

**Submission
No 5**

PROCUREMENT OF GOVERNMENT INFRASTRUCTURE PROJECTS

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NSW Legislative Assembly
Committee on Transport and Infrastructure

Inquiry into the procurement of government infrastructure projects

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Submitted by

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INTRODUCTION

The Institute of Public Works Engineering Australasia (IPWEA) is a not for profit, membership based, professional organisation representing engineers and others involved in the provision of public works and services predominantly in the local government sphere. The Institute conducts a National office and Divisions across all states and New Zealand.

This submission is authored by the NSW Division.

IPWEA NSW is a registered charity with the purpose of advancing the public works sector in Australia, particularly in NSW by:

- conducting and publishing research into improvements to the processes used in the industry
- working with government at all levels to ensure that the interests of the public works industry are represented in regard to the public decision-making process, and
- providing a forum for all people engaged in the public works to discuss best practice and enhancing the future of the industry

IPWEA NSW seeks through its mission to *enhance the quality of life of NSW Communities through excellence in public works and services.*

Infrastructure provided by all levels of Governments plays a critical and fundamental role in ensuring economic activity is supported and growth can occur. Delaying infrastructure improvements (or even basic maintenance) impacts on economic sustainability (often seen as confidence in a location), transport (efficient movement of people and freight) public health and safety and impacts on the cost of living for our communities (electricity, water, sewerage, transport, etc).

Engineers, as part of a broader team, play key roles in infrastructure development, planning, design, construction, operation and maintenance. These engineering roles underpin nearly every aspect of life nowadays (as the disciplines in engineering are broad and cover a very wide range of industries).

Engineers hold the key to developing an understanding of systems, public risk, safety and performance requirements, that optimise delivery to meet service requirements. Without the safeguards inherent in an engineered solution, infrastructure performance would be haphazard, dangerous and much more costly.

To maintain the communities' lifestyles and sustain our standard of living, sufficient engineering skills need to be brought to bear - sufficient engineering knowledge is required to be part of decision making processes, so at least, the results of decision-making are understood and the ramifications planned for.

IPWEA NSW has strong associations with the NSW Water Directorate, the NSW Roads & Transport Directorate and LG NSW. The Institute also works closely with several leading government agencies including OLG, RMS, TfNSW, NSW Audit Office, ICAC and IPART.

TERMS OF REFERENCE

That the Committee inquire into, and report on, world's best practice with regard to the procurement of government infrastructure projects with particular reference to:

1. the best process of gateway decision making on the efficacy of public private partnerships compared to other procurement methods;
2. the best procurement process and documentation;
3. the desirability of the standardisation of procurement processes and documentation;
4. the desirability of a standard national process and documentation for the delivery of government infrastructure within a federal structure;
5. methods to minimise the cost of contractors tendering for the supply of services with respect to government infrastructure;
6. methods to achieve optimal contestability in tendering for the supply of services with respect to government infrastructure; and
7. any other related matter.

INTRODUCTION

IPWEA (NSW Division) has undertaken a leading role in working with the Office of Local Government and other agencies including RMS, TFNSW and IPART, endeavouring to develop improved criteria for the sustainable management of councils and the infrastructure that councils manage on behalf of their communities. This, in turn is providing expertise, guidance, technical manuals and professional development for all tiers of government and public works practitioners who are responsible for managing public infrastructure.

IPWEA (NSW Division) is therefore ideally placed to take a lead role in enhancing outcomes for communities across NSW, by assisting practitioners involved at all levels of government.

IPWEA NSW recognises enhancements are needed including improved procurement practices, changes in funding regimes if NSW communities are to have adequate infrastructure and services into the future.

As such, IPWEA, recognising the technical skills, knowledge and ability of the engineering profession, would support further discussion on funding models, collaboration at regional level, improved policies, practices, procedures and processes and seek to play a leading role in assisting to bring sustainability to NSW communities.

Fundamental to any improvement or reform in procurement is recognition of the need for skills and capacity within the public infrastructure sector. Indeed each of the specific terms of reference must consider the skills & capability of practitioners involved in the procurement process. From concept, initial specifications and scoping, through to design, assessment, construction, evaluation and maintenance, any and all infrastructure projects requires a minimum level of engineering expertise.

There are numerous case studies of government infrastructure projects extending beyond budget, over engineered, massive variations in time, cost and scope, or not compliant with community expectations.

Having suitably qualified personnel involved at each step in the procurement process would certainly address many issues. From \$1m plus public toilet blocks to bridges being designed that are unable to be constructed because the consultant designer has not actually inspected the construction site all add significantly to the procurement costs and delays for public infrastructure delivery.

IPWEA NSW recommend the formal recognition of engineering as a profession through a state and or national based registration scheme, similar to Registered Engineering Professionals in Qld, (REPQ), and currently being considered in Vic and WA.

The current review of the Local Government Act in NSW provides an excellent opportunity to ensure a chief engineer is legislated at each LGA in NSW. For state government Agencies the position of Chief Engineer should also be mandated.

The recent draft report from the Independent Pricing and Regulatory Tribunal, IPART, *“Review of Reporting and Compliance Burdens on Local Government, January 2016”*, provides valuable insights and strong recommendations to ensure better outcomes for the management of infrastructure by local government in this state. Many of the recommendations are relevant to the terms of reference of this inquiry and IPWEA NSW would encourage IPART’s involvement in this inquiry.

BACKGROUND and COMMENTARY

IPWEA NSW believes that although the need to implement initiatives that will allow new infrastructure to NSW communities is to be encouraged, there is also a need to recognise the current funding pressure on the maintenance of the life cycle costs of current assets to ensure monetary investment in NSW communities’ assets is for the long-term and not short-term.

The Public Infrastructure backlog is real and continues despite better reporting and better asset management practices. The NSW Minister for Local Government in the *2013 NSW Local Government Infrastructure Audit Report* states;

“This report confirms what many have been thinking and saying – there is a large local government infrastructure backlog in NSW and some council’s face real and significant challenges in terms of maintaining and renewing the infrastructure that is critical to their communities and the NSW economy. Not surprisingly, the audit has also found that many of those councils with substantial backlogs are also struggling financially.

Clearly, the status quo is not an option. Rather, the NSW Government, together with councils, the Federal Government and other key stakeholders will need to continue to work together to address the challenges identified in this report.”

INFRASTRUCTURE FUNDING BACKGROUND FOR NSW LOCAL ROADS

In May 2015 the NSW Roads & Transport Directorate released a report containing results from the 2014 Road Asset Benchmarking Project¹.

The road funding gap for NSW councils is estimated at \$447 million based on the data from the 150 responding councils extrapolated to 152 councils. Funding at this level will require a 41% increase on 2013/14 road expenditures if asset management principles are not further developed to manage the gap.

Asset management principles to be applied to managing the funding gap include:

¹ <http://higherlogicdownload.s3.amazonaws.com/IPWEA/c7e19de0-08d5-47b7-ac3f-c198b11cd969/UploadedImages/Asset%20Benchmarking%20Project/Road%20Management%20Report%202014.pdf>



- *Ensuring that all councils have adequate accurate knowledge on their road assets and how their assets are performing,*
- *Ensuring that sealed roads are resurfaced/resealed at the optimum time to maintain waterproofing of pavements,*
- *Consulting with and select appropriate levels of service and costs to meet community needs and available resources,*
- *Ensuring that unsealed roads are resheeted at the optimum time to meet agreed service levels within available resources,*
- *Making efficiencies in operations, maintenance, resurfacing and pavement renewal aimed at reducing life cycle costs,*
- *Improving maintenance practices and funding if necessary to extend pavement life and defer projected renewal,*
- *Rationalising (dispose) of unnecessary infrastructure assets,*
- *Adjusting service levels in consultation with the community,*
- *Identifying future renewal needs and expenditure required to meet agreed service levels and document in a road asset management plan,*
- *Increasing funding, and*
- *A combination of all actions above.*

Present funding to meet existing service levels for NSW regional and local roads and bridges is 71% of the life cycle costs, an improvement from 57% in 2007/08, 55% in 2009/10 and 60% in 2011/12. Even so, current levels of service with current levels of expenditure are not sustainable. The extent of reduction in service level and increase in risk is not known.

Councils may be facing a large and increasing risk exposure at present and in the future. These risks could include:

- *A decline in the condition of road and bridge infrastructure,*
- *Potential increase in personal injury and legal claims,*
- *Road life cycle expenditure 'savings' will be passed onto road users through higher transportation operating costs,*
- *Funding may not be available to renew ageing road and bridge assets,*
- *A reduction in services needed by communities in the medium-long term.*

While the information above, provided by the NSW Road & Transport Directorate, focuses on infrastructure issues with roads and bridges, this situation can also be seen in other asset classes, particularly water and sewerage facilities, buildings and recreation facilities.

Nationally, the Australian Infrastructure Audit² states "*Productive, sustainable infrastructure is essential if we are to drive economic growth, increase employment and enhance the quality of life of all Australians*".

Our roads, rail, ports and airports are all critical to the movement of people, goods and resources. When our transport and logistics networks work effectively, they raise productivity levels and strengthen the economy.

The Audit Report³ key findings include the following

Over recent years, rates of public and private investment in infrastructure have been higher than the long-term average.

² Infrastructure Australia "Australian Infrastructure Audit May 2015"

³ <http://infrastructureaustralia.gov.au/policy-publications/publications/files/Australian-Infrastructure-Audit-Key-Findings.pdf>

The current level of public sector expenditure – especially in the transport sector, which remains largely funded by government rather than user charges – may be unsustainable in the face of increasing budget pressures to fund welfare and health services.

Current arrangements for the funding of land transport represent the most significant opportunity for public policy reform in Australia’s infrastructure sectors.

Government funding alone is unlikely to be sufficient to provide the infrastructure that Australia requires. Maintaining or strengthening conditions to facilitate private sector investment in and operation of Australia’s infrastructure networks is fundamentally important. The country needs to consider a broader system of transport pricing, both for road and public transport.

Amalgamation of local government in some areas, and other reforms such as shared services arrangements, will be necessary if local councils are to have the scale and financial capacity to meet their local infrastructure responsibilities.

Skills shortages contribute to cost increases for infrastructure construction. Development of an infrastructure delivery pipeline presents an opportunity to develop a better skilled workforce and to minimise skills shortages in the future.

Australia would benefit from a strong and consistent delivery pipeline of future infrastructure projects. Without this, there is uncertainty and less likelihood of a well-resourced environment for project procurement. The effectiveness and cost of current procurement processes in some jurisdictions are also an ongoing concern.

DETAILED RESPONSE TO TERMS OF REFERENCE

1. the best process of gateway decision making on the efficacy of public private partnerships compared to other procurement methods;

IPWEA NSW submits

- that PPP projects continue to be subject to regulation due to the significance of the risks involved
- aspects that could be streamlined or simplified be identified and mechanisms for ensuring PPPs be considered for inclusion in the IPR framework.
- Guidelines be developed for large scale “Unsolicited Projects” relevant to local government

IPWEA NSW appreciates the potential for risk involved with PPP’s and would seek a further investigation on the applicability to Local Government and potential development of an education program with case studies and findings communicated with Local Government and Private Industry. IPWEA NSW notes the IPART recommendation⁴ that the principles and processes in *ICAC’s guidelines for managing risk in direct negotiations* are best practice standards which can be applied where a lack of competition exist in the local government area.

⁴ “Review of Reporting and Compliance Burdens on Local Government, January 2016”, Page 15

2. the best procurement process and documentation;

IPWEA NSW submits

- the Local Government Act Review Taskforce recommendation that the Local Government Act must clearly define the roles of elected councillors, the mayor and the general manager must also include clearly defined delegations and hierarchical approach to senior positions including that of a “Chief Engineer”
- the strategic responsibilities of the council must be clearly separated from the regulatory, operational and infrastructure delivery responsibilities and be aligned to council’s Integrated planning and reporting.

This will permit council’s to better determine the organisational structure staffing level that directly reports to the general manager including the identified Local Government Review Panel recommendation for a suitably qualified CFO.

IPWEA NSW’s recommendation is that there be a requirement for each Local Government council to have a suitable qualified Chief Engineer with engineering qualifications is included in the Act. IPWEA would submit that all government departments and agencies responsible for the procurement and management of public infrastructure should also appoint a Chief Engineer. The Chief Engineer should also have suitable qualifications or experience in procurement appropriate to the specific tier of government that they operate within, particularly if the organisation or department doesn’t have a senior procurement practitioner. IPWEA would also recommend the NSW Government support industry calls for a registration scheme for Engineers to practice as is the case in Queensland and currently being considered in several other states.

An important and innovative element of IPR is the requirement for councils to prepare 4 year forward (Delivery) Programme and workforce strategies. Skills shortages are of growing concern, and IPWEA NSW is providing considerable leadership in this regard. The recognition of integrated planning and reporting as a strategic planning framework tool seeks to provide improved management of actual or potential risk to outcomes, supported by an appropriate assurance framework. IPWEA NSW believes this identification and reporting of risk will need to encompass more than a purely accounting function in order to recognise the engineering and public safety attributes of risk management to best serve the community.

IPWEA NSW would recommend all local and state government organisations, agencies and departments managing public infrastructure:

- employ a Chief Engineer with professional engineering qualifications and experience to oversight infrastructure management and delivery
- have an organisation structure that includes sufficient numbers of qualified engineering and other technical professionals to ensure the organisation has the expertise and knowledge required for the efficient delivery and operation of safe and effective infrastructure to its community
- are investing in the next generation of engineers and technical professionals through cadetships, traineeships and graduate programmes.

The responsibilities of a chief engineer for agencies and for each local government area would include;

- oversight preparation of, and sign off asset management plans
- oversight preparation of, and sign off the asset management strategy
- oversight preparation of, and sign off all infrastructure planning strategies
- oversight preparation of, and sign off on the infrastructure risk management strategies

- sign-off on long term financial plans as it applies to infrastructure planning and expenditure
- sign-off on infrastructure performance ratios and statements (e.g. infrastructure maintenance ratio, infrastructure renewal ratio and infrastructure backlog ratio)
- sign off on annual reporting on infrastructure schedules and notes
- manage procurement of capital works infrastructure and services and/or oversight internal works team to deliver infrastructure services including planning, design, delivery and maintenance of infrastructure assets

IPWEA NSW suggests best practice procurement relies upon four (4) key components

- Clearly defined and approved project scope, budgets and schedules
- Well designed specifications with contract documentation
- Suitably qualified personnel
- Long term funding frameworks and availability
- Integrated planning and reporting

3. the desirability of the standardisation of procurement processes and documentation;

IPWEA NSW encourages the use of standard documents and supports the use of standard specifications as a template where practicable.

IPWEA publishes several guidelines and manuals to assist public works practitioners including engineers, plant and fleet managers, asset managers, consultants, contractors, suppliers and government agencies. However there is also recognition that a one size does not fit all, especially in the delivery of public infrastructure.

IPWEA NSW would also recommend that resources be allocated to ensure the retention of “local knowledge” in all operational and service delivery functions of local government and NSW Public Works. It is this local knowledge by operational and technical staff that can have significant risk minimisation and cost savings at the immense benefit to local communities.

IPWEA NSW is fully supportive of tender panels and services such as Local Government Procurement (LGP).⁵ LGP has worked closely with councils to develop a suite of standard procurement guidance documents and templates that are available for free to assist with a consistent approach to procurement and achieve value for money whilst maintaining governance and probity and ensure processes that can withstand any scrutiny.

4. the desirability of a standard national process and documentation for the delivery of government infrastructure within a federal structure;

IPWEA NSW would encourage adoption and support for existing national standards as evidenced by products such as NATSPEC; a national not-for-profit organisation whose objective is to improve the construction quality and productivity of the built environment through leadership of information. It is impartial and is not involved in advocacy or policy development. NATSPEC⁶ is the National Master Specification for use with projects of all types and sizes. NATSPEC includes most, but not all, technical requirements for the majority of projects. Especially relevant is the AUS-SPEC specifications. AUS-SPEC is the local government specification for the life

⁵ www.lgp.org.au

⁶ www.natspec.com.au

cycle management of assets. AUS-SPEC Complete is the comprehensive package developed for the design, construction and maintenance of the wide range of valuable local government assets.

AUS_SPEC provides specifications and templates for

- Procurement (For Contract, Supply, Asset and Works Managers, Purchasing and Legal Officers)
- Water Supply and Sewerage (For Engineering Services, Environmental Services and Maintenance Managers)
- Roads and Bridges (For Design and Development, Contracts, Asset, Maintenance Business Unit and Strategic Planning Managers)
- Parks, Urban and Open Spaces (For Environmental Services, Recreation and Maintenance Managers and Park Superintendents)

IPWEA is recognised as leader in the field of Asset Management with its International Infrastructure Management Manual and Australian Infrastructure Financial Management Manual both updated to ISO 55001 requirements. IPWEA in NSW is a Registered Training Organisation providing industry specific nationally accredited training in areas such as Roads Safety Audits. Industry driven national standards and processes do allow for greater efficiencies and are to be encouraged. For example the NSW Roads and Transport Directorate in conjunction with Austroads and The Australian Local Government Association, ALGA, the National Heavy Vehicle Regulator are continuing to develop uniform national solutions to the management of our road networks.

IPWEA NSW has recently developed a uniform Road Hierarchy Tool for the NSW Local Road Network. This guideline, to be utilised with a national practice note for condition assessment of Road Pavements,⁷ has been welcomed by the NSW Office of Local Government requesting for similar tools for other asset classes. Such guidelines and resources create a uniform approach to defining infrastructure needs and priorities.

In 2015 IPWEA NSW identified the opportunity for utilisation of such tools to assist in the developing a national funding framework for public infrastructure. The reliance on public funding, federal, state or local for public assets would be better served through a prescriptive and defined funding model. The 2015 NSW Local Roads Congress Communique⁸ states:

The Congress calls on the NSW and Australian Governments to:

1. *increase the funding to Local Government under grant programmes such as Fixing Country Roads and the Bridges Renewal Programme to provide resources to reduce the current unfunded renewal and upgrade of infrastructure assets*
2. *build upon the \$200 million provided for rail upgrading in the current year to reduce the increasing freight loads on local and regional roads, including resolving institutional impediments for access to existing rail*
3. *provide consistent levels of funding from year to year to provide greater certainty in planning infrastructure delivery and resourcing strategies to allow development and retention of a local skill base.*
4. *ALGA work with COAG, informed by State LG peak bodies and IPWEA, to develop a new National Infrastructure Partnership for the three tiers of Government for smarter long term investment planning in transport and community infrastructure.*

Consistent levels of funding allowing certainty in planning reliant upon established frameworks and standardized procurement practices will create efficiencies across the infrastructure sector.

⁷ IPWEA PN No 9 Condition Assessment and Asset Performance Guidelines 2015

⁸ 2015 NSW Local Roads Congress Communique June 2015

IPWEA NSW and the NSW Roads and Transport Directorate have embarked on a project to deliver standard design drawings for public infrastructure consistent across NSW. Many local governments already have a library of “Standard Drawings” to assist local developers and builders; however there has been no unifying attempt until now to standardise these across the state with reference to “National Specifications”. This project is limited by funding resources available to the Roads and Transport Directorate and the Inquiry is encouraged to consider a recommendation to assist fund this significant project.

5. methods to minimise the cost of contractors tendering for the supply of services with respect to government infrastructure;

One of the challenges for both suppliers and contactors, especially in but not limited to local government is the prescriptive nature of tender specifications, the ability to interact with government agencies to introduce new technology and a common theme in local government, is the requirement (voluntary) to demonstrate machinery. For example a local government may be tendering for a new grader (Value around \$280 – \$310K depending upon specifications to suit intended use). Having submitted a tender, suppliers are often requested to make a machine available for evaluation in their LGA. Due to the nature of the tender, all are required to provide a machine, with freight cost etc, if six suppliers comply for instance, there will eventually be only one sale and often freight costs, depending on distance, detailing etc can be in excess of \$10K per machine, the overall cost is \$60K, which at some stage will be passed onto the NSW Taxpayer or ratepayer. These figures do not include the cost of the tendering process to council and the initial cost to suppliers to prepare a response.

IPWEA NSW conducts Australia’s largest Public Infrastructure Expo, CIVENEX,⁹ presenting an ideal opportunity for a one stop display, demonstration and business to business forum for all public infrastructure stakeholders. In its 61st year, Civenex has received NSW Government support through the Department of Premier and Cabinet and a major event for NSW. A review of tendering to encourage a central demonstration area would reduce costs dramatically across all tiers of government. Existing panel arrangements such as those available from LGP (Heavy Plant & Equipment) should be further promoted to reduce the administrative burden of tendering. LGP is a prescribed entity (*Local Government Act 1993 Section 55 3(a)*), this means that councils can receive quotes and purchase equipment via existing contracts to further minimise costs for council and suppliers.

IPART has recommended;

that clause 163(2) of the Local Government (General)Regulation 2005 be amended to allow the Office of Local Government to determine the councils for which the threshold for formal tendering would be increased to \$250,000, with this threshold to be reviewed every five years¹⁰.

and

That section 377(1)(i) of the Local Government Act 1993 be amended to allow the Council to delegate the acceptance of tenders.¹¹

IPWEA NSW believes this requirement is still restrictive for specific plant and equipment and should at the very least be consistent across all LGA’s

⁹ www.civenex.com

¹⁰ “Review of Reporting and Compliance Burdens on Local Government, January 2016”, Recommendation 24

¹¹ “Review of Reporting and Compliance Burdens on Local Government, January 2016”, Recommendation 25

6. methods to achieve optimal contestability in tendering for the supply of services with respect to government infrastructure; and

IPWEA NSW would encourage a better approach to integrated planning between, agencies and between government tiers.

Strategic planning needs to be comprehensively focused on all asset classes throughout the State, in particular at a regional level, with an integrated approach across agencies. To maintain and ensure the sustainability of NSW communities, maintenance of existing infrastructure needs to be at the forefront of strategic planning processes for local government, with substantial government funding being made available for these projects. Injecting local governments with funds for new projects while existing assets require additional funding will only ensure the issue of Infrastructure Backlogging continues to manifest itself in NSW communities.

The IPR Delivery Program, a Council's contract with the community, is a four year program that is centred around service delivery, for which infrastructure assets are largely responsible. Hence it follows that the level of service has to be balanced against the whole of life cost of managing that asset and a community's ability to fund this. To achieve best practice in procurement and delivery of public infrastructure, Local Government requires sufficient time to plan, engage with the local community to finalise plans, secure partnering funding, and assessment of any environmental issues (including cultural heritage) to ensure the successful delivery of the infrastructure. However, it is often the case that Councils are advised of grants for which submission of applications, project development and delivery must occur within twelve months of that notice. This is simply an unrealistic timeframe if public infrastructure projects are to be delivered to minimise risk and maximise return for the communities of NSW.

If the NSW Government advised Local Governments of forward funding closer to three years in advance, it would still allow the NSW Government to have flexibility on its major funding initiatives. Furthermore, better infrastructure planning and budgeting assessments by Councils can be efficiently undertaken.

7. any other related matter.

Cost shifting

There also needs to be a considerable emphasis on forward programming and integrated planning for major projects and a clearer understanding of how much of the funds are being allocated to asset management and ongoing maintenance versus to new infrastructure as there are concerns of future costs shifting to local government.

In particular IPART¹² has recommended

That the Department of Premier and Cabinet (DPC) revise the NSW Guide to Better Regulation to include requirements for State agencies developing regulations involving regulatory or other responsibilities for local government, as part of the regulation-making process, to:

- consider whether a regulatory proposal involves responsibilities for local government
- clearly identify and delineate State and local government responsibilities
- consider the costs and benefits of regulatory options on local government

¹² "Review of Reporting and Compliance Burdens on Local Government, January 2016", Recommendation 1

- assess the capacity and capability of local government to administer and implement the proposed responsibilities, including consideration of adequate cost recovery mechanisms for local government
- take a coordinated, whole-of-government approach to developing the regulatory proposal
- collaborate with local government to inform development of the regulatory proposal
- if establishing a jointly provided service or function, reach agreement with local government as to the objectives, design, standards and shared funding arrangements, and
- develop an implementation and compliance plan.

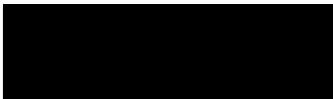
IPWEA NSW would support these recommendations.

SUMMARY AND RECOMMENDATIONS

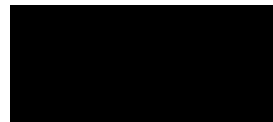
- IPWEA NSW recognizes the benefit of strategic alliances between all tiers of government along with industry for the long term sustainability of local government in NSW and for the facilitation of efficient and effective long term regional planning
- a cooperative approach supported by regulation would suggest utilising best practice procurement that relies upon five (5) key components
 - Clearly defined and approved project scope, budgets and schedules
 - Well designed specifications and contract documentation
 - Suitably qualified personnel
 - Long term funding frameworks and availability
 - Integrated planning and reporting
- IPWEA NSW would recommend industry and senior government officials consult and collaborate with peak representative bodies such as IPWEA NSW, NSW Water Directorate, and the Roads & Transport Directorate on an ongoing basis and any advisory committees or panels include a representative from IPWEA NSW.
- IPWEA NSW would recommend all state and local government agencies managing public infrastructure;
 - employ a Chief Engineer with professional engineering qualifications and experience to oversight infrastructure management and delivery
 - have an organisation structure that includes sufficient numbers of qualified engineering and other technical professionals to ensure the council has the expertise and knowledge required for the efficient delivery of safe and effective infrastructure to its community
 - are investing in the next generation of engineers and technical professionals through cadetship, traineeship and graduate programmes.
- Recommends the Standard Drawings Project currently limited by funding resources available to the Roads and Transport Directorate be funded by the NSW Government
- Recognises the importance of CIVENEX as a potential opportunity to provide a single demonstration event, reducing tenderer's costs and recommends greater NSW Government engagement
- IPWEA NSW would also recommend that resources be allocated to ensure the retention of "local knowledge" in all operational and service delivery functions of local government and NSW Public Works.
- Further consult and collaborate with peak procurement bodies such as Local Government Procurement who are wholly owned by Local Government NSW whose sole mission is to help promote and deliver best practice procurement principles that reflect the intent of this inquiry.



IPWEA NSW appreciates the opportunity to make comment on the above terms of reference and would value any opportunity to provide additional details arising from the above submission. We would also value the opportunity to have ongoing involvement with the Standing Committee on this and other important issues for future policy. For further information in relation to the submission please do not hesitate to contact the undersigned on:



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