

Part A: Introduction

Purpose

The Queensland Government Building Policy Guideline (the guideline), authorised by the Queensland Government Building Policy Framework (BPF) intends to guide and support Queensland Government employees who are applying the BPF.

The BPF establishes key principles, e.g. planning, delivery, maintenance, performance and technical requirements for growth and renewal, for the effective and efficient stewardship of buildings owned by the Queensland Government.

The guideline will help implement these key principles.

The Department of Energy and Public Works (EPW) is the lead agency for promoting and facilitating adherence to the guideline.

Scope

The guideline and BPF apply to all Queensland Government agencies.

Buildings within the scope of the guideline include, for example, health service facilities, schools, government employee housing, public housing, public-facing service centres, government office buildings and police, corrective and research facilities.

The scope does not include transport corridor infrastructure such as roads, rail, busways, bridges, boat ramps, jetties and other marine infrastructure, or electricity infrastructure such as powerlines and generation facilities.

Public Private Partnership (PPP) projects are not covered in this guideline.¹

Within this guideline, all dollar amounts are GST inclusive.

Context

Queensland Government agencies that own buildings are responsible for their assets, including planning, delivery, use and any refurbishment or replacement.

The Queensland Government is committed to constructing and maintaining government buildings to support quality local jobs and businesses; drive economic, ethical, environmental and social objectives; generate regional growth; encourage innovation and diversity; and maximise benefits for Queenslanders. This approach includes ensuring quality, safe workplaces for people working on major state government projects by establishing high standards of workplace health and safety, engaging appropriate numbers of trainees and apprentices, and using best practice industrial relations.

Government assets must be designed, built and maintained in line with their intended purpose and lifespan. Understanding the asset lifecycle helps to mitigate the risk of building an asset that is inconsistent with its intended use and purpose. For example, replacement of assets can include, creating new buildings, or developing alternative approaches to service delivery that may not require physical buildings.

Where applicable and relevant to Queensland, AS ISO 55000:2014 Asset Management – Overview, principles and terminology applies to use of the guideline.

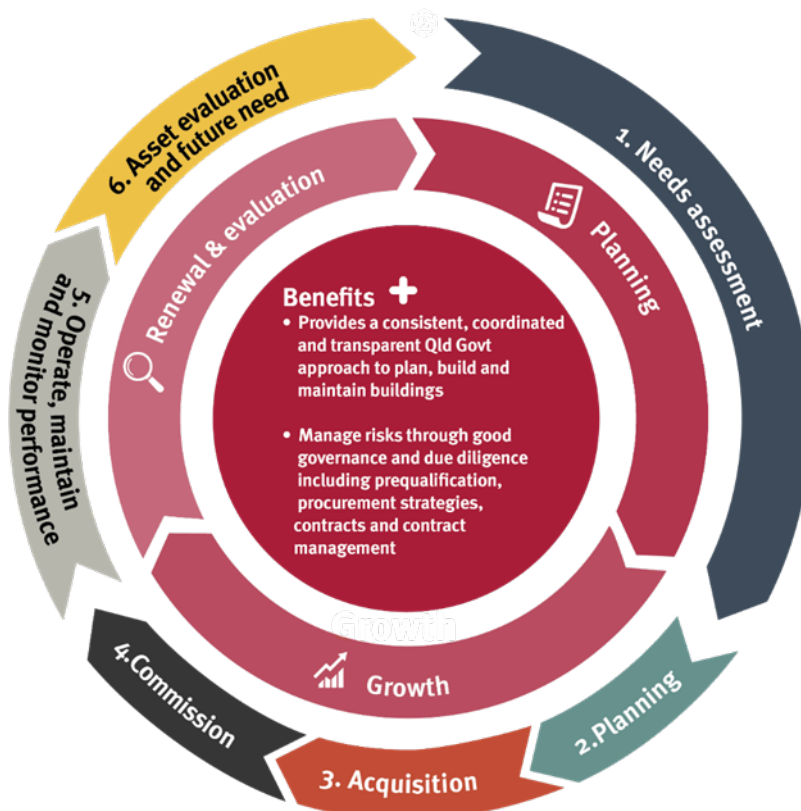
¹ Queensland Treasury has specific responsibilities in relation to potential PPP projects. See <https://s3.treasury.qld.gov.au/files/paf-supporting-guidelines.pdf>

Overview

The guideline provides building management practitioners in Queensland Government agencies with:

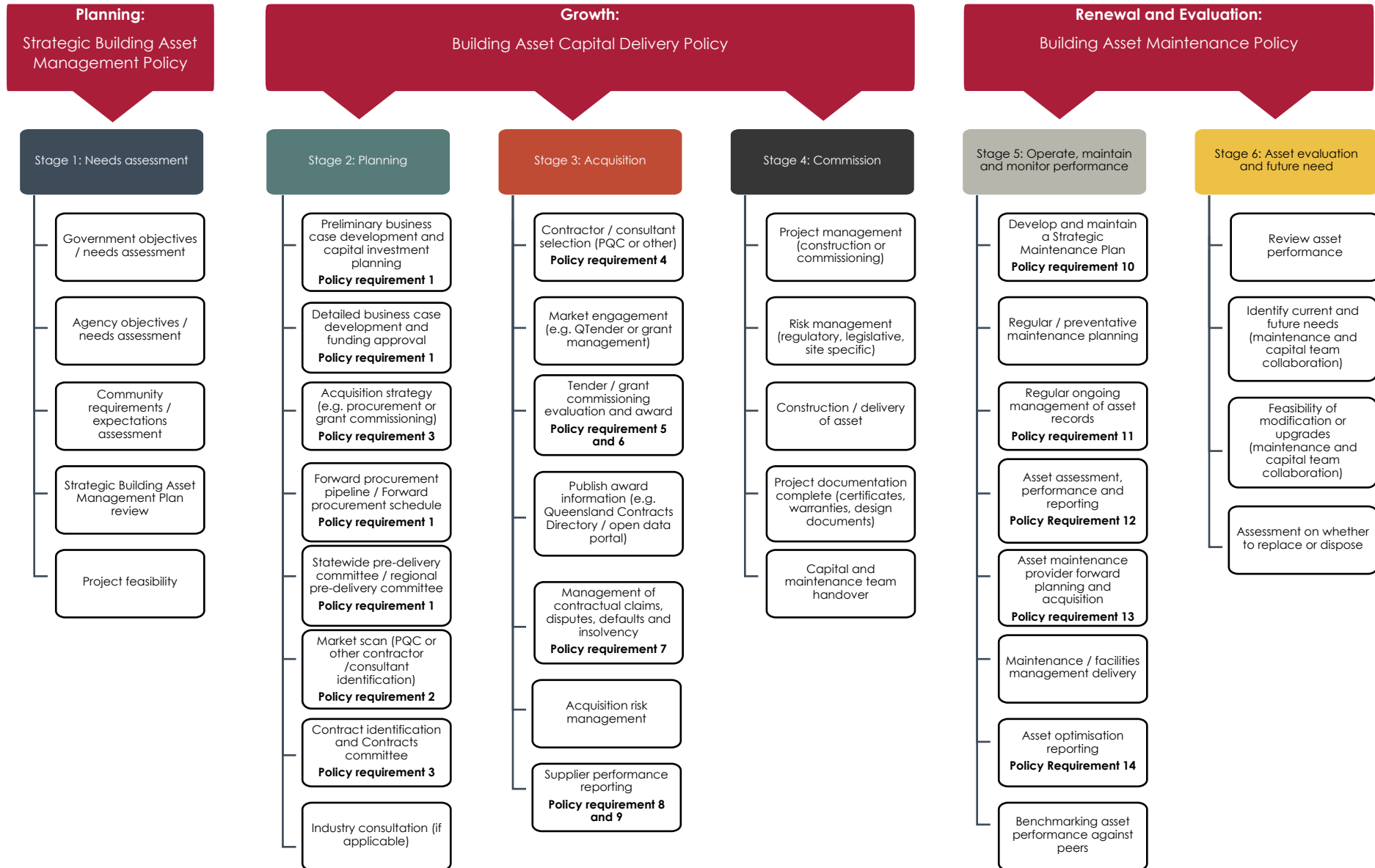
- scope, risk and processes associated with the Queensland Government Asset Lifecycle Management process: ([Figure 1](#)):
 - Part B: Planning (stage 1)
 - Part C: Growth (stages 2, 3 and 4)
 - Part D: Renewal and evaluation (stages 5 and 6)
- details of the policy requirements outlined in the BPF ([Figure 2](#))
- a mechanism for reviewing and amending the guideline.

Figure 1: Queensland Government approach to plan, build and maintain buildings



[Text description for Figure 1](#)

Figure 2: Overview of the Queensland Government Building Policy Framework



[Text description for Figure 2](#)

Policy requirements

The guideline interacts with several whole-of-government policies. [Table 1](#) shows the key policy requirements that apply to planning, delivering and maintaining government building construction projects.

Government agencies must ensure sound corporate governance by adhering to policy requirements when planning and delivering government building construction projects and maintaining government buildings. Agencies are responsible for ensuring their activities align with policy requirements and relevant legislation.

Table 1: Policy requirements

Policy requirement	Title	Description
Policy requirement 1	Producing a whole-of-government building construction projects pipeline, and provision of advice for certain business cases and government briefing material development	<p>Agencies may consult with EPW, in confidence, during development of business cases and preparation of internal government briefing material for government building construction projects.</p> <p>For Best Practice Principles (BPP) projects, potential BPP projects, and projects with an estimated project cost of \$50 million or more, agencies must follow Queensland Treasury's Project Assessment Framework (unless an exemption applies) and must consult with EPW during the development of business cases and preparation of government briefing material.</p> <p>EPW will provide advice on unfunded and funded projects applicable to the agency, workload smoothing or business cases to ensure streamlined and efficient delivery of government building construction projects.</p> <p>To improve visibility of projects for industry and to assist government to maintain a consistent supply of building opportunities throughout Queensland, agencies must provide funded and unfunded project and program details to create a pipeline of whole-of-government building projects. Unfunded project information will be used for internal government purposes.²</p> <p>The pipeline information on building projects will be used by:</p> <ul style="list-style-type: none"> • Statewide Predelivery Committee members to identify opportunities and constraints arising from other Queensland Government building and infrastructure projects • Queensland Treasury when producing and publishing the Queensland Government Budget Paper 3 – Capital Statement and administering the Queensland Government Insurance Fund • Department of State Development, Infrastructure, Local Government and Planning (DSDILGP) when producing and publishing the <i>State Infrastructure Strategy</i> • EPW to produce the Forward Procurement Pipeline that identifies upcoming building projects and when industry can expect the release of tendering opportunities.
Policy requirement 2	Delivering consistent due diligence across government through the Prequalification (PQC) System	<p>To ensure due diligence is consistently applied prior to tendering, agencies must use the PQC System when selecting ethical, local and suitably qualified suppliers to deliver Queensland Government building projects. This applies to:</p> <ul style="list-style-type: none"> • All engagements of a building consultant expected to exceed a threshold set by the government and published in the Queensland Government Gazette (as at 1 July 2021, \$60,000 in value or that has a service risk rating of 3 or 4 where the consultancy fee is below the threshold). • All engagements of a building construction contractor or other category of contractor prescribed in this guideline expected to exceed a threshold set by the government and published in the Queensland Government Gazette (as at 1 July 2021, \$1 million). • This includes using the PQC System to:

² Data is centralised through the Queensland Government Infrastructure Pipeline which EPW will access in partnership with other agencies.

Policy requirement	Title	Description
		<ul style="list-style-type: none"> – create, maintain and finalise program and project records – identify a High Risk/Significant (HRS) project and service risk ratings – provide up-to-date project and procurement information for publication on the Forward Procurement Pipeline – prepare an eligible tender list – undertake a Financial Capacity Assessment (FCA) of preferred suppliers – complete a supplier performance report to identify superior to poor performance. This may lead to an upgrade of PQC status or a review and sanctions process. <p>For all head contractor engagements on a BPP project, a two-stage Managing Contractor procurement methodology (or two-phase variant) must be used and head contractors and subcontractors must be prequalified.³ Where there are project specific requirements or constraints that cannot be adequately addressed using a standard two-stage contract, the obligations in Policy Requirement 3 will apply.</p>
Policy requirement 3	Procurement strategy and contract selection	<p>EPW's Chief Contracts Officer oversees the development and maintenance of standard building construction and maintenance contracts (including conditions of offer) for use on all government building construction projects and maintenance programs. This ensures consistency, fairness and efficiency in government's dealings with industry and effective implementation of government's building-related policies.</p> <p>Agencies must follow the EPW published guidance on procurement strategies and contract selection.</p> <p>Agencies must use standard contracts (including conditions of offer) developed and maintained by the EPW Contract Services Unit and currently published on the Queensland Government website for all government building construction and maintenance projects.</p> <p>Where there are project specific requirements or constraints that cannot be adequately addressed using a standard contract, the agency must consult with the EPW Chief Contracts Officer about the proposed procurement strategy and contract provisions ideally during the business case development. Subject to the outcome of the consultation, the agency must obtain endorsement of the proposed procurement strategy and contract provisions from the Contracts Committee.</p> <p>After gaining endorsement from the Contracts Committee, the EPW Contract Services Unit will prepare a contract incorporating suitable terms. Following consultation with the relevant agency, the EPW Chief Contracts Officer may engage external legal services to assist in the preparation of the contract, with the agency responsible for the legal costs.</p> <p>For HRS government building construction projects, where agencies have followed the EPW published guidance on procurement strategies and contract selection, and intend to use a standard contract, the agency must inform the Contracts Committee of the project, including the service risk assessment, proposed procurement strategy and form of contract. For all other HRS government building construction projects, the agency must seek endorsement of the procurement strategy and form of contract proposed for the project from the Contracts Committee.</p> <p>Agencies must provide a list of HRS government building construction projects on a quarterly basis to the Contracts Committee for whole-of-government coordination and reporting purposes.</p>

³ This is considered in conjunction with the Queensland Treasury-led Project Assessment Framework (PAF) and the requirements of executive government in directing major projects.

Policy requirement	Title	Description
Policy requirement 4	Select list of suppliers	<p>To remove doubt, open tender is the preferred position for government building construction projects; however for various reasons a select tender will be required.</p> <p>To procure through a select tender rather than an open tender, agencies must prepare a select list of suppliers in consultation with the Select Tender Committee Registrar where either:</p> <ul style="list-style-type: none"> the building commission exceeds a threshold set by the government and published in the Queensland Government Gazette (\$100,000 in value as at November 2020) the building contract exceeds a threshold set by the government and published in the Queensland Government Gazette (\$1 million in value as at November 2020) the maintenance contract or arrangement (e.g. Standing Offer Arrangement (SOA)) exceeds an estimated \$1 million value over its life.
Policy requirement 5	Financial capacity assessment of preferred supplier	Agencies must undertake a formal FCA of the preferred supplier for all government building construction projects exceeding a threshold set by the government and guided by QPC financial requirements.
Policy requirement 6	Tender evaluation plans	<p>For all government building construction projects, including HRS, agencies must prepare a tender evaluation plan. Appropriate feedback to tenderers must be provided.</p> <p>For BPP projects, agencies must consult with advisory groups such as an Industry Reference Group⁴ prior to calling tenders on the proposed evaluation criteria and weightings to be used in the selection of suppliers.</p>
Policy requirement 7	Contractual claims, disputes, defaults, and insolvency	<p>The EPW Chief Contracts Officer oversees the management of disputes, defaults, insolvencies and subcontractor's charges on behalf of government, to ensure that rights are exercised and obligations are performed fairly and consistently, to maximise outcomes for government, while promoting a sustainable industry.</p> <p>Agencies must seek ongoing advice from the EPW Chief Contracts Officer about the substantive issues, management and finalisation of any matter concerning a government building construction project or maintenance program where:</p> <ul style="list-style-type: none"> there is a contractual claim or dispute that concerns the interpretation of clauses in the EPW standard contracts there has been a substantial breach of contract that may lead to termination or takeover of the contract the contracted building construction or maintenance contractor or consultant has become insolvent a subcontractor's charge has been made under Security of Payment legislation security that is not in the form of money is proposed to be converted to money and used, or set-off rights are proposed to be exercised to satisfy an amount owing under another contract. <p>Agencies may seek ongoing advice from the EPW Chief Contracts Officer where there is a real risk that the parties to a building construction or maintenance contract will not be able to resolve a claim or dispute between themselves, and the claim or dispute might be referred to adjudication, mediation, expert determination, arbitration, litigation, or other form of dispute resolution.</p> <p>The Chief Contracts Officer will, in consultation with the relevant agency, determine whether external legal advice or services are required and, if so, can engage and instruct solicitors on behalf of the relevant agency. While the Chief Contracts Officer will not charge for providing advice, the cost of any legal engagements will be the agency's responsibility.</p>

⁴ Industry reference group established by the Building Construction and Maintenance (BCM) Category Council. Membership of the IRG is noted on the Queensland Government [website](#).

Policy requirement	Title	Description
Policy requirement 8	Supplier performance reporting ⁵	Agencies must complete PQC System performance reports for each supplier engaged through the PQC System. These reports are to include information that may indicate supplier financial or managerial stress.
Policy requirement 9	Whole-of-government information exchange	<p>Agencies with responsibility and accountability for administration of the legislation and policies listed below must provide EPW (PQC) with copies of all reports on general compliance by prequalified suppliers and report relevant supplier information to ensure appropriate and proactive due diligence for PQC System registration and agency tender evaluation processes.</p> <p><i>Building Act 1975</i> <i>Building and Construction Industry (Portable Long Service Leave) Act 1991</i> <i>Building Industry Fairness (Security of Payment) Act 2017 (BIF Act)</i> <i>Disability Services Act 2006</i> <i>Electrical Safety Act 2002</i> <i>Industrial Relations Act 2016</i> <i>Labour Hire Licensing Act 2017</i> <i>Plumbing and Drainage Act 2018</i> <i>Planning Act 2016</i> <i>Queensland Building and Construction Commission Act 1991 (QBCC Act)</i> <i>Work Health and Safety Act 2011</i> <i>Workers' Compensation and Rehabilitation Act 2003</i> <i>Queensland Industry Participation Policy Act 2011</i> Queensland Procurement Policy (QPP) Queensland Indigenous Procurement Policy Queensland Building and Construction Code of Practice Queensland Government Building and Construction Training Policy Queensland Charter for Local Content.</p>
Policy requirement 10	Develop and maintain a Strategic Maintenance Plan (SMP)	<p>Agencies must develop and maintain a SMP that complements each agency's Strategic Asset Management Plan (SAMP) at the relevant times, i.e. during budget development periods.</p> <p>The SMP should:</p> <ul style="list-style-type: none"> consider matters including lifecycle costs of the assets, service delivery plans, the age, condition, value, replacement intervals, deferred maintenance, and functionality of its buildings. It should also consider emerging issues that may impact on service potential over short, medium, and long-term timeframes. plan for minimum maintenance funding of 1 per cent of the replacement cost of the agency's existing building portfolio. Higher amounts, e.g. 3 per cent to 5 per cent, should be planned for heritage buildings and specialised assets on a case-by-case basis. An example of a specialised asset is a cyclone shelter. <p>The SMP must explicitly include provision for proactive and reactive maintenance.</p>
Policy requirement 11	Building asset information record management	Agencies must maintain complete and current records in the agency's building asset management system to inform the ongoing strategic asset management process, including asset condition assessments, technical and asset information, handover and

⁵ Asset performance, such as resilience and reliability, is strongly related to asset selection, design and construction. Information should be shared in accordance with policy requirements 8 and 9 for maximising positive impact of public resources.

Policy requirement	Title	Description
		commission, government building maintenance program performance outcomes, and government building asset performance outcomes.
Policy requirement 12	Asset assessments and performance	<p>Key standards such as ISO 55001 provide information about performance evaluation. The various Asset Assessment and Performance Guidelines produced by the Institute of Public Works Engineering Australasia are considered useful documents to meet those standards.</p> <p>At least every three years, agencies must carry out asset assessments to identify defects using a risk managed approach based on the Asset Assessment Rating description in this guideline.</p> <p>Agencies must assess critical government building assets and government building assets affected by natural disasters annually, and as soon as possible after a natural disaster.</p> <p>Asset assessments should include details such as remaining useful life, integrating the information with government building maintenance program history to ensure its SAMP can be implemented in an effective and tactically proficient manner.</p> <p>Agencies should use asset condition assessment standards to determine the appropriate standard required at facility level or individual building level.</p> <p>Agencies must monitor and review government building maintenance program performance, including the:</p> <ul style="list-style-type: none"> • maintenance program management • maintenance service provider • maintenance outcomes. <p>Agencies must monitor and review government building asset performance, including assessing the:</p> <ul style="list-style-type: none"> • appropriateness of the government building asset in meeting service delivery requirements • financial impact of the government building asset • statutory compliance risk of the government building asset • effective use of the government building asset as a resource • environmental impact of the government building asset • social significance of the government building asset. While an aspect of the importance of heritage-listed buildings is social, it is not limited to only that aspect. There are other inherent values associated with maintaining examples of government buildings from the past.
Policy requirement 13	Planning government building maintenance program and pipelines	<p>Agencies must enter appropriate arrangements with EPW (QBuild) or other maintenance service providers for the provision of a government building maintenance program. This includes proactive planning, using asset assessment reports and other asset information to develop a forward pipeline of work so maintenance programs can be developed and scheduled to maximise value for money⁶ and pipelines of work for trades.</p> <p>Procurement and Maintenance Project Pipeline – agencies must provide the Statewide Predelivery Committee through EPW with estimated funded and unfunded maintenance programs per maintenance sub-category and region.</p> <p>EPW must provide this information to agencies on request, to assist with workload and market smoothing to ensure pipelines of government building construction projects are maximised in impacted communities.</p> <p>Agencies must engage appropriately registered maintenance service providers under the PQC System where:</p> <ul style="list-style-type: none"> • the value of a government building maintenance program exceeds the threshold requirements approved by the government and published in the Queensland Government Gazette, or

⁶ The QPP defines value for money as the best available outcome for money spent. To achieve value for money, relevant government objectives and targets, whole-of-life costs and non-cost factors set out in the QPP must be considered.

Policy requirement	Title	Description
		<ul style="list-style-type: none">the total package of a government building maintenance program from demand assessment through to delivery is outsourced to a private sector maintenance or facilities management organisation. Also refer to policy requirements 3 and 7.
Policy requirement 14	Sustainability indicators	Agencies must ensure their Strategic Asset Management Plan contains key sustainability indicators.

Amendment and review strategy

EPW welcomes feedback about this guideline. Questions and feedback should be sent to BCMSecretariat@epw.qld.gov.au. The guideline is available on the EPW website. All printed copies are uncontrolled. The EPW website should be routinely checked for updated versions.