faced by the company may include:

- the cost of establishing operations with no guarantee of immediate work
- the need to mobilise staff quickly after contracts are awarded in order to meet contractual time obligations
- a lack of knowledge and experience with local conditions
- having no established relationships with local suppliers (materials and plant) and subcontractors
- a lack of knowledge of local legislation including environmental and work health and safety legislation, and
- a lack of familiarity with the department’s standard forms of contract and Technical Specifications.

To ensure that the department has confidence in the capabilities of an overseas Applicant, the application for prequalification should include a submission outlining how the company proposes to manage these issues.

As with Australian companies that seek prequalification, the overseas company must apply for prequalification in the name of the entity that it will use to enter into contracts in Australia and provide information relevant to that particular entity. The technical information must be relevant to road and bridge construction and there must be a clear link between the work undertaken by the Australian entity and the overseas company.

The overseas company must clearly explain and demonstrate its specific involvement in any joint ventures or any other type of multi-contractual work.

The assessment will consider the capability (ie experience, resources, management systems and financial capacity) of both the Australian and overseas entities. The assessment for "Full" prequalification will be based on the Australian entity. However, at its sole discretion, the department may grant "Conditional" prequalification at a higher level if it forms the opinion that of the overseas entity will reasonably contribute to the capability of the Australian entity and the issues mentioned above have been adequately addressed.

The following requirements also apply to overseas Applicants:

- The Applicant must be a registered business within Australia and must nominate its Australian Company Number (ACN) or Australian Registered Business Number (ARBN) in the application.
- Submission of three years of audited accounts prepared in accordance with international accounting and auditing standards.
- Independently audited financial statements, no more than three months old, must be submitted in support of financial data supplied.
- Financial accounts must be in \$US, €, or a currency which is acceptable to the Assessing Agency. The independent auditor must be an organisation which is recognised by the department's financial advisors.
- Where the department does not have full confidence in the accuracy of the financial statement, it reserves the right to reject the application or request certain securities in addition to the normal contract securities. The securities required would be in the form of an Unconditional Undertaking provided by and claimable through an approved AAA rated Australian bank or a foreign bank with a full banking licence in Australia and permanent branches established in Australia, preferably within Queensland.
- The Applicant must hold and maintain a bank account in Australia with:
  - an Australian bank, or
  - a foreign bank with a full banking licence in Australia and permanent branches established in Australia.
- Written applications for prequalification must be submitted in English and key personnel nominated in the application must be fluent in speaking English.

**RoadTek, local government and other government business units**

Under the NPS, RoadTek, local government and other government business units participating in open tender infrastructure works, are not required to meet the financial prequalification level nominated for the project. Instead, these Applicants are assessed only for restricted prequalification at the technical prequalification category specified in the tender documents.

**3.6 Exclusions**

Prequalification does not extend to related or subsidiary companies or entities of a prequalified contractor. Any such company or entity must apply for prequalification in its own right.

Where two or more related companies apply for prequalification, resources are deemed to be allocated to a single company and cannot be considered in the assessment of the other companies.

The following are ineligible for prequalification under the NPS:

- project management companies (that is, the company has no internal construction resources and outsources all of the site work)
- trusts and trustees
- natural persons, and
- partnerships between natural persons.

Where a Participating Agency manages Prequalification Systems for specialist categories (for example, asphalt and spray sealing), other Participating Agencies may elect to not mutually recognise this prequalification.

**4 Assessment criteria**

Applications for road, bridge and asphalt prequalification involve an assessment of both technical capability and financial capacity. Refer to Appendix A and B for full details of the minimum criteria for road and bridge technical level of prequalification and Appendix C for asphalt prequalification.

**4.1 Technical capability**

Assessment of a company's technical capability is based on:

- company experience in particular for road / bridge / asphalt construction projects
- retained company resources and technical capability
- management systems, and
- performance on any previous departmental project, any other assessing authority project, local council project or any other project that Transport and Main Roads is made aware of.

***Technical capability***

Assessments for an upgrade in prequalification will consider the characteristics of previously completed projects (refer Appendix A) and not necessarily the nominated project prequalification level. If the assessor considers that the project characteristics do not match the nominated project prequalification level, then the characteristics will override. Past performance must be of a high standard to be considered for an upgrade and there must be evidence of collaborative and cooperative relationships with clients and contract administrators on previous projects.

It is expected that resources nominated in an application are predominately 'in house'. If subcontractor or labour hire resources are nominated for core construction activities and or key roles, the Applicant must provide clear evidence of an established and successful working relationship with the subcontractor or labour hire resources.

**4.2 Financial capacity**

To be considered for prequalification and to maintain prequalification status, contractors must demonstrate strong business viability over both the short and long term.

Applicants that demonstrate sufficient financial capacity to be prequalified, will be assigned a financial 'level' and become eligible to tender for advertised contracts that nominate a financial level, providing the Applicant is prequalified in the advertised technical categories.

A financial assessment will firstly be undertaken on the entity seeking prequalification. The entity seeking prequalification could be the subsidiary of a parent company. Transport and Main Roads (at its own discretion) may allow the financial capacity of a parent company to also be assessed when considering the financial capacity of the Applicant, but only after a financial assessment has been undertaken on the Applicant.

The department may also request a suitable undertaking from the parent entity, such as a Letter of Undertaking or Parent Company Guarantee. The parent company then becomes the guaranteeing entity.

Any award of financial level based on or including an assessment of a parent company, will be regarded as 'Conditional' prequalification.

In assessing financial capacity, inter-company arrangements including loans and current contractual commitments will be taken into account.

**Financial arrangements with related entities – Queensland approach**

Consolidated financial information for the group of companies of which it is a member, may be used in support of the Applicant maintaining its prequalification, provided the parent or other group members offer to guarantee the Applicant's specific performance. In such circumstances, the parent or related entities must also provide financial information for assessment.

If the Prequalification Committee is satisfied that overall, the combined financial capacity of the group of companies meets the requirements for prequalification, it will allow the entity to be prequalified / to maintain its prequalification. This would be conditional upon the parent and/or related companies providing certain undertakings (to the satisfaction of the Prequalification Committee) which may include one or more of the following:

- Additional securities (in addition to the normal contractual securities) for an amount to be determined by the Prequalification Committee based on advice from the department's financial advisors.
- A Deed of Guarantee (normally used where the parent or related companies are also civil construction companies and could guarantee not only the financial performance of the prequalified entity but could also take over any contracts and guarantee the completion of the works in the event of default by the prequalified entity).

In assessing the combined financial capacity of the group, independently-audited financial statements, not more than twelve months old, need to be provided for the parent and related companies.

## **5 Assessment process**

### **5.1 Assessment of applications**

Transport and Main Roads will assess all applications for prequalification to determine the Applicant's capability to undertake contracts in the nominated technical category and an appropriate financial level. The department uses a four-person Prequalification Committee to make decisions in relation to prequalification and may seek expert advice for various specialist areas, using a mixture of internal and external assessors as necessary.

Assessment of applications will be based on the following:

- information contained in the completed Application Form and attached supporting documentation
- referee reports, both written and verbal
- documented evidence held by the department regarding the Applicant's previous performance
- information that was submitted in a previous prequalification application (where applicable)
- information obtained by other Participating Agencies or government agencies, local councils and RoadTek regarding the Applicant's previous performance
- any other valid information relevant to the application, notwithstanding that the information has not been submitted by the Applicant, and
- for asphalt prequalification, inspections of the Applicant's facilities and/or operations (including plant and equipment) and/or works.

## **5.2 Notification**

Applicants will be notified in writing regarding which, if any, prequalification category(s) and financial level they have achieved within 10 weeks of lodgement of their application (providing all relevant information was included), unless significant issues arise during consideration of an application in which case further information may be sought. Such notifications will include, where warranted, any specific limitations or conditions applicable to the allocated prequalification category.

Applicants that are not satisfied with the outcome of the assessment may lodge a request for a review or appeal, as detailed in Sections 6.8 and 6.9 of this document.

## **5.3 Upgrading prequalification status**

A prequalified road or bridge contractor may apply for an upgrade of its prequalification status after having successfully completed several projects at the current level with good performance. To upgrade, a new application form must be lodged with the original Assessing Agency.

A prequalified asphalt contractor may apply for an upgrade, including adding new categories, at any time. To upgrade, a new application form must be lodged with the original Assessing Agency.

To be eligible for an upgrade in a road, bridge or asphalt category, 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 the contractor should confirm the requirements for the application with the department before submitting an upgrade application. Temporary upgrades for specific projects, or for supplying products or services to a principal contractor, will not be permitted.

Transport and Main Roads will charge for the costs of any departmental inspections of the manufacturing and/or paving operations of asphalt contractors deemed necessary for technical assessment.

In the event the contractor is granted an upgrade, it will be necessary to submit further mutual recognition application(s) to the other Participating Agencies.

Refer to Section 2.3 for information regarding reassessment of Financial Categories.

## **5.4 Cost of assessment**

Transport and Main Roads will not charge for the cost of assessing the original application. However, if:

- the information submitted with an application is deficient or misleading
- the Applicant then submits further information which reasonably should have been included in the original application, and
- if the department incurs additional costs as a consequence of late submission of information, the department may charge the Applicant for those additional costs incurred.

Applicants are advised to carefully check that all requested information is provided, particularly the financial information.



## **6 Maintenance of prequalification status**

### **6.1 General**

The ongoing management of the NPS is the responsibility of the NPS Management Committee, which comprises a representative from each Participating Agency.

If a contractor wishes to appeal a decision of a Participating Agency pursuant to Section 6.9, it will be required to notify the Chairperson of the NPS Management Committee. The department will provide the contact details of the Chairperson if requested by a contractor.

### **6.2 Provision of updated information**

To maintain its prequalification status, the prequalified contractor must submit for assessment regular and full updates of information to support its ongoing financial capacity, technical capacity and experience as follows:

- up-to-date financial information – annually
- up to date information on company profile, company experience and technical capacity (via a renewal application) – at a minimum of three years or following a significant change in any of these areas
- refer also to Section 8.5 – Change of circumstances – for related requirements.

Transport and Main Roads will monitor and assess the ongoing performance of each prequalified contractor via Contract Performance Reports, submitted to the Prequalification Unit at regular intervals and at milestones specific to the contract, with assessments based on:

- the contractor's performance in accordance with the conditions of contract, and
- a comparison of the contractor's performance against the requirements and/or criteria corresponding to the level of prequalification granted.

The reports will be used to promote the process of continuous improvement, to assist in applications for upgrades in prequalification status, to support the contractor's ongoing prequalification status and to ensure a common understanding of expectations for both parties regarding the contracted works.

Each contractor's prequalification status will depend on the contractor maintaining a good level of performance in its delivery of contracts. Additional information on performance reporting is included as Appendix D for road and bridge prequalified contractors and in Appendix C for prequalified asphalt contractors.

Section 10.2 lists associated documents for prequalified asphalt contract performance reporting. For asphalt contractors, other performance reports such as asphalt production, or paving audit reports received by asphalt prequalification assessors, will also be considered.

### **6.3 Prequalification status**

Where a matter of concern is identified, the Participating Agency may:

- undertake a review of the contractor
- meet with the senior management of the contractor

- issue a warning to the contractor regarding the matter, or
- if the matter is serious (for example, being placed in voluntary administration), immediately issue a 'Show Cause' notice pursuant to Section 6.4.

Where a contractor is operating across multiple jurisdictions under the mutual recognition framework and a sanction would apply across those jurisdictions, any review may be undertaken by a sub-committee of the NPS Management Committee.

Any of the following may result in a review of a contractor's prequalification status or the issue of a warning letter:

- where 'Conditional' prequalification has been granted subject to a review being carried out following completion of the first contract under the conditional arrangement
- where the department reasonably considers a contractor's performance to be unsatisfactory
- where a conditional financial prequalification has been granted subject to the review being carried out on specific financial statements
- following changes to a contractor's organisational structure, or technical, financial or management capacity which, in the opinion of Transport and Main Roads, may have an adverse effect on the contractor's performance
- where restrictions on a licence / registration to practise are imposed, or third-party certification of a management system is withdrawn or has expired, or
- for failure to comply with the terms and conditions of prequalification, including failure by a prequalified asphalt contractor to honour the warranty requirements described in Appendix C.

#### **6.4 Show Cause notice**

The department may suspend, downgrade or cancel a contractor's prequalification status at its discretion. If any such action is proposed, the contractor will be issued with a formal 'Show Cause' Notice and given the opportunity to respond to the issues raised in the notice.

The Show Cause Notice shall:

- state that it is a notice under the NPS terms and conditions, incorporating the department's Asphalt Prequalification System where applicable
- specify the alleged breach
- require the contractor to Show Cause in writing why the department should not exercise the right to cancel, suspend, downgrade or place conditions on the contractor's prequalification status, and
- specify the time and date (not more than 20 business days) by which the contractor must Show Cause.

Transport and Main Roads may make further enquiries to verify the contractor's responses.

This Section 6.4 Show Cause notice shall not apply when a contractor's prequalification status is downgraded as part of a renewal assessment of its prequalification.

If, by the time specified in a Show Cause Notice, the contractor fails to respond or to show reasonable cause why the department should not adjust the prequalification status, Transport and Main Roads may cancel, suspend or downgrade the prequalification status without further notice to the contractor. In exercising its rights under Section 6 of this document, the department will not act capriciously or act with bias.

If an Assessing Agency suspends, downgrades, or cancels a contractor's prequalification, the change in status is automatically applicable to any other Participating Agency that has recognised the contractor's prequalification, unless that Participating Agency determines otherwise.

The contractor may elect to appeal the imposition of the sanction in accordance with the process outlined in Sections 6.8 and 6.9 of this document.

### **6.5 Suspension**

A contractor's prequalification may be suspended where there is a temporary or short-term issue affecting their ability to satisfy the prequalification criteria specified in this document. Any such suspension will be in place until the temporary problem is remedied and the contractor is again able to satisfy all of the criteria corresponding to the level of prequalification granted.

Where a contractor operates under mutual recognition arrangements, suspension may take the form of a withdrawal of recognition of the contractor's prequalification status by Participating Agencies for a specified period of time. Other Participating Agencies which recognise the prequalified contractor will be notified of the suspension and its cause.

In Queensland, where the matter affects a prequalified asphalt contractor's compliance with the assessment criteria, including matters which affect it at entity level (for example, expiry of a management system certification), a suspension by the department will apply to all of the facilities or operations registered in the name of the prequalified asphalt contractor.

### **6.6 Downgrading**

If, in the reasonable opinion of the Assessing Agency, the contractor no longer satisfies the requirements for a particular category of prequalification but is capable of satisfying the requirements for a lower category, its prequalification may be downgraded. Examples of breaches that may give rise to downgrading of a contractor's prequalification status include:

- repeated minor contractual or Prequalification System non compliances where, in the opinion of Transport and Main Roads, there is an unacceptable risk in allowing the contractor to remain prequalified at their current prequalification level
- an adverse change in the organisation's management systems or technical capability (including availability of key personnel), but the contractor can demonstrate that requirements for a lower level of prequalification are met
- continued poor performance on any departmental or other Participating Agency's projects at or below the contractor's prequalified level.

For prequalified asphalt contractors, the above examples of breaches may also give rise to changing the scope (for example, limiting the use of certain manufacturing plant(s) or paving operation(s) included in an asphalt contractor's prequalification status. Refer Appendix C for an extended list of types of breaches which may give rise to downgrading an asphalt contractor's prequalification status.

## **6.7 Cancellation**

Examples of breaches that may give rise to cancellation of a contractor's prequalification status include:

- unsatisfactory performance on one or more contracts between the contractor and one or more Participating Agencies
- the prequalified contractor has been placed into voluntary administration or involved in a compromise or other arrangements with creditors
- an adverse change in the organisation's management systems or technical capability (including availability of key personnel) such that the contractor no longer fully meets the requirements for prequalification at any level
- where a contractor has been granted 'Conditional' prequalification subject to it meeting certain requirements and it fails to meet those requirements within the stipulated timeframes, or
- where the contractor is experiencing financial problems, as verified by Transport and Main Roads.

## **6.8 Reviews**

If a contractor is not satisfied with any decision made by a Participating Agency, the contractor must request a review of the decision by the original assessors, providing sufficient additional information is submitted to warrant a review. Any request for a review must be lodged with Transport and Main Roads within 20 business days of the date of the letter advising of the prequalification decision.

## **6.9 Appeals**

If an Applicant is not satisfied with the outcome of a review, the Applicant may lodge an appeal with the department within 20 business days of the date of the letter advising of the prequalification decision. The Applicant may request the appeal process to be managed by the Chairperson of the Austroads NPS Management Committee on behalf of the department.

Unless agreed otherwise by the Applicant and the Participating Agency, the appeal will be conducted in accordance with this Section 6.9 and considered by either:

- An independent expert; or
- A specially convened Appeals Panel, comprising of at least three members; of which two members will be from the NPS Management Committee or be assessors from other participating agencies. The third member is an independent expert. The original assessor is excluded from participation in the panel.

The department will use reasonable endeavours to provide the names of three independent experts, from which the Applicant will be invited to choose one. If the appellant does not select an independent expert within 15 business days, the selection may be made by the department.

The independent expert must have:

- comprehensive experience and/or knowledge of roadworks and bridgeworks construction; and
- qualifications in dispute resolution, arbitration (acceptable for membership of Resolution Institute) or other qualifications acceptable to the parties.
- for asphalt appeals, includes one independent industry representative, chosen by the department from a pool of three put forward by the appellant.

(Note: The appellant must make the selection of an industry representative within the time specified by the department or Chairperson of the NPS Management Committee.)

If an Appeals Panel is selected, they must convene (which may be by teleconference or video link) within 20 business days of the latter of:

- the selection of the independent expert; and
- the provision of all information supporting the appeal.

Once selected, the Appeals Panel or independent expert:

- must review the original decision, including the information provided by the Applicant and the assessment by the agency
- may consider or request new or additional information
- must act impartially in accordance with this requirements document; and
- must make a determination, including written reasons for the determination, within 40 business days of the provision of all information relevant to the appeal.

The determination is final and binding on both the Participating Agency and the Applicant

### **6.10 Cost of reviews and appeals**

If a review or appeal is unsuccessful and the NPS Management Committee reasonably forms the opinion that the review or appeal was without merit and had no reasonable chance of success, the costs of engaging any external assessor / representative will be borne by the Applicant.

## **7 Tendering as a prequalified contractor**

### **7.1 General**

Where specified in the invitation of tenders, contractors wishing to bid for the work must be prequalified in the nominated technical categories and, where stipulated by the department, at the relevant advertised financial level.

Prequalification at the appropriate level(s) will need to have been granted before tender documents will be provided. Exceptions may be granted in some situations where, for example, the assessment is substantially complete and it is likely that the Applicant will be granted prequalification at a road and/or bridge and/or asphalt level equal to or higher than the advertised road and/or bridge and/or asphalt level.

In an exceptional circumstance, tender documents will be issued on the proviso that the contractor / tenderer accepts that, if the prequalification at the appropriate advertised level is ultimately not granted, its tender may be deemed nonconforming and rejected.

Applications for prequalification are assessed in the order in which a (complete) application is received and an Applicant seeking prequalification or an upgrade immediately prior to or during the tender period, to become eligible to tender for a specific project, must allow for regular processing times in the submission of its application.

When a contract involves more than one prequalified technical category, the department will determine the appropriate prequalification category for each component of that contract, based on complexity and risk, together with the financial level. Notwithstanding this, tenderers must address any evaluation criteria in the invitation of tenders and comply with the conditions of tendering.

Further information for tendering requirements can be found on the departmental website at <https://www.tmr.qld.gov.au/business-industry/Technical-standards-publications/TIPDS>; refer to *Transport Infrastructure Project Delivery System (TIPDS) (Volume 2)*.

Transport and Main Roads may nominate one category as the primary category and others as secondary categories. If a contractor is prequalified in only one of these categories (and any stipulated financial level) that contractor may, if it is prequalified for the primary category, submit a tender using a subcontractor that is prequalified in each of the secondary categories.

For example:

- A contract may be advertised as R3 / B3 where it has roadworks characteristics corresponding to category R3 and bridgeworks characteristics corresponding to category B3.

In this example, contractors prequalified in both of these, or higher categories, would be eligible to tender for this contract. Where stipulated by the department, the contractor may also need to be prequalified at an advertised financial level for example, F10.

- Alternatively, if R3 was nominated as the primary category, a contractor prequalified at R3 or higher, would be eligible to tender providing it nominated a prequalified subcontractor that is prequalified at B3 (or higher) to undertake the bridgework components.

Tenders will not be accepted from contractors prequalified in the secondary category and nominating a subcontractor that is prequalified in the primary category.

### Tendering for asphalt contracts

For projects containing asphalt, the following typically applies:

- a) **A project containing greater than 55% of asphalt** (manufacture and paving, based on value) would be subject to open competition by prequalified asphalt contractors, with any non-asphalt work being subcontracted to prequalified contractors at the appropriate prequalification level.
- b) **A project containing less than 45% of asphalt** (manufacture and paving, based on value) would be subject to open competition by prequalified contractors at the appropriate road and/or bridge prequalification level, with any asphalt work being subcontracted to prequalified asphalt contractors.
- c) **For a project containing between 45% and 55% of asphalt** (manufacture and paving, based on value) Principal's Representatives will use their discretion in making the final decision in calling tenders from prequalified road and/or bridge contractors or prequalified asphalt contractors.

## **7.2 Joint ventures**

Any contract between Transport and Main Roads and a joint venture is conditional upon the following:

- the joint venture partners are jointly and severally liable
- roadworks must be undertaken by the entity prequalified at the specified roadworks prequalification level
- bridgeworks must be undertaken by the entity prequalified at the specified bridgeworks prequalification level, and
- asphalt works must be undertaken by the entity prequalified at the specified asphalt prequalification level.

## **7.3 Prequalification checks prior to awarding of a contract**

Transport and Main Roads will undertake a check of the preferred tenderer's prequalification status prior to the award of a contract, including any technical and/or financial matters.

The department will also undertake a technical assessment of the proposed mandatory personnel submitted by the preferred tenderer. Transport and Main Roads is undertaking this assessment against the requirements of the tender and is checking technical qualifications as well as road / bridge / asphalt construction experience. The department has a preferred format for submitting CVs and a contractor should use that template.

As part of its financial review of the preferred tenderer prior to the award of a contract, the department will request that the contractor provide its updated annual accounts as well as the latest management accounts. If a contractor cannot or will not provide the requested financial information to enable Transport and Main Roads to undertake a financial review, then the tender may be rejected.

## **8 Terms and conditions of prequalification**

### **8.1 General**

Contractors wishing to tender for Transport and Main Roads road, bridge or asphalt contracts in Queensland must be prequalified by the time of the submission of tenders.

The department grants prequalification for a period nominated in the department's certificate, generally for three years or less.

Eligibility requirements are described in this document, along with the terms and conditions of prequalification and the process that will be undertaken by the department to assess and review prequalification applications.

Additional information with regards to tendering for Transport and Main Road's infrastructure works can be found at <https://www.tmr.qld.gov.au/business-industry/Technical-standards-publications/TIPDS>.

Contractors seeking prequalification ('Applicants') and prequalified contractors are required to comply with the terms and conditions and associated procedures described in this section.

### **8.2 No guarantee of work**

Prequalification is not to be construed as a guarantee of work. Prequalification only determines a contractor's eligibility to tender for work, subject to meeting any local legislative / regulatory requirements. Participating Agencies apply government procurement principles, including value for money, in the assessment and selection of tenders.

### **8.3 Application requirements**

To become prequalified, an Applicant must select one or more prequalification categories that it believes to be commensurate with its technical capabilities and submit an Application Form with all the supporting information that addresses all specified criteria.

In submitting its application, the Applicant gives permission to Transport and Main Roads to carry out such investigations as are considered necessary to evaluate the application and to determine whether it meets the relevant prequalification criteria. These investigations include a company search, bank reference checks and referee checks on key personnel, and for asphalt prequalification, inspections of the Applicant's facilities and/or operations (including plant and equipment) and/or works.



In undertaking its assessment, Transport and Main Roads may consider other information in its possession, or information provided by other Participating Agencies, or government agencies. In considering applications from subsidiary companies, the department reserves the right to examine the resources of the parent company or entity, or other related entities, if considered warranted.

#### **8.4 Confidentiality**

The department will refer an Applicant's documentation to its external assessors for assessment. External assessors are required to maintain the confidentiality of all information received.

However, in lodging an application, Applicants agree to provide the necessary information to the department to enable searches and enquiries to be carried out for the assessment.

Information submitted in an application for prequalification will be treated as commercial-in-confidence and will not be disclosed to any party (with the exception of the department's assessors and the other Participating Agencies) unless the department is legally required to do so, for the purposes of obtaining legal or financial advice, or in relation to appeals regarding Prequalification decisions.

Once prequalified, a contractor's details, including details of its performance on specific contracts, may be shared with other Participating Agencies and government agencies for the purpose of monitoring performance and to determine eligibility for continued prequalification.

Lists of prequalified contractors may be made publicly available by the department or on the National Prequalification Database.

Lists may include prequalified technical and financial levels and may indicate if the contractor's prequalification status is conditional.

No responsibility is accepted for any consequences to a prequalified organisation or any other party arising from the release of any such information.

#### **8.5 Change of circumstances**

Prequalified contractors are required to immediately advise Transport and Main Roads in writing of:

- any change in circumstances that may be material to their prequalification status, including any convictions, or breaches of legislation, or statutory regulations
- any material change in their ownership, holdings, management system status, financial and managerial capacity, and/or
- any changes to key personnel including Project Managers, Project Engineers and Supervisors.

Further information is provided in Section 6 of this document.

## 8.6 Governing law

These terms and conditions shall be governed by Transport and Main Roads and each party submits to the exclusive jurisdiction of the Courts in the state or territory. Where appropriate, the reviews and appeals process outlined in Section 6.8 and 6.9 will be used.

## 8.7 Applicant's undertaking

### Acceptance of terms and conditions

In applying for prequalification (including renewal or upgrading), the Applicant is deemed to have accepted the terms and conditions of prequalification, which the Applicant acknowledges and accepts may be varied from time to time.

### Accuracy of application information

The Applicant must ensure that all particulars in its application are true and correct in every detail.

### Use of prequalification status for advertising and promotion

The Applicant agrees not to use any information relating to its prequalification status or contract performance in its advertising or promotional material or publish such information in any form without the express written consent of Transport and Main Roads. The Applicant further agrees that it accepts full responsibility for any consequences arising from the use of such information.

#### **Asphalt works - Duty to not deter communication with the Principal**

It is a condition of every prequalification that the prequalified entity must not do anything that may reasonably be construed as an attempt to prevent, restrict or otherwise deter in any way (whether in writing or not) another prequalified entity from making a submission to the Principal that a section of asphalt be placed on the department's Register of Asphalt Works Not Warranted.

A breach of this condition may result in the department, at its absolute discretion, cancelling, downgrading or suspending the Prequalified Contractor's prequalification status.

## 8.8 Other

Jurisdictional requirements

A list of Jurisdictional Requirements for Queensland Tender will be provided to the successful Applicant with its certificate of prequalification.

## 9 Definitions and interpretation

### National

- **'Applicant'** means the legal entity lodging the application.
- **'Application'** means the completed submission ('Application Form'), lodged by the Applicant to be prequalified in one or more categories and a financial level.
- 'Jurisdiction' is Queensland.
- **'National Prequalification System' (NPS)** means the *National Prequalification System for Civil (Road and Bridge) Construction Contracts* developed by Austroads.

- **'Participating Agency'** is the Department of Transport and Main Roads.
- Professional Civil Engineer means a person who:
  - Holds a 4 year civil engineering degree from a university that is accredited under the Washington Accord. And
  - Is eligible to be registered in a relevant area of practice on the National Engineering Register (<https://portal.engineersaustralia.org.au/ner/search>)
- **'Tender'** includes quotation, proposal or registration / expression of interest.
- **'Includes'** or **'including'** shall not be interpreted as a word of limitation.
- The word **'or'** is not exclusive.

#### Queensland additional definitions

- **'Appellant'** means a party / Applicant which appeals a prequalification decision of the department.
- **'Asphalt Works'** means those aspects of the contract involving the manufacture and paving processes by a Prequalified Asphalt Contractor.
- **'Assessor'** means a member of a panel of suitably experienced and competent persons who provides recommendations to the Prequalification Committee for the purpose of determination of the prequalification level of Applicants.
- **'Bridge works'** means works including construction of a structure built to traverse an obstacle (for example roads, rivers, railways), that cross a section of the road network. Bridge works structures consist of structural elements (abutments, piers, beams, decks, and so on) and ancillary elements (footways, railings, services, route lighting, and so on).
- **'CMT'** means the department's Construction Materials Testing supplier registration system, which is part of the Registered Specialist Suppliers system.
- **'Conditional Prequalification'** means prequalification of an Applicant at a nominated level with specific limitations and/or conditions.
- **'Contractor'** means a transport infrastructure constructor and in the context of this document includes private sector contractors as well as RoadTek and other government contractors.
- **'Department'** means the Queensland Department of Transport and Main Roads.
- **'Joint Venture'** means an entity comprising two or more prequalified contractors or other parties for which prequalification is sought for the purpose of undertaking specific projects. Joint Venture entities must note that all contracts entered into with the department, are on a basis of joint and several liability.
- **'NATA'** means National Association of Testing Authorities.
- **'National Prequalification System Management Committee'** means the group of suitably knowledgeable and experienced representatives for state and territory authorities, who are responsible for addressing issues occurring nationally, and to manage and coordinate national sanctions and appeals.
- **'Parent Company'** means, with respect to a corporate Applicant, a parent company within the meaning of federal companies' legislation.

- **'Prequalification and Contracts Unit'** means the unit within the Program Delivery and Operations (PD&O) branch of Transport and Main Roads, responsible for, amongst other duties, the maintenance and improvement of the department's specifications, prequalification system, and standard forms of contract.
- **'Prequalification Committee'** means, according to the charter of Prequalification Committee; in Queensland the committee consists of the Executive Director (RoadTek) (Member), Director (Prequalification and Contracts) (Chairman), Program Manager (State-wide Programs) (Member), Manager (Prequalification) (Secretary), or their nominated delegate. The Committee is responsible for overall management of the Prequalification system.
- **'Prequalified Contractors'** means those contractors approved by the Prequalification Committee, using the National Prequalification System and TIPDS Volume 3 assessment procedures, to tender for construction of infrastructure projects (in road / bridge / asphalt categories)
- **'Prequalification Level'** means the level of financial capability, as well as the level of technical capability related to roadworks and/or bridgeworks and/or asphalt works for which an Applicant is prequalified to tender.
- **'Referee'** means a person nominated by an Applicant who can be available to assessors to verify details of experience of the Applicant and/or its key personnel.
- **'RoadTek'** is the commercialised construction unit of the department.
- **'Roadworks'** means works involving the construction and maintenance of roads consisting of pavements, earthworks and drainage.
- **'Show Cause Notice'** means a formal notice issued by the department to a prequalified contractor, usually following a significant non-conformance or a series of non-conformances, requesting reasons / explanations as to why the contractor's prequalification status should not be reviewed, downgraded or cancelled.
- **'Specialised Materials or Products'** are those materials and/or products considered more complex to design, produce and/or work with, the use of which may present a heightened level of risk for the department. For example, this may include materials with more complex properties and/or mix designs, such as stone mastic asphalt (SMA) and high modulus (EME2) asphalt.
- **'TIPDS'** means the *Transport Infrastructure Project Delivery System*, to which this document belongs.

## 10 Appendices and associated documents

### 10.1 Appendices

- A Guidance for the Applicable Prequalification Category
- B Assessment Criteria
- C Asphalt Prequalification
- D Contractor Performance Reporting – Road and Bridge

## 10.2 Associated documents

The following associated documents can be downloaded from the following link:

<https://www.tmr.qld.gov.au/business-industry/Technical-standards-publications/TIPDS/Volume-3>

### Documents associated with NPS:

- Application Form
- C7900 - Curriculum Vitae template
- Mutual Recognition Form
- C7875 - Contractual requirements list
- Performance reporting forms

### Documents associated with Volume 3 Appendix C: Asphalt Prequalification:

- Asphalt Warranty Deed
- Performance report - Asphalt prequalification
- Performance report scoring guide - Asphalt prequalification

#### Disclaimer

- The NPS has been specifically established to meet the requirements of Participating Agencies and Participating Agencies rely on an Applicant's own documentation in undertaking any assessments.
- Other persons and organisations seeking to deal with a prequalified contractor must rely on their own independent enquiries and judgment. Transport and Main Roads and its officers, employees and agents do not represent that any prequalified contractor is technically, financially or otherwise sound.
- This document outlines the minimum requirements of the NPS. Transport and Main Roads reserves the right to expand upon and tailor these requirements or any of the processes outlined in this document as appropriate to better reflect their local requirements. Where possible, the local contracting industry will be consulted before any significant changes are introduced.
- To the extent permitted by law, Transport and Main Roads and its officers, employees and agents are not liable for any costs, loss, damage or injury (howsoever caused) incurred by any person as a result of the exercise of the discretion to grant prequalification, downgrade, suspend or cancel a company's prequalification.

## Appendix A – Guidance for the applicable prequalification category

The following tables have been sourced from Austroads *National Prequalification System for Civil (Road and Bridge) Construction Appendix A*.

**Table A1 – Typical characteristic of contract roadworks**

Category	General features of works	Earthworks	Pavement	Drainage	Miscellaneous	Traffic management	Services	Subcontractors / consultants	Stakeholder / project management	Cultural heritage and environmental management
<b>R1</b>	<ul style="list-style-type: none"> <li>Typically rural or semi-urban works with minimal traffic and issues</li> <li>Minor works including simple construction, reconstruction and widening</li> </ul>	<ul style="list-style-type: none"> <li>Earthworks to a maximum of 2 m in cut or fill</li> </ul>	<ul style="list-style-type: none"> <li>Simple granular pavements with sprayed seal surfacing</li> </ul>	<ul style="list-style-type: none"> <li>Minor culvert work (RCP &lt; 600 mm dia only no more than two bays) and reinforced concrete works</li> <li>RCP, Steel or plastic pipes &lt; 600 mm dia</li> <li>No more than 2 bays)</li> </ul>	<ul style="list-style-type: none"> <li>Roadside furniture (for example, signs, safety barriers)</li> </ul>	<ul style="list-style-type: none"> <li>Non-complex worksite traffic management</li> <li>Typically, AADT &lt; 2000 vehicles / day</li> </ul>	<ul style="list-style-type: none"> <li>No service relocation works</li> </ul>	<ul style="list-style-type: none"> <li>Non-complex subcontract management (eg sprayed seal subcontractor, worksite traffic control)</li> </ul>	<ul style="list-style-type: none"> <li>Non-complex project management</li> </ul>	<ul style="list-style-type: none"> <li>Low level environmental management</li> <li>Nil to low cultural heritage</li> <li>Majority of work in previously disturbed ground within road footprint</li> </ul>
<b>R2</b> R1 activities plus majority of the following:	<ul style="list-style-type: none"> <li>Low complexity at grade intersection and channelisation works</li> </ul>	<ul style="list-style-type: none"> <li>Significant earthwork including structural fill and rock protection</li> <li>Excavation in rock not requiring blasting</li> <li>Cut or fill with slopes up to 1:2 m and up to 5 m in height or depth (cutting)</li> </ul>	<ul style="list-style-type: none"> <li>Significant longitudinal joints with existing pavements</li> <li>Multi-layer granular pavements or simple A / C pavements</li> </ul>	<ul style="list-style-type: none"> <li>Medium-sized culvert works, RCBC &lt;1.8 m height and &lt;6 bays)</li> <li>Cross and longitudinal drainage</li> <li>Interface with bridge construction</li> </ul>	<ul style="list-style-type: none"> <li>Lighting</li> <li>Minor works associated with traffic signals</li> <li>Pedestrian crossing or similar</li> <li>Simple traffic light modifications</li> </ul>	<ul style="list-style-type: none"> <li>Non-complex to moderately complex worksite traffic management</li> <li>Typically, AADT between 2,000 and 5,000 vehicles / day</li> </ul>	<ul style="list-style-type: none"> <li>Interface with non-complex service relocation works</li> </ul>	<ul style="list-style-type: none"> <li>Identification and management of select or nominated subcontractors</li> </ul>	<ul style="list-style-type: none"> <li>Non-complex environmental risk management</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring during clearing and grubbing</li> <li>Cultural heritage assessment and artefacts collection during monitoring</li> <li>Management of multiple native groups</li> <li>Dilapidation survey, dust monitoring, vibration monitoring</li> </ul>
<b>R3</b> R2 activities plus majority of the following:	<ul style="list-style-type: none"> <li>More complex intersections located at urban location</li> <li>Medium to large scale of works</li> </ul>	<ul style="list-style-type: none"> <li>General earthworks exceeding 5 m in cut or fill</li> <li>Mechanically stabilised earth construction to a nominal 5 m in height</li> <li>Excavation in hard rock where blasting is likely to be required</li> </ul>	<ul style="list-style-type: none"> <li>Pavement construction using marginal materials (non-standard)</li> <li>Pavement construction using modified materials (for example, cement treated sub-base)</li> <li>Deep lift asphalt</li> <li>Small scale concrete pavement</li> </ul>	<ul style="list-style-type: none"> <li>Special foundation and/or subgrade and subsoil drainage treatments</li> <li>Includes large size culverts, multiple bays and link slab culverts</li> </ul>	<ul style="list-style-type: none"> <li>Permanent traffic signals for moderate to heavily trafficked intersection</li> </ul>	<ul style="list-style-type: none"> <li>Moderately complex worksite traffic management</li> <li>Typically AADT between 5,000 and 40,000 vehicles / day</li> <li>Multiple staging of simple traffic shift</li> <li>Hard wired temporary traffic signals</li> </ul>	<ul style="list-style-type: none"> <li>Moderately complex service relocations including conduits (for example, electrical, communication services)</li> </ul>	<ul style="list-style-type: none"> <li>Non-complex design management</li> <li>Moderately complex project management including subcontractor management and coordination</li> </ul>	<ul style="list-style-type: none"> <li>Moderately complex to complex community / stakeholder management</li> <li>Moderately complex environmental risk management</li> </ul>	<ul style="list-style-type: none"> <li>Relocation of local flora and fauna</li> <li>Installation of fauna fencing</li> <li>Identification of culturally significant tree or sacred site</li> </ul>

Category	General features of works	Earthworks	Pavement	Drainage	Miscellaneous	Traffic management	Services	Subcontractors / consultants	Stakeholder / project management	Cultural heritage and environmental management
<b>R4</b> R3 activities plus majority of the following:	<ul style="list-style-type: none"> <li>Grade-separated intersections</li> <li>Complex staging of construction works</li> <li>Duplication of major arterial road</li> </ul>	<ul style="list-style-type: none"> <li>Mechanically stabilised earth construction &gt; 5 m in height and other substantial retaining structures</li> <li>Embankments over very soft soils using wick drains, stone columns, and so on and sophisticated monitoring</li> </ul>	<ul style="list-style-type: none"> <li>Heavy duty asphalt pavements</li> <li>Bitumen treated base pavements</li> </ul>	<ul style="list-style-type: none"> <li>Permanent sedimentation catchment</li> <li>Complex gully box</li> <li>Arrangements for urban works</li> </ul>	<ul style="list-style-type: none"> <li>Simple ITS arrangements</li> </ul>	<ul style="list-style-type: none"> <li>Complex staged traffic management in high speed and/or urban environments</li> <li>Multiple traffic alignment changes</li> <li>Typically AADT between 40,000 and 100,000 vehicles / day</li> </ul>	<ul style="list-style-type: none"> <li>Complex service relocations (for example, construction of dedicated services corridor)</li> <li>Including multiple staging of coordination of utility services</li> </ul>	<ul style="list-style-type: none"> <li>Significant subcontracting is often involved</li> <li>Consultant team coordination and/or management</li> <li>Design management</li> </ul>	<ul style="list-style-type: none"> <li>Complex community / stakeholder interfaces</li> <li>Complex project management</li> <li>Complex environmental risk management</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with project specific environmental approvals from the relevant state of federal agencies (for example, EPBC)</li> </ul>
<b>R5</b> R4 activities plus majority of the following:	<ul style="list-style-type: none"> <li>Complex grade separated interchanges, multiple carriageways</li> <li>Motorway on a new urban alignment</li> </ul>	<ul style="list-style-type: none"> <li>Construction of zonal embankments</li> <li>Earthworks within 2 m of tidal areas</li> <li>Aggressive unsuitable materials including acid sulphate soils</li> </ul>	<ul style="list-style-type: none"> <li>Slipform, large-scale concrete pavements</li> </ul>		<ul style="list-style-type: none"> <li>Permanent variable message signs and complex ITS arrangements</li> </ul>	<ul style="list-style-type: none"> <li>Complex staged traffic management in high speed and/or urban environments</li> <li>Multiple alignment changes</li> <li>Typically, AADT &gt; 100,000 vehicles / day</li> </ul>		<ul style="list-style-type: none"> <li>Complex consultant team coordination and/or management</li> </ul>	<ul style="list-style-type: none"> <li>More complex community / stakeholder interfaces and complex project management</li> <li>Complex design management</li> </ul>	<ul style="list-style-type: none"> <li>Specific elements in design to meet environmental expectations (for example, fauna pass, and so on)</li> </ul>

Table A2 – Typical characteristic of contract bridgeworks

Category	Typical features of bridge structure	Construction methodology and site constraints	Foundations	Bearings, joints and ancillary components	Environment, community and stakeholder management
<b>B1</b>	<ul style="list-style-type: none"> <li>Large culvert including link slab or cast in situ deck units and multiple bay (&gt;10 bays) culverts and similar drainage structures.</li> <li>Basic reinforced concrete earth retaining structures.</li> <li>Simple footbridges.</li> <li>Simple single span road bridges (e.g. prestressed planks or standard section steel girders).</li> </ul>	<ul style="list-style-type: none"> <li>Simple traffic management (e.g. rural roads)</li> <li>Small stream crossing</li> <li>Minimal restrictions on access for cranes and other large plant</li> </ul>	<ul style="list-style-type: none"> <li>Simple spread footing foundations for example, large base slabs</li> <li>Foundations for gantries</li> </ul>	<ul style="list-style-type: none"> <li>No expansion joint; or simple expansion joints (eg compression seal or asphalt plug)</li> <li>Simple bearings</li> </ul>	<ul style="list-style-type: none"> <li>Simple community / stakeholder management</li> <li>Simple environment management</li> </ul>
<b>B2</b> B1 activities plus majority of the following:	<ul style="list-style-type: none"> <li>Multiple span bridge using standard prestressed concrete girders or steel girders with a continuous cast in place concrete decks</li> <li>Major repairs, such as deck replacement, deck widening or a significant barrier upgrade</li> <li>Arch structures under an embankment (e.g. corrugated steel or precast concrete)</li> <li>Bridge founded on mechanically stabilised earth structure</li> </ul>	<ul style="list-style-type: none"> <li>Typically, construction over: <ul style="list-style-type: none"> <li>operating roads (low to medium traffic volumes),</li> <li>non-electrified rail lines or</li> <li>streams with intermitted / low flows or calm conditions.</li> </ul> </li> <li>Minimal constraints on construction sequencing</li> </ul>	<ul style="list-style-type: none"> <li>Simple spread footing foundations. eg: large base slabs</li> <li>Foundations for gantries</li> </ul>	<ul style="list-style-type: none"> <li>More complex expansion joints (eg elastomeric strip seal)</li> <li>Standard pot bearings</li> </ul>	<ul style="list-style-type: none"> <li>Moderate community / stakeholder management</li> <li>Moderate environmental management</li> </ul>
<b>B3</b> B2 activities plus majority of the following:	<ul style="list-style-type: none"> <li>Voided slab superstructures</li> <li>Post tensioned cast in-situ structural elements</li> <li>Complex (ie variable depth) steel girders</li> <li>Major slipform piers</li> <li>Moderately complex geometry and size</li> <li>Cable stayed pedestrian bridges</li> </ul>	<ul style="list-style-type: none"> <li>Construction over heavily trafficked roads requiring complex traffic management</li> <li>Top down construction methodology</li> <li>Difficult site access</li> <li>Dewatering required</li> <li>Staged or complex bridge construction sequence (eg: one lane at a time)</li> <li>Heavy lifting of prefabricated superstructure into final position</li> </ul>	<ul style="list-style-type: none"> <li>Foundations which may be complex and/or require deep piling and/or require floating equipment or temporary bridges</li> <li>Include cast-insitu piles, which may include simple dry rock sockets</li> </ul>	<ul style="list-style-type: none"> <li>Expansion joint accommodates large movement (typically &gt; 100 mm)</li> <li>Finger Joints designed for large movements</li> <li>Spherical bearings and heavily loaded pot bearings</li> </ul>	<ul style="list-style-type: none"> <li>Moderate to complex community / stakeholder interfaces and project management aspects</li> <li>Consultant team coordination and/or management</li> <li>Design management</li> <li>Moderate to complex environmental management waterway barrier, low flow channels</li> </ul>
<b>B4</b> B3 activities plus majority of the following:	<ul style="list-style-type: none"> <li>Significant fabricated steel superstructures (eg very large box girder)</li> <li>Complex geometric / aesthetic shapes</li> <li>Major cable stayed structures</li> <li>Post tensioned concrete box girder</li> <li>Very large scale</li> </ul>	<ul style="list-style-type: none"> <li>Construction over water using coffer dams or large floating cranes</li> <li>Launching trusses for placement of girders / segments</li> <li>Incremental launched structures</li> <li>Balanced cantilever construction</li> <li>Jacking or moving a large superstructure into its final position</li> </ul>	<ul style="list-style-type: none"> <li>Very heavy foundations, including complex rock sockets at depth &gt; 10 metres</li> <li>Difficult installation conditions, including poured insitu piles in wet conditions</li> <li>Pile installation from floating equipment</li> </ul>	<ul style="list-style-type: none"> <li>Modular expansion joints or bespoke designs for very large movement</li> <li>Complex and/or very heavily loaded bearings</li> </ul>	<ul style="list-style-type: none"> <li>Complex community / stakeholder interfaces and project management</li> <li>More complex consultant team coordination and/or management</li> <li>Complex design management</li> <li>Complex environmental management, working near ecologically sensitive marine environment, navigational waterways</li> </ul>



## Notes:

1. When determining the applicable prequalification category, the Participating Agency will consider the predominance of characteristics for each project, rather than considering a single characteristic in isolation. For example, for a roadworks contract to be classified as R2, at least 5 of the 10 typical characteristics for R2 listed in Table A1 above would need to be substantially applicable to the project concerned.
2. "Minor Works" is a classification of a project which is:
  - smaller or less complex than R1 or B1
  - is missing essential elements of a R1 or B1 project; and/or
  - provides a high level of confidence to the Assessing Agency that the Applicant could successfully build a R1 or B1 project.
3. A Minor Works project may be considered to be relevant in an application for R1 or B1. Examples of Minor Works include:
  - the construction of a sealed road and/or reinforced concrete structure for a residential, commercial, mining or industrial development
  - construction of sealed hardstand areas, residential streets, carparks, large parking bays
  - a significant unsealed rural road; and
  - pavement rehabilitation, without any other road construction.
4. Where a project comprises of roadworks / bridgeworks and other civil works, only the works undertaken specifically for the road / bridge will be considered. Earthworks, pavements, drainage works, project management, stakeholder management, environmental management etc undertaken for other parts of the development will not be considered.
5. To be classified as a B2 project (or higher), the structure must be a bridge for vehicles, bicycles and/or pedestrians.
6. To be classified as a R3 / B3 (or higher) project, the road / bridge must:
  - have been constructed to a Participating Agency's specification or equivalent
  - have been tendered by a Participating Agency or on behalf of a Participating Agency; and
  - at completions, be open to the public or under the care and control of a local council or Participating Agency.
7. When assessing a project nominated by an Applicant, an independent assessment of the prequalification level applicable to that project will be made. In some instances, this may not coincide with the level nominated by agency which called the tender.
8. Where subcontractors are extensively used on a project, the following must be satisfied for that project to be considered in the application:
  - the applicant's management systems are used on the site
  - where applicable under the relevant WHS legislation, the Applicant is the "Principal Contractor"; and
  - the site engineers, supervisors and project managers are employees of the Applicant.
9. The Assessing Agency may exercise discretion as to whether the following are considered in the assessment:
  - projects which are currently under construction
  - projects where another contractor was managing or controlling the site works (eg the Applicant is a subcontractor or working under a managing contractor contract)
  - projects which are for the partial construction of a road (eg the pavement construction is excluded from the contract) or bridge (construction of the substructure only); and
  - the construction of airport runways, train bridges or marine structures.
10. In a joint venture arrangement, only the work undertaken by the Applicant will be considered.
11. If a project was constructed under a different company name or by a related entity, the Applicant must be able to demonstrate that the resources and corporate knowledge from that project have been retained by the Applicant. Also refer to Section 3.6
12. Fabricated overhead sign gantries are not classified as bridgeworks for the purposes of this prequalification system.

## Appendix B – Assessment criteria

This table has been sourced from Austroads *National Prequalification System for Civil (Road and Bridge) Construction* Appendix B.

**Table B1 – Minimum requirement for each category<sup>1</sup>**

	R1 / B1	R2 / B2	R3 / B3	R4 / B4	R5
<b>Criteria 1: Company experience</b>					
<b>1.1 Minimum period of operation (approximate)</b>	<ul style="list-style-type: none"> <li>Three years as a head contractor or Four years as a major subcontractor</li> </ul>	<ul style="list-style-type: none"> <li>Three years as a head contractor</li> </ul>	<ul style="list-style-type: none"> <li>Three years as a head contractor</li> </ul>	<ul style="list-style-type: none"> <li>Seven years as a head contractor</li> </ul>	<ul style="list-style-type: none"> <li>10 years as a head contractor</li> </ul>
<b>1.2 Experience in successfully delivering Contracts</b>	<ul style="list-style-type: none"> <li>Sound experience with at least two relevant projects<sup>1</sup> successfully completed in the last three years</li> </ul>	<ul style="list-style-type: none"> <li>Sound experience with the successful completion of at least two projects with predominantly R1 / B1 characteristics in the last five years</li> </ul>	<ul style="list-style-type: none"> <li>Sound experience with the successful completion of with at least two projects with predominantly R2 / B2 characteristics in the last five years</li> </ul>	<ul style="list-style-type: none"> <li>Sound experience with the successful completion of with at least two projects with predominately R3 / B3 characteristics in the last five years</li> </ul>	<ul style="list-style-type: none"> <li>Sound experience with the successful completion of with at least two projects with predominately R4 characteristic in the last five years</li> </ul>
			<ul style="list-style-type: none"> <li>At least one of the nominated projects must have been tendered by a Participating Agency or on behalf of a Participating Agency</li> </ul>	<ul style="list-style-type: none"> <li>At least one of the nominated projects is located in an urban “brownfields” environment with complex traffic management / staging.</li> </ul>	<ul style="list-style-type: none"> <li>At least one of the nominated projects is located in an urban “brownfields” environment with complex traffic management / staging.</li> </ul>
<b>1.3 Demonstrated performance</b>	<ul style="list-style-type: none"> <li>The Applicant has not been responsible for a failure to complete a contract</li> </ul>	<ul style="list-style-type: none"> <li>The Applicant has not been responsible for a failure to complete a contract</li> </ul>	<ul style="list-style-type: none"> <li>The Applicant has not been responsible for a failure to complete a contract</li> </ul>	<ul style="list-style-type: none"> <li>The Applicant has not been responsible for a failure to complete a contract</li> </ul>	<ul style="list-style-type: none"> <li>The Applicant has not been responsible for a failure to complete a contract</li> </ul>
	<ul style="list-style-type: none"> <li>Good general performance on relevant contracts</li> </ul>	<ul style="list-style-type: none"> <li>Good general performance on contracts with predominately R1 / B1 characteristics</li> </ul>	<ul style="list-style-type: none"> <li>Good general performance on contracts with predominately R2 / B2 characteristics</li> </ul>	<ul style="list-style-type: none"> <li>Good general performance with predominately R3 / B3 characteristics</li> </ul>	<ul style="list-style-type: none"> <li>Good general performance on contracts with predominately R4 characteristics</li> </ul>

Notes:

<sup>1</sup> For the R1 / B1 categories, a relevant project is a project which demonstrates the Applicant has the expertise and capacity to successfully deliver a R1 / B1 project and contains many of the characteristics of a R1 / B1 project. For example, a substantial residential industrial subdivision may be a relevant project for R1 and a large reinforced concrete earth retaining structure may be a relevant project for B1.

	R1 / B1	R2 / B2	R3 / B3	R4 / B4	R5
<b>Criteria 2: Company resources and technical capability</b>					
<b>2.1 Organisational / managerial structure</b>	<ul style="list-style-type: none"> <li>The Applicant's company structure and management structure are appropriate for the scale of projects to be undertaken in the applicable category</li> </ul>	<ul style="list-style-type: none"> <li>The Applicant's company structure and management structure are appropriate for the scale of projects to be undertaken in the applicable category</li> </ul>	<ul style="list-style-type: none"> <li>The Applicant's company structure and management structure are appropriate for the scale of projects to be undertaken in the applicable category</li> </ul>	<ul style="list-style-type: none"> <li>The Applicant's company structure and management structure are appropriate for the scale of projects to be undertaken in the applicable category</li> </ul>	<ul style="list-style-type: none"> <li>The Applicant's company structure and management structure are appropriate for the scale of projects to be undertaken in the applicable category</li> </ul>
<b>2.2 Personnel</b>	<ul style="list-style-type: none"> <li>The Applicant has sufficient personnel available to undertake R1 / B1 projects</li> </ul>	<ul style="list-style-type: none"> <li>The Applicant has sufficient personnel available to undertake R2 / B2 projects</li> </ul>	<ul style="list-style-type: none"> <li>The Applicant has sufficient personnel available to undertake R3 / B3 projects</li> </ul>	<ul style="list-style-type: none"> <li>The Applicant has sufficient personnel available to undertake R4 / B4 projects</li> </ul>	<ul style="list-style-type: none"> <li>The Applicant has sufficient personnel available to undertake R5 projects</li> </ul>

	R1 / B1	R2 / B2	R3 / B3	R4 / B4	R5
<b>Criteria 2: Company resources and technical capability</b>					
<b>2.3 Key personnel<sup>2</sup> who are active in the entity's road / bridge works operations</b>	<ul style="list-style-type: none"> <li>Key personnel have the qualifications and experience relevant to the duties and responsibilities of their nominated position</li> </ul>	<ul style="list-style-type: none"> <li>Key personnel have the qualifications and experience relevant to the duties and responsibilities of their nominated position</li> </ul>	<ul style="list-style-type: none"> <li>Key personnel have the qualifications and experience relevant to the duties and responsibilities of their nominated position</li> </ul>	<ul style="list-style-type: none"> <li>Key personnel have the qualifications and experience relevant to the duties and responsibilities of their nominated position</li> </ul>	<ul style="list-style-type: none"> <li>Key personnel have the qualifications and experience relevant to the duties and responsibilities of their nominated position</li> </ul>
	<ul style="list-style-type: none"> <li>At least one project manager is a Professional Civil Engineer with at least 3 years relevant experience in road / bridge works; or</li> <li>if not a Professional Civil Engineer, a project manager with relevant qualifications and at least 10 years relevant experience in road / bridge construction.</li> </ul>	<ul style="list-style-type: none"> <li>At least one project manager is a Professional Civil Engineer with at least 5 years relevant experience in road / bridge works.</li> </ul>	<ul style="list-style-type: none"> <li>At least 3 of the senior personnel are Professional Civil Engineers with at least 5 years relevant experience in road / bridge works.</li> </ul>	<ul style="list-style-type: none"> <li>Typically, 8 or more (with an absolute minimum of 6) of the senior personnel are Professional Civil Engineers with at least 5 years relevant experience in road / bridge works.</li> </ul>	<ul style="list-style-type: none"> <li>Typically, 15 or more (with an absolute minimum of 10) of the senior personnel are Professional Civil Engineers with at least 5 years relevant experience in road / bridge works</li> </ul>
	<ul style="list-style-type: none"> <li>Key professional / para professional personnel and supervisory staff each have at least 2 years' experience in road / bridge construction contracts</li> </ul>	<ul style="list-style-type: none"> <li>At least half of the key professionals / para professionals and key supervisory staff have 5 years' construction experience and</li> <li>at least 2 years' experience each in R1 / B1-type contracts</li> </ul>	<ul style="list-style-type: none"> <li>At least half of the key professionals / para professionals and key supervisory staff have 5 years' construction experience and</li> <li>at least 2 years' experience each in R2 / B2-type contracts</li> </ul>	<ul style="list-style-type: none"> <li>At least half of the key professionals / para professionals and key supervisory staff have 10 years' experience and</li> <li>at least 2 years' construction experience each in R3 / B3-type contracts</li> </ul>	<ul style="list-style-type: none"> <li>At least half of the key professionals / paraprofessionals and key supervisory staff have at least: 10 years construction experience; and 2 years of experience each in R4 / B4-type contracts.</li> </ul>
<b>Transport and Main Roads additional requirements of key personnel<sup>2</sup></b>	<ul style="list-style-type: none"> <li><u>Managerial, Professional / Para-Professional (Project Managers)</u> - Staff at all levels should have at least 2 years' experience in road / bridge works of the types defined for Level 1 in NPS.</li> <li>For roadworks, a qualified civil engineer should be engaged for making technical decisions and managing the technical aspects of the project – a consultant engineer could be used in this role.</li> <li><u>Supervisory</u> - Should have at least 2 years' experience in road / bridge works construction of the types defined for Level 1 in NPS.</li> </ul>	<ul style="list-style-type: none"> <li><u>Managerial</u> - Key personnel should have at least 2 years' experience in road / bridge works construction at Level 1 for state road authority or local government (may include subdivisional work).</li> <li><u>Professional / Para-Professional</u> - The project manager should be a qualified civil engineer with at least 2 years' experience in road / bridge works construction at Level 1 or higher. Others should have similar experience.</li> <li><u>Supervisory</u> - Should have at least three years' experience in road / bridge works construction at Level 1 or higher.</li> </ul>	<ul style="list-style-type: none"> <li><u>Managerial</u> - Key personnel should have at least four years' experience in road / bridge works including at least 2 years' experience at Level 2 and some experience at Level 3.</li> <li><u>Professional / Para-Professional</u> - Project managers should be qualified civil engineers, and should have at least four years' total experience in road / bridge works including at least 2 years at Level 2 or higher. Others should have similar experience.</li> <li><u>Supervisory</u> - Front-line supervisors should have a total of at least six years' experience in road / bridge works including at least three years at Level 2 or higher.</li> </ul>	<ul style="list-style-type: none"> <li><u>Managerial</u> - Key personnel should have at least six years' experience in road / bridge works including at least three years' experience at Level 3 and some experience at Level 4.</li> <li><u>Professional / Para-Professional</u> - Project managers should be qualified civil engineers. A significant proportion of the project managers in the Queensland 'in-house pool' should be qualified civil engineers with a total of at least six years' experience in the management of road / bridge works including at least 2 years at Level 3 or higher.</li> <li><u>Supervisory</u> - A significant proportion of the front-line supervisors in the 'in-house pool' should have a total of at least nine years' experience in road / bridge works including at least three years at Level 3 or higher.</li> </ul>	<ul style="list-style-type: none"> <li><u>Managerial</u> - Key personnel should have at least eight years' experience in civil infrastructure including five years' experience at Level 4.</li> <li><u>Professional / Para-Professional</u> - Project managers should be qualified civil engineers. A significant proportion of the project managers in the Queensland 'in-house pool' should be qualified civil engineers with a total of at least eight years' experience in the management of roadworks including at least 2 years at Level 4 of higher.</li> <li><u>Supervisory</u> - A significant proportion of the front-line supervisors in the 'in-house pool' should have a total of at least 12 years' experience in roadworks including at least three years at Level 4. The other supervisors should have at least 2 years' experience at Level 3 or 4.</li> </ul>
<b>2.4 Plant and equipment</b>	<ul style="list-style-type: none"> <li>The Applicant has demonstrated the capability to provide the plant and equipment required to properly resource R1 / B1 contracts</li> </ul>	<ul style="list-style-type: none"> <li>The Applicant has demonstrated the capability to provide the plant and equipment required to properly resource R2 / B2 contracts</li> </ul>	<ul style="list-style-type: none"> <li>The Applicant has demonstrated the capability to provide plant and equipment required to properly resource R3 / B3 contracts</li> </ul>	<ul style="list-style-type: none"> <li>The Applicant has demonstrated the capability to provide the plant and equipment required to properly resource R4 / B4 contracts</li> </ul>	<ul style="list-style-type: none"> <li>The Applicant has demonstrated the capability to provide the plant and equipment required to properly resource R5 contracts</li> </ul>

Notes:

<sup>2</sup> Key personnel should be classified into the following categories:

- managerial including directors (where applicable), area manager, operations management team and so on
- professional including project management, project engineers, civil engineers, technical specialists (for example structural, geotechnical, erosion control, environmental, cultural heritage, communications and so on)
- para-professional including engineering associates, construction technicians, work overseas, and
- supervisory including work supervisors, foremen and so on.

	R1 / B1	R2 / B2	R3 / B3	R4 / B4	R5
<b>Criteria 3: Management systems<sup>3</sup></b>					
<b>3.1 Quality management</b>	<ul style="list-style-type: none"> <li>An independently audited system that meets the requirements of a checklist to be provided by the Assessing Agency, or</li> <li>Third party Certified to AS/NZS ISO 9001 by a JAS-ANZ accredited conformity assessment body.</li> </ul>	<ul style="list-style-type: none"> <li>Third party Certified to AS/NZS ISO 9001 by a JAS-ANZ accredited conformity assessment body.</li> </ul>	<ul style="list-style-type: none"> <li>Third party Certified to AS/NZS ISO 9001 by a JAS-ANZ accredited conformity assessment body.</li> </ul>	<ul style="list-style-type: none"> <li>Third party Certified to AS/NZS ISO 9001 by a JAS-ANZ accredited conformity assessment body.</li> </ul>	<ul style="list-style-type: none"> <li>Third party Certified to AS/NZS ISO 9001 by a JAS-ANZ accredited conformity assessment body.</li> </ul>
	<ul style="list-style-type: none"> <li>Satisfactory corporate quality policy and example quality plans and ITP plans</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory corporate quality policy and example quality plans and ITP plans</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory corporate quality policy and example quality plans and ITP plans</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory corporate quality policy and example quality plans and ITP plans</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory corporate quality policy and example quality plans and ITP plans</li> </ul>
		<ul style="list-style-type: none"> <li>Evidence of successful use of the QMS on relevant projects</li> </ul>	<ul style="list-style-type: none"> <li>Evidence of successful use of the QMS on relevant projects</li> </ul>	<ul style="list-style-type: none"> <li>Evidence of successful use of the QMS on relevant projects</li> </ul>	<ul style="list-style-type: none"> <li>Evidence of successful use of the QMS on relevant projects</li> </ul>
		<ul style="list-style-type: none"> <li>No unresolved major non-conformances from its certifying body</li> </ul>	<ul style="list-style-type: none"> <li>No unresolved major non-conformances from its certifying body</li> </ul>	<ul style="list-style-type: none"> <li>No unresolved major non-conformances from its certifying body</li> </ul>	<ul style="list-style-type: none"> <li>No unresolved major non-conformances from its certifying body</li> </ul>
<b>3.2 Work Health and Safety (WHS)<sup>4</sup></b>	<ul style="list-style-type: none"> <li>An independently audited system that meets the requirements of a checklist to be provided by the Assessing Agency OR</li> <li>Third party Certified to AS/NZS 4801 or to ISO 450013 by a JAS-ANZ accredited conformity assessment body.</li> </ul>	<ul style="list-style-type: none"> <li>Third party Certified to AS/NZS 4801 or to ISO 45001 by a JAS-ANZ accredited conformity assessment body.</li> </ul>	<ul style="list-style-type: none"> <li>Third party Certified to AS/NZS 4801 or to ISO 45001 by a JAS-ANZ accredited conformity assessment body.</li> </ul>	<ul style="list-style-type: none"> <li>Third party Certified to AS/NZS 4801 or to ISO 45001 by a JAS-ANZ accredited conformity assessment body.</li> </ul>	<ul style="list-style-type: none"> <li>Third party Certified to AS/NZS 4801 or to ISO 45001 by a JAS-ANZ accredited conformity assessment body.</li> </ul>
	<ul style="list-style-type: none"> <li>Satisfactory corporate WHS policy and example WHS plans</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory corporate WHS policy and example WHS plans</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory corporate WHS policy and example WHS plans</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory corporate WHS policy and example WHS plans</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory corporate WHS policy and example WHS plans</li> </ul>
	<ul style="list-style-type: none"> <li>Evidence of successful use of the WHS system on relevant projects</li> </ul>	<ul style="list-style-type: none"> <li>Evidence of successful use of the WHS system on relevant projects</li> </ul>	<ul style="list-style-type: none"> <li>Evidence of successful use of the WHS system on relevant projects</li> </ul>	<ul style="list-style-type: none"> <li>Evidence of successful use of the WHS system on relevant projects</li> </ul>	<ul style="list-style-type: none"> <li>Evidence of successful use of the WHS system on relevant projects</li> </ul>
	<ul style="list-style-type: none"> <li>No unresolved major non-conformances from its certifying body</li> </ul>	<ul style="list-style-type: none"> <li>No unresolved major non-conformances from its certifying body</li> </ul>	<ul style="list-style-type: none"> <li>No unresolved major non-conformances from its certifying body</li> </ul>	<ul style="list-style-type: none"> <li>No unresolved major non-conformances from its certifying body</li> </ul>	<ul style="list-style-type: none"> <li>No unresolved major non-conformances from its certifying body</li> </ul>
	<ul style="list-style-type: none"> <li>No unresolved Improvement Notices or Infringement Notices from a regulatory body</li> </ul>	<ul style="list-style-type: none"> <li>No unresolved Improvement Notices or Infringement Notices from a regulatory body</li> </ul>	<ul style="list-style-type: none"> <li>No unresolved Improvement Notices or Infringement Notices from a regulatory body</li> </ul>	<ul style="list-style-type: none"> <li>No unresolved Improvement Notices or Infringement Notices from a regulatory body</li> </ul>	<ul style="list-style-type: none"> <li>No unresolved Improvement Notices or Infringement Notices from a regulatory body</li> </ul>
	<ul style="list-style-type: none"> <li>Lost Time Injury Frequency Rate for the past three years are similar to or less than industry averages</li> </ul>	<ul style="list-style-type: none"> <li>Lost Time Injury Frequency Rate for the past three years are similar to or less than industry averages</li> </ul>	<ul style="list-style-type: none"> <li>Lost Time Injury Frequency Rate for the past three years are similar to or less than industry averages</li> </ul>	<ul style="list-style-type: none"> <li>Lost Time Injury Frequency Rate for the past three years are similar to or less than industry averages</li> </ul>	<ul style="list-style-type: none"> <li>Lost Time Injury Frequency Rate for the past three years are similar to or less than industry averages</li> </ul>
<b>3.3 Environmental Management Systems (EMS)</b>	<ul style="list-style-type: none"> <li>An independently audited system that meets the requirements of a checklist to be provided by the Assessing Agency, or</li> <li>Third party Certified to AS/NZS ISO 14001 by a JAS-ANZ accredited conformity assessment body</li> </ul>	<ul style="list-style-type: none"> <li>Third party Certified to AS/NZS ISO 14001 by a JAS-ANZ accredited conformity assessment body.</li> </ul>	<ul style="list-style-type: none"> <li>Third party Certified to AS/NZS ISO 14001 by a JAS-ANZ accredited conformity assessment body.</li> </ul>	<ul style="list-style-type: none"> <li>Third party Certified to AS/NZS ISO 14001 by a JAS-ANZ accredited conformity assessment body.</li> </ul>	<ul style="list-style-type: none"> <li>Third party Certified to AS/NZS ISO 14001 by a JAS-ANZ accredited conformity assessment body.</li> </ul>
	<ul style="list-style-type: none"> <li>Satisfactory corporate environmental policy and example environmental management plans</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory corporate environmental policy and example environmental management plans</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory corporate environmental policy and example environmental management plans</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory corporate environmental policy and example environmental management plans</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory corporate environmental policy and example environmental management plans</li> </ul>
		<ul style="list-style-type: none"> <li>Evidence of successful use of the EMS on relevant projects</li> </ul>	<ul style="list-style-type: none"> <li>Evidence of successful use of the EMS on relevant projects</li> </ul>	<ul style="list-style-type: none"> <li>Evidence of successful use of the EMS on relevant projects</li> </ul>	<ul style="list-style-type: none"> <li>Evidence of successful use of the EMS on relevant projects</li> </ul>
		<ul style="list-style-type: none"> <li>No unresolved major non-conformances from its certifying body</li> </ul>	<ul style="list-style-type: none"> <li>No unresolved major non-conformances from its certifying body</li> </ul>	<ul style="list-style-type: none"> <li>No unresolved major non-conformances from its certifying body</li> </ul>	<ul style="list-style-type: none"> <li>No unresolved major non-conformances from its certifying body</li> </ul>
	<ul style="list-style-type: none"> <li>No unresolved Improvement Notices or Infringement Notices from a regulatory body</li> </ul>	<ul style="list-style-type: none"> <li>No unresolved Improvement Notices or Infringement Notices from a regulatory body</li> </ul>	<ul style="list-style-type: none"> <li>No unresolved Improvement Notices or Infringement Notices from a regulatory body</li> </ul>	<ul style="list-style-type: none"> <li>No unresolved Improvement Notices or Infringement Notices from a regulatory body</li> </ul>	

	R1 / B1	R2 / B2	R3 / B3	R4 / B4	R5
<b>Criteria 3: Management systems<sup>3</sup></b>					
<b>3.4 Traffic management</b>	<ul style="list-style-type: none"> <li>Satisfactory system in place for the management of traffic at worksites through properly trained and accredited in-house resources or established sub-contract arrangements</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory system in place for the management of traffic at worksites through properly trained and accredited in-house resources or established sub-contract arrangements</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory system in place for the management of traffic at worksites through properly trained and accredited in-house resources or established sub-contract arrangements</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory system in place for the management of traffic at worksites through properly trained and accredited in-house resources or established sub-contract arrangements</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory system in place for the management of traffic at worksites through properly trained and accredited in-house resources or established sub-contract arrangements</li> </ul>
	<ul style="list-style-type: none"> <li>Satisfactory example traffic management plan appropriate to the category applied for</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory example traffic management plan appropriate to the category applied for</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory example traffic management plan appropriate to the category applied for</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory example traffic management plan appropriate to the category applied for</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory example traffic management plan appropriate to the category applied for</li> </ul>
<b>3.5 Subcontractor Management</b>	<ul style="list-style-type: none"> <li>Satisfactory approach to the management of subcontractors and evidence of fair dealing with subcontractors</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory approach to the management of subcontractors and evidence of fair dealing with subcontractors</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory approach to the management of subcontractors and evidence of fair dealing with subcontractors</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory approach to the management of subcontractors and evidence of fair dealing with subcontractors</li> </ul>	<ul style="list-style-type: none"> <li>Satisfactory approach to the management of subcontractors and evidence of fair dealing with subcontractors</li> </ul>
	<ul style="list-style-type: none"> <li>Referee comments are generally positive and no issues have been raised regarding subcontractor management</li> </ul>	<ul style="list-style-type: none"> <li>Referee comments are generally positive and no issues have been raised regarding subcontractor management</li> </ul>	<ul style="list-style-type: none"> <li>Referee comments are generally positive and no issues have been raised regarding subcontractor management</li> </ul>	<ul style="list-style-type: none"> <li>Referee comments are generally positive and no issues have been raised regarding subcontractor management</li> </ul>	<ul style="list-style-type: none"> <li>Referee comments are generally positive and no issues have been raised regarding subcontractor management</li> </ul>
<b>3.6 Management of the relationship with the client</b>	<ul style="list-style-type: none"> <li>Has successfully participated in partnering / client relationship management at a level relevant to the category applied for. Demonstrates a positive attitude and willingness</li> </ul>	<ul style="list-style-type: none"> <li>Has successfully participated in partnering / client relationship management at a level relevant to the category applied for. Demonstrates a positive attitude and willingness</li> </ul>	<ul style="list-style-type: none"> <li>Has successfully participated in partnering / client relationship management at a level relevant to the category applied for. Demonstrates a positive attitude and willingness</li> </ul>	<ul style="list-style-type: none"> <li>Has successfully participated in partnering / client relationship management at a level relevant to the category applied for. Demonstrates a positive attitude and willingness</li> </ul>	<ul style="list-style-type: none"> <li>Has successfully participated in partnering / client relationship management at a level relevant to the category applied for. Demonstrates a positive attitude and willingness</li> </ul>
<b>3.7 Community / Stakeholder engagement</b>		<ul style="list-style-type: none"> <li>Evidence of successful community / stakeholder engagement activities on relevant past projects</li> </ul>	<ul style="list-style-type: none"> <li>Evidence of successful community / stakeholder engagement activities on relevant past projects</li> </ul>	<ul style="list-style-type: none"> <li>Evidence of successful community / stakeholder engagement activities on relevant past projects</li> </ul>	<ul style="list-style-type: none"> <li>Evidence of successful community / stakeholder engagement activities on relevant past projects</li> </ul>

Notes:

<sup>3</sup> Where third party certification of management systems is required for categories R1 / B1, the independent auditor that assesses the Applicant's management systems against the checklists or certifies the Integrated Management System, must be:

- engaged by a conformity assessment body accredited by the Joint Accreditation System for Australia and New Zealand (JAS-ANZ) to the relevant standard (<http://www.jas-anz.com.au>), (<http://www.jas-anz.org>), or
- registered by Exemplar Global (or equivalent), with experience in the civil construction industry (refer: [www.exemplarglobal.org](http://www.exemplarglobal.org)).

Third party certificates must state that the certification specifically applies to road / bridge construction. A reference to other categories alone (for example civil construction) is insufficient.

<sup>4</sup> Accreditation under Australian Government's Building and Construction WHS Accreditation Scheme is deemed to satisfy the WHS requirement for prequalification at all levels. The International Standard on Occupational Health and Safety (OHS) ISO 45001:2018 was published by Standards Australia as a joint Australian/New Zealand standard in October 2018

<b>Criteria 4: Financial capacity assessment methodology</b>	
<b>4.1 Preliminary contract capacity</b>	<ul style="list-style-type: none"> <li>The preliminary contract capacity is assessed as five times the assessed working capital. This is based on the core working capital determined from the entity's balance sheet (current assets less current liabilities).</li> <li>Satisfactory evidence of the collectability of related entity loans should be provided.</li> </ul>
<b>4.2 Application of additional risk overlays that may potentially reduce the assessed contract capacity limit</b>	<ul style="list-style-type: none"> <li>Limit the preliminary contract capacity to be no greater than 12.5 times net tangible assets.</li> <li>Application of key financial indicators as minimum requirements for prequalification: Quick Ratio of 0.8 or greater.</li> </ul>

<p><b>4.3 Qualitative adjustment</b></p>	<ul style="list-style-type: none"> <li>• In assessing the qualitative adjustment, assessors will be required to refer to detailed guidelines.</li> <li>• Based on the assessing consultant's experience, a comprehensive qualitative assessment may influence a further upward or downward adjustment after calculation of the preliminary contract capacity and the application of the risk overlays.</li> <li>• The qualitative adjustment will consider matters such as: <ul style="list-style-type: none"> <li>a) governance, including details of accounting policies and controls, budget preparation processes, risk management practices, internal financial skills and qualifications, internal financial management reporting and review processes</li> <li>b) application of Accounting Standards</li> <li>c) age of business, management experience, balance sheet management and so on</li> <li>d) aging of debtors and creditors as at the latest reporting date</li> <li>e) value, number and nature of registered charges</li> <li>f) age of banking relationship</li> <li>g) value and number of current contracts in progress and the nature of each client</li> <li>h) budgets and cashflow projections</li> <li>i) consideration of the Debt-to-Equity Ratio. Is it better or worse than a benchmark of 60 / 40?</li> <li>j) the revenue or average of previous three years, whichever is the greater</li> <li>k) consideration of recent profit (after income tax) performance over the past three years</li> <li>l) management Accounts vs. Compilation Statement vs. Audited Financial Statements</li> <li>m) audit qualifications</li> <li>n) extent of adoption of accounting standards and their transparency</li> <li>o) details gleaned from credit reports, credit references from suppliers and subcontractors and other publicly available information</li> <li>p) availability of credit lines or demonstrated capacity to obtain additional debt or equity <ul style="list-style-type: none"> <li>i) availability of credit lines may be determined by a reasonably conclusive means by way of: <ul style="list-style-type: none"> <li>– existing undrawn credit lines which should be evidenced by way of a facility approval letter</li> <li>– proposed or committed credit lines which should be evidenced by way of an unconditional (or reasonable limited conditions) indication that a loan would be provided if applied for.</li> </ul> </li> <li>ii) alternatively, capacity to borrow may be considered based on: <ul style="list-style-type: none"> <li>– availability of funds in a related entity and assessment of the likely availability of those funds to support the entity being assessed</li> <li>– the consultant's assessed strength of the balance sheet and trading history and an indication from the entity that they would be willing to borrow to meet working capital requirements, in need</li> </ul> </li> <li>iii) for smaller entities, capacity to obtain additional equity will require assessment of the shareholders' or directors' capacity to contribute funds following their indication of a willingness to contribute,</li> <li>iv) for larger entities, direct input from the entity concerned in relation to any proposed new equity would need to be assessed</li> <li>v) in each of the above cases, the effect of the new / increased debt or equity on the financial standing of the entity would need to be considered</li> </ul> </li> <li>q) upward adjustments to the preliminary contract capacity, while not limited, must be flagged with an asterisk when the adjustment is more than one level. For example, if contractor is assessed at after the preliminary assessment and overlays, it may be adjusted to an F10* or F25* and so on, and</li> <li>r) downward adjustment to the preliminary maximum contract limit calculation are not limited and may decline to zero where unfavourable assessments prevail.</li> </ul> </li> </ul>
<p><b>4.4 The result - an assessed contract capacity</b></p>	<ul style="list-style-type: none"> <li>• The assessed contract capacity is the recommended Financial Level and reflects the maximum additional aggregate contract cash flow commitment over a 12-month period, assuming a relatively even spread of cash flow over that period.</li> </ul>

## Appendix C – Asphalt prequalification

### C1 Introduction

The department's asphalt prequalification system is applied as a specialist category, as permitted under the NPS. It operates in Queensland only, for the prequalification of asphalt contractors that are involved in departmental works (for example, principal contractor, subcontractor). Prequalification in the relevant category is also required for asphalt contractors engaged by a principal contractor to the department. There is no opportunity for mutual recognition with asphalt prequalification.

A prequalified asphalt contractor may have one or more asphalt manufacturing plants and/or asphalt paving operations, provided these are included in the prequalified asphalt contractor's management systems certification.

### C2 Asphalt prequalification categories

There are four asphalt prequalification categories, as outlined in Table C2. They relate to asphalt works that could reasonably be satisfactorily completed by an asphalt contractor with the relevant experience and background. Officers undertaking prequalification assessments will recommend prequalification suitability based on the application of the assessment criteria and associated descriptions provided in Table C2.

**Table C2 – Transport and Main Roads asphalt prequalification categories**

Category	Indicative Description of Works and Category Requirements
<b>A1</b>	<p>Non-complex asphalt paving works that meet the department's specifications and contract requirements, pavement repairs and minor overlays on low priority roads. Except for deep lift patching undertaken as part of maintenance works, structural asphalt pavement base layers are excluded from this category.</p> <p>Dense graded asphalt is included in this category. High modulus (EME2) asphalt, stone mastic asphalt, open graded asphalt and proprietary thin asphalt surfacing are excluded from this category.</p> <p>The total asphalt tonnage for the works (that is, contract) shall not exceed 200 tonnes.</p> <p>The works typically include:</p> <ul style="list-style-type: none"> <li>• asphalt supply and paving capacity commensurate with the scale of project</li> <li>• coordination of the supply of registered asphalt mix manufactured by an A3 or A4 prequalified entity</li> <li>• quality, safety and environmental management systems for asphalt paving which have been either third-party certified (with the certifier being a conformity assessment body accredited by JAS-ANZ to the relevant standard) or independently confirmed by an auditor accredited by JAS-ANZ to the relevant standard</li> <li>• quality control and site testing of asphalt according to the specification and contract</li> <li>• basic surface preparation, sweeping and tack coating</li> <li>• delivery to site, in suitable delivery trucks from supplier's production facility</li> <li>• machine-placed asphalt paving to manual thickness control</li> <li>• compaction using self-propelled equipment including vibratory and pneumatic tyred rollers</li> <li>• minor pavement repairs including profiling and filling with asphalt</li> <li>• sampling of material for testing and cutting cores</li> <li>• providing traffic management plans and managing site and public vehicles</li> </ul>

Category	Indicative Description of Works and Category Requirements
	<ul style="list-style-type: none"> <li>• providing accurate contract documentation including spray sheets, quality records, site measure and quality management plans, and</li> <li>• accepting full responsibility for the warranty and for the asphalt and asphalt works meeting the department's requirements.</li> </ul> <p><b>Minimum assessment requirements for technical capacity</b></p> <p>The following relate to dense graded asphalt:</p> <ul style="list-style-type: none"> <li>• laboratories used for all compliance testing must be NATA accredited and CMT registered for the relevant tests</li> <li>• demonstrated experience in machine-placed asphalt paving</li> <li>• knowledge of the department's specifications</li> <li>• manager active in operations with at least five years of relevant experience</li> <li>• capacity to source sufficient complying asphalt mix to achieve continuous paving at the rate(s) nominated by the Applicant</li> <li>• key supervisory personnel with at least five years of relevant experience</li> <li>• ability to source registered mix designs that meet the requirements of the department's specifications and that are manufactured by a A3 or A4 prequalified asphalt contractor</li> <li>• possess or have access to plant capable of laying and compacting the mix uniformly (without segregation) to specified requirements for alignment, dimensions and compaction and so on. This includes having a self-propelled mechanical paver, pneumatic-tyred roller, vibratory roller and other relevant equipment, with appropriately trained, qualified and experienced operators and experienced set-out crew</li> <li>• staff engaged for sampling and testing activities shall comply with the requirements of the department's CMT Supplier Registration System</li> <li>• accepting full responsibility for the warranty and for the asphalt and asphalt works meeting the department's requirements</li> <li>• quality management system third-party certified, or independently confirmed to AS/NZS ISO 9001</li> <li>• environmental management system third-party certified, or independently confirmed to AS/NZS ISO 14001, and</li> <li>• OHS management system third-party certified, or independently confirmed to AS/NZS 4801 or ISO 45001.</li> </ul>
<b>A2</b>	<p>Complex asphalt works requiring experienced contractors with responsibility for the supply, delivery and paving of asphalt, meeting the department's specification and contract requirements, including for overlays, surfacing and structural base asphalt. Dense graded asphalt, high modulus (EME2) asphalt and open graded asphalt are included in this category. Stone mastic asphalt and proprietary thin asphalt surfacing are excluded from this category.</p> <p>The total asphalt tonnage for the works (that is, contract) shall not exceed 2000 tonnes.</p> <p>Includes Category A1 capability, as well as the following typical requirements:</p> <ul style="list-style-type: none"> <li>• Third-party certified quality, safety and environmental management systems across transport / delivery, paving and sprayed sealing processes, with the third-party certifier being a conformity assessment body accredited by JAS-ANZ to the relevant standard</li> <li>• surface preparation requiring shape correction, texturing, or special prime</li> <li>• seals under or between layers (for example, waterproofing seals, polymer modified binder (PMB) seals, strain alleviation membrane interlayers)</li> <li>• paving to automated level control</li> </ul>



Category	Indicative Description of Works and Category Requirements
	<ul style="list-style-type: none"> <li>• paving in echelon</li> <li>• paving using material transfer vehicles</li> <li>• paving asphalt including in deep lift mixes, heavy duty mixes, asphalt with PMB binders and warm mix asphalt</li> <li>• providing traffic management plans and managing site and public vehicles on moderately trafficked roads, and</li> <li>• demonstrated ability to manage subcontractors, including having appropriate subcontractor management systems. Asphalt subcontractors must be prequalified asphalt contractors with the department and must be directly supervised by the (primary) prequalified asphalt contractor. Refer below in A2 for further details.</li> </ul> <p><b>Minimum assessment requirements for technical capacity</b></p> <p>The following relate to dense graded asphalt and open graded asphalt:</p> <ul style="list-style-type: none"> <li>• quality management system third-party certified to AS/NZS ISO 9001</li> <li>• environmental management system third-party certified to AS/NZS ISO 14001</li> <li>• OHS management system third-party certified to AS/NZS 4801 or ISO 45001</li> <li>• laboratories used for all compliance testing must be NATA accredited and CMT registered for the relevant tests</li> <li>• extensive experience in machine-placed asphalt paving</li> <li>• knowledge of and extensive experience with the department's specifications</li> <li>• demonstrated ability to source registered mix designs that meet the requirements of the department's specifications and that are manufactured by a A3 or A4 prequalified asphalt contractor</li> <li>• manager active in operations with at least 10 years of relevant experience</li> <li>• key supervisory personnel with at least 10 years of relevant experience</li> <li>• civil engineer on staff or available externally</li> <li>• capacity to source sufficient complying asphalt mix to achieve continuous paving at the rate(s) nominated by the Applicant</li> <li>• demonstrated ability to manage subcontractors, including having appropriate subcontractor management systems. Asphalt subcontractors must be Transport and Main Roads prequalified asphalt contractors. An asphalt subcontractor's work must be limited to placing asphalt mixes that are commensurate with the asphalt prequalification category of the asphalt subcontractor. Notwithstanding this, there must be written confirmation that, when subcontractors are used, the (primary) prequalified asphalt contractor accepts full responsibility for the warranty and for the asphalt works meeting the department's requirements</li> <li>• possess plant capable of laying and compacting the mix uniformly (without segregation) to specified requirements for alignment, dimensions and compaction and so on. This includes having a self-propelled mechanical paver, pneumatic-tyred roller, vibratory roller, material transfer device and other relevant equipment, with appropriately trained, qualified and experienced operators and experienced set-out crew</li> <li>• staff engaged for sampling and testing activities shall comply with the requirements of the department's CMT Supplier Registration System, and</li> <li>• accepting full responsibility for the warranty, and for the asphalt and asphalt works meeting the department's requirements.</li> </ul>

<b>A3</b>	<p>Complex asphalt works requiring experienced contractors with responsibility for the design, production, delivery and paving of asphalt materials meeting the department's specification and contract requirements, including for overlays, surfacing and structural base asphalt.</p> <p>Dense graded asphalt, high modulus (EME2) asphalt and open graded asphalt are included in this category. Stone mastic asphalt and proprietary thin asphalt surfacing are excluded from this category.</p> <p>Includes Category A2 capability as well as the following typical requirements:</p> <ul style="list-style-type: none"> <li>• design and testing of asphalt materials to specification</li> <li>• production through an approved fixed or mobile manufacturing plant, including batch or continuous plant types</li> <li>• third-party certified quality, safety and environmental management systems across production, delivery, paving and sprayed sealing processes, with the third-party certifier being a conformity assessment body accredited by JAS-ANZ to the relevant standard</li> <li>• production and paving capacity commensurate with the scale of project, and</li> <li>• providing traffic management plans and managing site and public vehicles on highly trafficked roads</li> </ul> <p><b>Minimum assessment requirements for technical capacity</b></p> <p>The following relate to dense graded asphalt and open graded asphalt quality management system third-party certified to AS/NZS ISO 9001</p> <ul style="list-style-type: none"> <li>• environmental management system third-party certified to AS/NZS ISO 14001</li> <li>• OHS management system third-party certified to AS/NZS 4801 or ISO 45001</li> <li>• laboratories used for all compliance testing must be NATA accredited and CMT registered for the relevant tests</li> <li>• demonstrated experience in asphalt manufacture and proven track record of asphalt quality and performance</li> <li>• knowledge of and extensive experience with the department's specifications</li> <li>• manager active in operations with at least 10 years of relevant experience</li> <li>• key supervisory personnel with at least 10 years of relevant experience</li> <li>• civil engineer on staff</li> <li>• capability to design asphalt mixes to meet the requirements of the department's specifications</li> <li>• capability of producing registered mix designs that meet the department's specifications and contract requirements</li> <li>• possess or demonstrate substantial management control (that is ≥ 50% common ownership, ≥ 50% company directors in common, same Chief Executive Officer) of appropriate plant (for example, batch mixing plant or drum mixing plant) capable of mixing controlled amounts of binder, coarse aggregate, fine aggregate, filler and approved additives to produce a homogeneous asphalt mix, which complies with the registered mix design and the requirements of the department's specifications.</li> <li>• capacity to supply continuous output of complying asphalt mix to achieve continuous paving at the rate(s) nominated by the Applicant. Continuous output shall mean maintaining the nominated output(s) over a single continuous eight-hour production period</li> <li>• extensive experience in machine-placed asphalt paving</li> <li>• demonstrated ability to manage subcontractors, including having appropriate subcontractor management systems. Asphalt subcontractors must be Transport and Main Roads prequalified asphalt contractors and must be directly supervised by the (primary) prequalified asphalt contractor. An asphalt subcontractor's work must be limited to placing / manufacturing asphalt mixes that are commensurate with the asphalt prequalification category of the asphalt subcontractor. Notwithstanding this, there must be written confirmation that, when subcontractors are used, the (primary)</li> </ul>
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Category	Indicative Description of Works and Category Requirements
	<p>prequalified asphalt contractor accepts full responsibility for the warranty and for the asphalt works meeting the department's requirements.</p> <ul style="list-style-type: none"> <li>• possess plant capable of laying and compacting the mix uniformly (without segregation) to specified requirements for alignment, dimensions and compaction and so on. This includes having a self-propelled mechanical paver, pneumatic-tyred roller, vibratory roller, material transfer device and other relevant equipment, with appropriately trained, qualified and experienced operators and experienced set-out crew.</li> <li>• have testing staff engaged for the purposes of: <ul style="list-style-type: none"> <li>– interpreting and monitoring asphalt production test results</li> <li>– sampling and testing asphalt and its constituent materials</li> </ul> </li> <li>• staff engaged for sampling and testing activities shall comply with the requirements of the department's CMT Supplier Registration System, and</li> <li>• accepting full responsibility for the warranty, and for the asphalt and asphalt works meeting the department's requirements.</li> </ul>
<b>A4</b>	<p>Asphalt works requiring experienced contractors with integrated design, manufacture and paving capabilities to provide high performance asphalt meeting proprietary performance standards and/or the department's specifications and contracts.</p> <p>Dense graded asphalt, open graded asphalt, high modulus (EME2) asphalt, stone mastic asphalt and proprietary thin asphalt surfacing are included in this category.</p> <p>Includes Category A3 capability, as well as any number of the following typical activities:</p> <ul style="list-style-type: none"> <li>• pavement design and material classification to provide performance solutions</li> <li>• provision of specialist products based on performance criteria</li> <li>• design of heavy duty and specialised mixes including mix characterisation testing, and</li> <li>• production of high-quality mixes through suitable / appropriate fixed or mobile production plants.</li> </ul> <p><b>Minimum assessment requirements for technical capacity</b></p> <p>The following relate to all asphalt types:</p> <ul style="list-style-type: none"> <li>• quality management system third-party certified to AS/NZS ISO 9001</li> <li>• environmental management system third-party certified to AS/NZS ISO 14001</li> <li>• OHS management system third-party certified to AS/NZS 4801 or ISO 45001</li> <li>• laboratories used for all compliance testing must be NATA accredited and CMT registered for the relevant tests</li> <li>• demonstrated experience and capability in manufacture of specialised asphalt mixes / products (for example, the manufacture of stone mastic asphalt, high modulus (EME2) asphalt, proprietary and/or other specialised asphalt products) and proven track record of asphalt quality and performance</li> <li>• knowledge of and extensive experience with the department's specifications</li> <li>• manager active in operations with at least 10 years of relevant experience</li> <li>• key supervisory personnel with at least 10 years of relevant experience</li> <li>• civil engineer with extensive experience in asphalt on staff</li> <li>• capability to design high performance asphalt mixes to meet the requirements of the department's specifications</li> <li>• capability of producing registered mix designs that meet the department's specifications and contract requirements</li> <li>• possess or demonstrate substantial management control (that is <math>\geq 50\%</math> common ownership, <math>\geq 50\%</math> company directors in common, same Chief Executive Officer) of appropriate plant (for example, batch mixing plant or drum mixing plant) capable of</li> </ul>

Category	Indicative Description of Works and Category Requirements
	<p>mixing controlled amounts of binder, coarse aggregate, fine aggregate, filler and approved additives to produce a homogeneous asphalt mix which complies with the registered mix design (or specialised product design) and the requirements of the department's specifications</p> <ul style="list-style-type: none"> <li>• capacity to supply continuous output of complying asphalt mix to achieve continuous paving at the rate(s) nominated by the Applicant. Continuous output shall mean maintaining the nominated output(s) over a single continuous eight-hour production period</li> <li>• extensive experience in machine-placed asphalt paving of specialised materials including, but not limited to and stone mastic asphalt</li> <li>• demonstrated ability to manage subcontractors, including having appropriate subcontractor management systems. Asphalt subcontractors must be Transport and Main Roads prequalified asphalt contractors and must be directly supervised by the (primary)-prequalified asphalt contractor. An asphalt subcontractor's work must be limited to placing / manufacturing asphalt mixes that are commensurate with the asphalt prequalification level of the asphalt subcontractor. Notwithstanding this, there must be written confirmation that when subcontractors are used, the (primary) prequalified asphalt contractor accepts full responsibility for the warranty and for the asphalt works meeting Transport and Main Road's requirements</li> <li>• possess plant capable of laying and compacting the mix uniformly (without segregation) to specified requirements for alignment, dimensions and compaction and so on. This includes having a self-propelled mechanical paver, pneumatic-tyred roller, vibratory roller, material transfer device and other relevant equipment, with specialist operators and experienced set-out crew with appropriate training, qualifications and experience</li> <li>• have testing staff engaged for the purposes of: <ul style="list-style-type: none"> <li>– interpreting and monitoring asphalt production test results</li> <li>– sampling and testing asphalt and its constituent materials</li> </ul> </li> <li>• staff engaged for sampling and testing activities shall comply with the requirements of the department's CMT Supplier Registration System, and</li> <li>• accepting full responsibility for the warranty, and for the asphalt and asphalt works meeting the department's requirements.</li> </ul>

### C3 Prequalification for manufacturing only

The department may consider, at its complete discretion, applications for prequalification in the A3 or A4 category for manufacturing only. If the department grants prequalification for manufacturing only, conditions will be applied. Typical conditions include the following:

- a) the prequalification is for manufacturing only
- b) the prequalified entity cannot tender for work in its own right, or be the prequalified asphalt contractor nominated for the work
- c) prequalification status may be reviewed annually by the department, with ongoing prequalification subject to performance that is satisfactory to the department.

If an asphalt contractor wants to apply for conditional prequalification as described above, it needs to:

- a) complete an NPS Application Form in full except for Section 1.1 and parts / items in Section 2 not related to manufacturing of asphalt, and
- b) include a written statement in its application that it is seeking conditional prequalification as described above.

#### C4 Warranties

Irrespective of whether the Applicant is engaged directly by the department or by a principal contractor, the Applicant warrants that the asphalt will meet the performance requirements in the relevant specifications.

The Applicant agrees to enter into a Warranty Deed, provided by the department, as a condition precedent to the granting of prequalification.

Adherence to the warranty requirements and Warranty Deed is a condition of prequalification. A prequalified asphalt contractor must adhere to the warranty requirements, including appropriate rectification of defective works to the department's satisfaction by way of repair or replacement of any asphalt that failed to meet the specified performance requirements. If a prequalified asphalt contractor fails to adhere to the warranty requirements, then this will impact its current and/or future prequalification status. This will also be considered in any future applications for prequalification by the asphalt contractor and/or individual entities (for example, an entity in a joint venture). The Warranty Deed is available at:

<https://www.tmr.qld.gov.au/business-industry/Technical-standards-publications/TIPDS/Volume-3>

Exclusion: Asphalt contractors conditionally prequalified in the A3 or A4 category for manufacturing only, do not need to warrant that the asphalt will meet the shape and performance requirements in the relevant specifications (as the fully prequalified asphalt contractor is responsible for this).

#### C5 Additional requirements for maintaining asphalt prequalification status

Further to Section 6, prequalified asphalt contractors must demonstrate ongoing satisfactory performance in areas such as inspection and testing, auditing, surveillance and asphalt quality management / performance in order to maintain their prequalification status. Details are provided in Table C5.

A 'Performance Report – Asphalt Prequalification' will be prepared upon completion of each contract. Further guidance can be found in Clause 10 of MRTS30 *Asphalt Pavements* or contact the Principal Engineer (Asphalt and Surfacing). At the department's discretion, interim reports may also be prepared during the contract, dependent on the duration of the contract. The performance report form and scoring guide are available at:

<https://www.tmr.qld.gov.au/business-industry/Technical-standards-publications/TIPDS/Volume-3>

**Table C5 – Additional requirements for maintaining asphalt prequalification status**

Requirement	Description
Inspection and testing	<p>Prequalified asphalt contractors must maintain adequate procedures for planning and undertaking all tests and measurements necessary for purposes of ensuring conformance of asphalt (including product and pavement), with specified requirements at relevant stages of their operations.</p> <p><b>Inspection and test plans (ITPs)</b></p> <p>As part of their project plans, asphalt contractors are required to prepare ITPs in advance of any asphalt works in order to determine the appropriate inspections, measurements, observations and/or tests, records and responsibilities necessary for purposes of quality control and checking of product compliance. The ITPs should also encompass:</p> <ul style="list-style-type: none"> <li>• requirements of raw material supplies</li> <li>• particular asphalt plant and mix design characteristics and controls</li> </ul>

Requirement	Description
	<ul style="list-style-type: none"> <li>• methods and frequencies of sampling and testing</li> <li>• sampling locations</li> <li>• verification checklists</li> <li>• timeframes for submission of test results, and</li> <li>• communication of relevant information.</li> </ul> <p>In the case of fixed site asphalt manufacturing plants, these ITPs can apply over continuous periods, but there may need to be separate ITPs for the different asphalt mix types to be manufactured at that site.</p> <p>Generally, the ITPs for mobile asphalt manufacturing plants and for asphalt paving operations will be specific to the site circumstances of the plant and/or paving operation. However, they may be based on a standard format which is customised for each site or project.</p> <p><b>Quality control</b></p> <p>Prequalified asphalt contractors are responsible for conducting the quality control tests and measurements that are necessary to ensure conformance of the asphalt works with specified requirements.</p> <p>Conformance tests shall be undertaken as required in the specifications and contract including the following:</p> <ul style="list-style-type: none"> <li>• production batches of asphalt at the point of loading into vehicles for delivery to road projects, and</li> <li>• compacted asphalt pavement layers.</li> </ul> <p>Prequalified asphalt contractors are also responsible for analysis of results of quality control tests and measurements in order to determine that variation in results is controlled within acceptable limits. Control charts and competent / relevant statistical analysis and quality control processes are to be used for assessment of variability of the relevant parameters (for example, trend diagrams, standard deviations, coefficients of variation). At a minimum, the following parameters are to be assessed for variability as well as for their compliance with specified requirements and registered mix design details:</p> <ul style="list-style-type: none"> <li>• from production mix at the asphalt manufacturing plant: <ul style="list-style-type: none"> <li>– combined grading results for all of the mineral constituents</li> <li>– binder content</li> <li>– maximum density</li> <li>– air voids.</li> </ul> </li> <li>• from completed asphalt pavement: <ul style="list-style-type: none"> <li>– compaction data.</li> </ul> </li> </ul> <p>These quality control activities are to be undertaken in accordance with recognised industry practice and as a minimum must include the requirements for sampling, testing and analysis of test data detailed in the departmental specifications.</p> <p>Quality records must be maintained and supplied to the department and/or the contract administrator in accordance with departmental specifications including (but not limited to) <i>MRTS50 Specific Quality System Requirements</i> and <i>MRTS30 Asphalt Pavements</i>.</p> <p><b>Checking compliance</b></p> <p>Asphalt contractors are responsible for ensuring sufficient testing is done to ensure that all raw materials, production asphalt and asphalt pavement conform with specified requirements, as defined in the department's specifications (including, but not limited to <i>MRTS30 Asphalt Pavements</i> and <i>Annexure MRTS30.1 Asphalt Pavements</i>), and project-specific contract documentation.</p>

Requirement	Description
	Requirements for submission of inspection and test records relating to compliance of completed lots of asphalt are defined in departmental specification <i>MRTS50 Specific Quality System Requirements</i> .
Surveillance	<p>Prequalified asphalt contractors are required to cooperate with surveillance activities of contractors and administrators. Assessment of the prequalified asphalt contractor's performance will include consideration of the level of cooperation and the effectiveness of these relationships. The focus of surveillance activities of both the contractor and of the contract administrator in relation to the operations of the prequalified asphalt contractor must be on the implementation of the various criteria on which the contractor's prequalification is based and, in particular, on the following:</p> <ul style="list-style-type: none"> <li>• the asphalt works conform with project requirements</li> <li>• the works are carried out in a controlled and coordinated manner</li> <li>• the asphalt is produced in accordance with the registered mix design, and</li> <li>• the asphalt production and paving operations are undertaken with equipment and personnel of the nominated capability.</li> </ul> <p>Prequalified asphalt contractors will:</p> <ul style="list-style-type: none"> <li>• ensure that manufactured asphalt and/or asphalt pavement conform with specified requirements - this responsibility inherently relies upon supervision of defined procedures, which must be aligned to the basis and conditions on which the contractor has been prequalified (for example, conformance with registered mix design, operation of suitable equipment, engagement of suitable staff)</li> <li>• prepare process plans for the relevant activities (for instance in asphalt manufacture and/or asphalt paving operations), and</li> <li>• prepare ITPs.</li> </ul>
Auditing	<p>The prequalified asphalt contractor's management plans and the surveillance plans of the head contractor and of the contract administrator shall all include audit activities with the following objectives:</p> <ul style="list-style-type: none"> <li>• ensure that project objectives are met</li> <li>• ensure that defined processes and procedures are followed</li> <li>• confirm that compliance of production asphalt and asphalt pavement is in accordance with specified requirements, and</li> <li>• identify aspects of processes and procedures where there is potential for improvement.</li> </ul> <p>Reports from audits by the prequalified contractor, head contractor, administrator, departmental staff (for example, District) on the prequalified asphalt contractor should be made available to all these same parties. Preliminary findings should be made available to the prequalified asphalt contractor on the day of the audit. Audit findings, observations and recommendations need to be reviewed by the above parties in consultation with a view to determination of any necessary activities for example:</p> <ul style="list-style-type: none"> <li>• adjustment, correction or improvement of processes</li> <li>• calibration, maintenance and replacement of plant / equipment</li> <li>• training of personnel, and</li> <li>• modification of materials in relation to registered mix designs.</li> </ul>

Requirement	Description
Asphalt Quality Management / Performance	<p>Assessment of the overall performance of the prequalified asphalt contractor on each project is fundamental to the maintenance of prequalification status and helps to foster an environment of continuous improvement.</p> <p>The following are the criteria for satisfactory performance in relation to the management of asphalt quality:</p> <ul style="list-style-type: none"> <li>• provision of adequate process plans which are coordinated with the project plans of the head contractor</li> <li>• implementation of appropriate supervision and quality control processes of its own operations and activities</li> <li>• undertaking an appropriate amount of internal auditing of its own processes and procedures</li> <li>• cooperation with the surveillance, auditing and conformance assessment activities of the head contractor and of the administrator, including: <ul style="list-style-type: none"> <li>– participation in pre-start and other coordination activities</li> <li>– making its own supervision, testing and auditing activities available for review and discussion.</li> </ul> </li> <li>• implementation of necessary corrections and/or improvements to its processes and/or procedures resulting from the surveillance and auditing activities of the contractor and of the administrator, and</li> <li>• ensuring that personnel (whether staff or subcontractors) utilised for a particular operation or project, meet the minimum requirements for the role, as assessed at the time of lodgement of the prequalification application.</li> </ul> <p>Assessment of capabilities of staff and equipment for sustained performance in relation to specification requirements, recognised industry practices and changes in technology, is included in each of the above criteria.</p> <p>Prequalified asphalt contractors must also comply with the warranty conditions described in Section C4 with respect to the performance of any asphalt manufactured or placed, as further described in the departmental specifications including (but not limited to) <i>MRTS30 Asphalt Pavements</i>.</p>

## C6 Cancellation, downgrading or changes to scope

In addition to the circumstances outlined in Section 6, the following types of breaches may also give rise to changes in the prequalified asphalt contractor's status:

### C6.1 Downgrading or changes to scope

- Failure to meet defect liability requirements.
- Failure to meet performance requirements in areas including (but not limited to) inspection and testing, auditing, or cooperation with surveillance activities on departmental projects for example:
  - repeated product and/or procedural nonconformances
  - failing to:
    - close-out surveillance or audit issues in an agreed timeframe and to a standard satisfactory to the department
    - make adequate responses to repair defective products and/or to improve management systems or processes
    - maintain accurate, verifiable and consistent records, including test results



- retain personnel with adequate experience and capability
- adequately maintain plant and equipment
- use the asphalt contractor's systems (for example, quality systems and procedures, work instructions) and/or provide documented evidence of their use
- address environmental and/or safety issues of concern
- honour the warranties applicable to the quality and performance of asphalt, as described in the departmental specifications including, but not limited to, *MRTS30 Asphalt Pavements*
- comply with any restrictions or conditions imposed on the asphalt contractor under this prequalification system and/or departmental construction materials testing supplier registration system

**C6.2 Cancellation**

- a Show Cause Notice has been issued in relation to a contract, or a contract has been terminated
- where changes have been made to prequalification and the asphalt contractor has been given a nominated period of time to comply with the changes, but fails to do so
- where an asphalt contractor has been granted conditional prequalification subject to it meeting certain requirements and it fails to meet those requirements within the stipulated timeframes.

## **Appendix D – Contractor Performance Reporting – Road and Bridge**

### **D1 Introduction**

Further to Section 6.2, Performance Reports are required to be completed for all contract types where prequalified contractors are used for road and bridge construction.

Performance reports assess the following broad areas of performance:

- application of systems
- capability and experience of both the contractor's and administrator's teams
- relationships
- management of claims and disputes, and
- external considerations.

### **D2 Types and frequency of reporting**

The types and minimum requirements for frequency of contractor performance reporting are:

- every month of the contract (monthly performance report) (Form C7901)
- at important milestones of the contract's time schedule (Milestone Report) (Form C7902)
- following the Practical Completion of the contract (Milestone Report) (Form C7902)
- following the issue of the Final Certificate (Milestone Report) (Form C7902), and
- at other times, as determined and directed by the Prequalification and Contracts Unit, if there is a continuing period of unsuitable performance by the contractor.

The report following Practical Completion is the main source of data for the evaluation of the overall performance of the contractor. The report following Final Completion is to evaluate the performance of the contractor during the defects liability period.

The performance report forms are available at:

<https://www.tmr.qld.gov.au/business-industry/Technical-standards-publications/Performance-Reports>

### **D3 Process and timeframes**

The contractor shall organise Performance Assessment Conferences on a monthly basis, (which could be on the same day as the contract's monthly site conferences), to monitor, review and discuss matters related to the performance by the contractor against the criteria set out either in Form C7901 or in C7902 as applicable.

Performance Assessment Conferences shall be attended by the administrator and the contractor, and/or their senior representatives. The Principal, at its sole discretion, may attend any Performance Assessment Conference, or elect a delegate to attend on its behalf.

The administrator will chair the Performance Assessment Conference and will arrange for the recording and publication of the minutes of meeting. Using the relevant form, the administrator shall score and comment on the contractor's performance and provide a copy to the contractor.

Should the contractor and administrator disagree on the final score on any of the criteria, the contractor has five working days to provide comment on the Form, including the reasons and attaching relevant information to support its position and to return the signed form to the administrator. The administrator signs the form prior to submitting it to the Principal for review.

Within 14 days of receipt of Form C7901 or C7902, the Principal shall complete its review of the scores, add any comments and sign to complete it. Within three days of completion of Form C7901 or C7902, the Principal shall email a scanned copy (portable document format or PDF), with the administrator and contractor copied into the particular email correspondence, to:

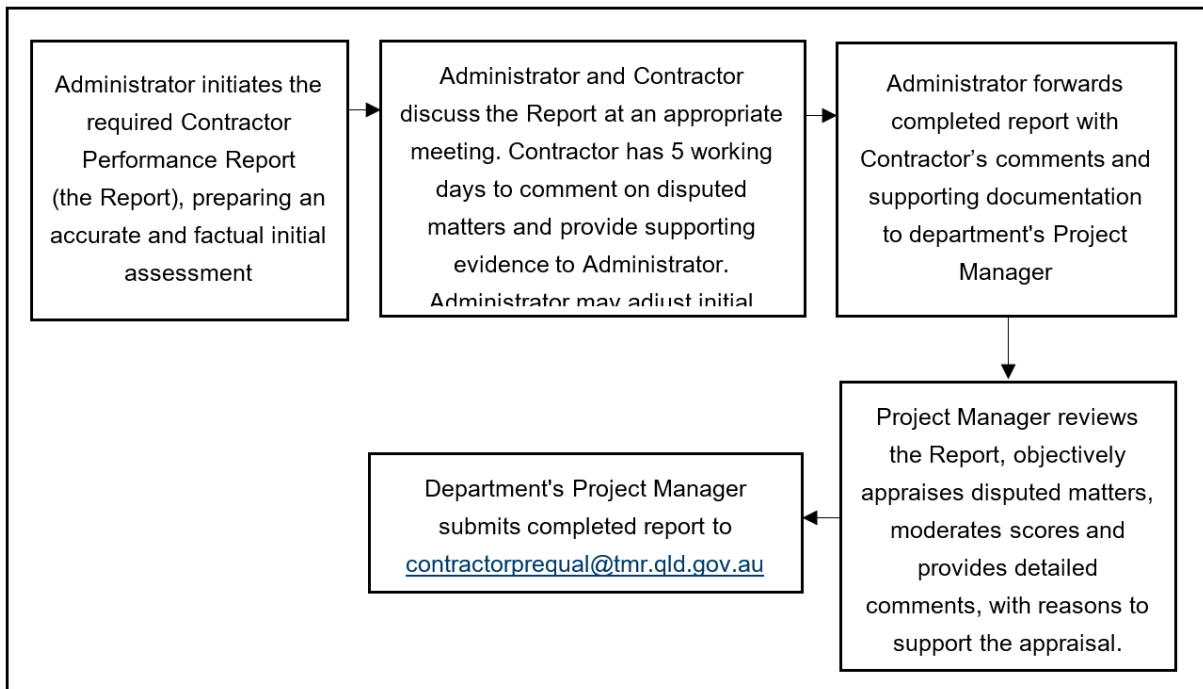
Email address: [contractorprequal@tmr.qld.gov.au](mailto:contractorprequal@tmr.qld.gov.au)

Program Management and Delivery

Attention: Prequalification Officer

At the end of the Defects Liability Period and prior to the issuance of the Final Certificate, the contractor shall organise, with the administrator, a Final Performance Assessment Conference to review its performance during the Defects Liability Period, all in accordance with the relevant criteria set out in Form C7902. The Principal's Representative will review the scores and submit final scores with its comments to Contractor Prequalification Unit as outlined previously. The Principal shall furnish the contractor and the administrator with a copy of the completed Form.

**D3.1 Flowchart of the basic process for Contractor Performance Reporting**



Note: Where there is no 'Administrator' on a contract, the Principal's Representative may take on this role.

## **D4 Other considerations**

### ***D4.1 Managing disagreements***

Where there is a disagreement about performance, each of the parties should make every effort to understand the concerns of the other party and resolve the matter. The intention of this approach is that performance issues are identified and discussed as the project progresses, rather than allowing them to go unresolved. A representative of the client will review the scores and moderate them before final submission to the Prequalification Unit if deemed necessary.

If the contractor does not agree with the scores given, it must be able to support its position with factual evidence. The evidence should be attached to the Performance Report at the time of submission to the representative of the client. The Prequalification Committee may also request additional information after the report has been submitted, or during any future reviews to assist it in understanding any allegations of poor performance. Such factual evidence may include:

- audit reports
- technical reports
- photographs
- letters or memoranda
- site instructions, and
- minutes of site meetings.

The Prequalification Committee will consider the scores and any supporting information provided by each of the parties and shall take a balanced view in the assessment of the Performance Report. The Prequalification Committee may decide to visit the site (or send its representative) and investigate ongoing issues, if deemed necessary and will retain the right to further moderate and/or change the scores according to its findings.

Appropriate action will be taken where adverse performance can be substantiated. In the case of an isolated incident of adverse performance, the Prequalification Committee may write to the contractor advising that the incident has been noted. Alternatively, in some cases, the Prequalification Committee may meet with the contractor to discuss performance concerns and seek assurances that remedial measures will be implemented. Where there is a history of poor performance (or a single serious non-compliance) with no attempt by the contractor to improve, the Prequalification Committee may consider downgrading or cancelling the Contractor's Prequalification Level.

It should be noted that, even if no supporting documentation is attached to the Performance Report, the Prequalification Committee may still issue a Show Cause Notice to the Prequalified Contractor on the basis of the low scores given over a number of contracts. The onus is on the Prequalified Contractor to respond to the Show Cause Notice and satisfy the Prequalification Committee that action should not be taken with respect to its Prequalification Level.

#### **D4.2 External considerations**

The Quality of Design has been included as one of the assessment criteria to be scored. The reason for this is twofold. Firstly, for design and construct contracts, it enables an assessment to be made of the performance of the designer and the contractor's management of the designer. Secondly, for construct only contracts, if there are genuine design problems which caused difficulties in the construction of the project, it allows the Prequalification Committee to consider this when reviewing the assessment of the contractor's performance. It is not intended that these scores be used (in isolation) to take action against the designer, as there is a separate prequalification system for Engineering Consultants with a performance reporting mechanism to address issues regarding the performance of the Designer.

It is also expected that any concerns with the design (as evidence by scores of four or less) would be brought to the attention of the Designers as the job progresses and must be supported by factual evidence. Such evidence may also be used at the completion of the project when the Performance Report on the Designer is being compiled. Serious concerns may trigger an investigation as the job is progressing, rather than waiting until the construction is completed.

#### **D5 Site visits by the Prequalification Committee**

From time to time, members of the Prequalification Committee or their nominated representatives may visit a construction site or attend one or more of the monthly site meetings, for any of the current contracts with the department. The purpose of these visits is to:

- allow the Prequalification Committee to understand any issues on the project which may have been included in Performance Reports, or may potentially be included in future Performance Reports
- ensure consistency of Contractor Performance Reporting
- provide an opportunity for members of the Prequalification Committee to meet and get to know various contractors and administrators, and
- allow the Prequalification Committee to review the effectiveness of the performance reporting process and develop improvements as required, ensuring that it is a useful tool for both the Prequalification Committee and Contractors / Administrators / Principals.

Given the limited resources available to the Prequalification Committee, it is envisaged that such visits would generally be infrequent. For small, simple projects, the Prequalification Committee may decide not to visit the project. The frequency may increase for select projects, where there are particular complexities or performance issues of which the Prequalification Committee is aware.

The Prequalification Committee or its representatives will visit the sites as observers only and will provide no direct input to the operation of project. Before visiting any site, the Prequalification Committee will generally notify the contractor and administrator in writing seven days prior to visiting the site. If there are particularly urgent matters where the Prequalification Committee considers a site visit is needed, 24 hours' notice will be given. The contractor, administrator or Principal must not deny access to the Prequalification Committee if they wish to visit any construction site.

