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Australian Institute of Architects

D W Challen
Secretary
Department of Treasury and Finance
GPO Box 147
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TREASURER'S INSTRUCTION TI. 1299

BUILDING AND CONSTRUCTION PROCUREMENT FOR PROJECTS IMPACTED BY THE NATION BUILDING AND JOBS PLAN

PRE-QUALIFICATION OF CONSULTANT ARCHITECTS

Dear Mr Challen,

As you are aware, there is significant professional consulting work required in Tasmania in the near future in response to the Commonwealth Government's recent funding allocation for capital works and improvement of schools and the provision of housing to stimulate the economy.

It is our understanding that, for example, round one projects procured by the Department of Education must commence no later than June 2009, round two no later than July-August and round three by 1 December 2009.

I have met recently with officials from the Department of Education who have advised that there will be an immediate allocation of a number of consultancy projects in response to this timeframe. Although still in the early stages of planning, initial indications are that this represents about 30 projects for round one, and 60 projects each for rounds two and three.

It is my understanding that projects range from minor refurbishments that address disability access, general amenity, thermal performance and maintenance, right through to new buildings, including as a priority general purpose halls, libraries and science facilities up to about \$3 million in value depending upon the size of the school.

We propose to your Department, for consideration, that the time frame is very short, and that it may be necessary for the quantum of project value able to be undertaken by prequalified consultants be automatically lifted from \$1 million to \$2 million, to increase the number of prequalified consultants available for such projects.

This would provide an immediate increase in scope for architects who are currently registered with your Department as pre-qualified up to \$1 million, without further submissions, which would be an effective and efficient way to address the significant workload and short time frame anticipated under the Nation Building and Jobs Plan. It is also the opinion of the Institute of Architects that \$1 million worth of construction has lost its value in the market place and is out of date.

Further to the above, it is our understanding from your letter of 6 March 2009 to directors of architectural practices already prequalified, that heads of agencies may use contractors/consultants other than those on the current Treasury prequalification list.

Given that organizations that are registered with Treasury maintain their certification at significant cost to ensure the quality of public projects is maintained and risk minimized, the Institute believes that prequalified consultants should be given priority in relation to projects up to the value that they are prequalified for.

If consideration is given to joint ventures between architectural practices the first choice should be between local Tasmanian practices before accepting out-sourcing to interstate practices, if there is to be a benefit to the Tasmanian economy per se.

We suggest that the above should be confirmed to agency heads in written correspondence as part of the procurement guidelines for TI 1299.

Other matters raised by the Nation Building and Jobs Plan funding that will need to be considered include proper master planning for schools, given the significant funding boost to this sector, to give a maximum benefit to each campus, as well as the need for direct consultant and building contractor appointment if required to meet required time frames.

Other sectors including social and affordable housing, metropolitan planning, energy efficiency of homes, and infrastructure may also attract substantial funding and would benefit from input from the architectural and other built environment design professions, which the Institute would welcome.

Notwithstanding the tight time frames, this is a very positive initiative given the current economic forecasts and the Institute's State Chapter Council recently fully endorsed support for the Plan.

The Institute welcomes constructive dialogue with Government and your Department in regard to this matter and we are willing to participate in a high level meeting to discuss the issues pertaining to contracting architects for this vital work, so that the full benefit to the Tasmanian economy is delivered appropriately.

Yours sincerely



James Jones
President, Tasmanian Chapter
23 March 2009