



**Te Tāhuhu o
te Mātauranga**
Ministry of Education

Construction Directory

Information for Construction Suppliers



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Introduction

About this guide

This Guide provides current suppliers and prospective applicants with information on the Ministry of Education (the Ministry's) Construction Directory for Main Contractors (the Directory).

What is the Directory

The Directory is a national panel of pre-qualified Main Contractors established to deliver the Ministry's major works contracts over \$500,000. The Ministry expects to procure an estimated \$250 million of construction through the Directory on an annual basis.

The Directory was developed in collaboration with the construction sector throughout 2017. Positive feedback was received from workshops and one-to-one sessions with suppliers, who supported the establishment of the Directory and a more streamlined process for responding to and delivering Ministry projects.

Objectives

The Directory assists Main Contractors and the Ministry to deliver quality learning environments for New Zealand's teachers and learners into the future. The objectives are to:

- operate a national Directory of suppliers pre-qualified to provide services by region, by value, by work type and by procurement approach.
- support improved communication between the Ministry and suppliers in regard to the forward pipeline of work and requirements
- reduce the tender burden and procurement timeframes for both parties
- increase consistency of procurement and delivery processes
- introduce performance management to identify and reward top performers.

When the Directory will be used?

It is intended that the Directory will be used for all Ministry-led capital works projects over \$500,000.

Specific strategic procurements may be undertaken that replace or supersede the Directory, regionally, nationally or for certain work types and value bands. Depending on the nature of these strategic procurements these opportunities may be restricted to Directory suppliers. The Ministry may also select outside of the Directory if the Directory cannot meet specific project needs.

The Directory will not be used for:

- Christchurch Schools Rebuild as these will continue to be delivered through the established construction panels
- School led 5YA projects

Contract Term

The term of the Directory is indefinite and will remain in operation while it continues to deliver on the objectives.

New suppliers wishing to join the Directory or existing suppliers wishing to extend the scope of services they are appointed to, should see Updating the Directory on page 9.

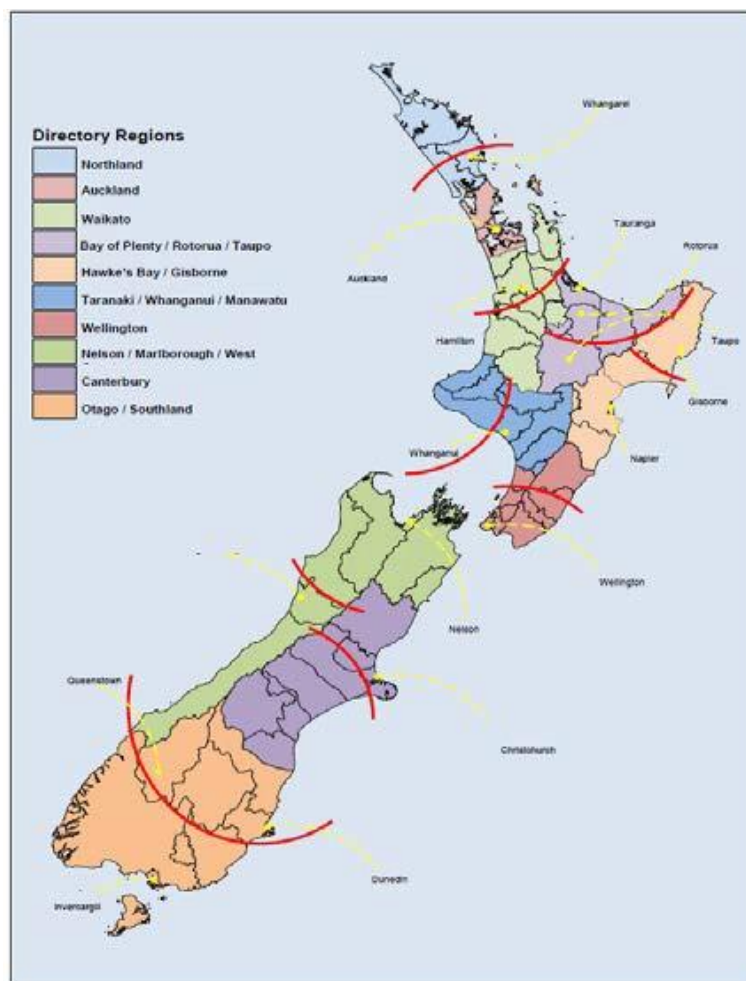
Agreement Term

Directory suppliers have entered into a Directory Agreement with the Ministry governing their membership to the Directory. The Directory Agreement contains no minimum volumes of work.

How the Directory is Structured

As part of the selection process suppliers are required to identify the categories within which they wish to undertake works (by region, value band, work type and delivery method (Project Category)) and demonstrate their capability and capacity to deliver in those categories. The four categorisations are:

- **Region**



- Value Band

Band 1	\$500,000 - 1,500,000
Band 2	\$1,500,000 - \$3,500,000
Band 3	\$3,500,000 - 7,000,000
Band 4	\$7,000,000 - \$14,000,000
Band 5	\$14,000,000 - \$21,000,000
Band 6	\$21,000,000 - \$30,000,000
Band 7	\$30,000,000+

- Work Type

New Build	The Construction of new schools and school buildings on greenfield or within discrete areas of school sites.
Refurbishment, Remediation or Redevelopment	The refurbishment of existing buildings and/or construction of new buildings within an operating school site. This would include weathertightness failure or earthquake strengthening. The work type will often include demolition and asbestos
Civil	Environmental works to schools (both new and operational) to deliver drainage and sewerage works, ground remediation, retaining structures, roading pedestrian routes and car parking.

- Delivery Approach

Traditional (or Design Bid Build)	Conventional client led design with contractors tendering on a complete set of design information.
Design and Build (or Design and Construct)	Contractors tender on a set of employer's requirements and are responsible for both the design and construction of the works.
Early Contractor Involvement (ECI)	Contractors are engaged by the client to provide construction consultancy through the design phase ahead of pricing and delivering the works through a traditional or design and build approach.

How membership to the Directory is assessed

The criteria for appointing suppliers to the Directory is at an organisational level which allows the secondary selection process to focus on project specific availability, capacity and expertise. The Directory Request for Proposal required suppliers to demonstrate the following, which was used to assess suppliers for appointment to the Directory.

Criteria	Description
Regional presence	Demonstrable track record of regional delivery and local or organisational capacity to deliver within a region
Financial	Financial health check to support financial capacity assessment
Health and Safety	Organisational track record, policy and processes
Previous Experience	Organisational experience relating to project type and delivery approach
General Capability	Demonstrable capability in key areas; Quality Assurance, Defect Management, Design Management, Stakeholder Management
Key Commercial Terms	Acceptance to Ministry standard Terms.

Secondary Selection

How will secondary selection be undertaken?

The Ministry will publish its forward work programme (pipeline) of upcoming construction projects to Directory suppliers on a quarterly basis. Project timings and values will remain indicative until each project is finalised and the Request for Tender (RFT) issued. The pipeline will be categorised by region, value band, work type and delivery method (Project Category).

Directory suppliers appointed within the Project Category will be asked to indicate their preference for being considered for shortlisting on opportunities.

A shortlist of potential Directory suppliers will be developed for each tender. Opportunities will be based on a number of factors including:

- Tender/ongoing performance scores (Supplier's standing)
- Total number of previous opportunities given to each supplier, both nationally and regionally
- Number of available Directory suppliers.

Request for Tender

Shortlisted suppliers will be invited to submit a response to a closed RFT process. It is intended that no more than four suppliers will be invited to tender.

The RFT process **will not** require the supplier to provide information which has previously been considered as part of the Directory procurement process.

Selection

The successful supplier will be selected using the Ministry's Request for Tender (RFT) procurement processes.

Project specific contract

Contract opportunities under the Directory will be delivered under one of the Ministry's standard contracts based on the Delivery Approach. The standard contracts are as follows:

- Traditional (Design Bid Build) – Major Works Contract (NZ3910 plus Ministry special conditions)
- Design and Build (Design and Construct) - (NZ3916 plus Ministry special conditions)
- Early Contractor Involvement (ECI) – Ministry standard ECI agreement

Further information on the Ministry standard contract templates can be found on the Ministry's [website](#).

Each Supplier has accepted the Ministry's standard terms.

Performance Management

Supplier performance

The Ministry has introduced a performance management framework to support Directory suppliers and the Ministry in the ongoing evaluation and continuous improvement of supplier performance. The Performance Framework will also give suppliers the opportunity to provide the Ministry with feedback.

Assessing supplier performance

Two-way discussions will be held regularly with the Ministry Delivery Manager to ensure suppliers receive timely and effective feedback to enable them to improve service delivery. Assessments will include input from key stakeholders, including where necessary the school involved.

Suppliers will have the opportunity to comment on the assessment prior to the results being agreed between the parties.

Assessments will be conducted at defined points in the project below.

Project Milestone	Assessment Timings	ECI	Design & Build	Traditional
Preliminary Design	Either assesses at the project milestone or as part of a review at least every 6 months.	✓	✓	N/A
Developed Design		✓	✓	
Detailed Design		✓	✓	
Start on Site	Review should take place post contract, during mobilisation.	✓	✓	✓
During Construction	Performance review should be undertaken at least every 6 months.	✓	✓	✓
Practical Completion	Assess at project milestone.	✓	✓	✓
Completion	Assess at project milestone.	✓	✓	✓

Assessment Criteria

Directory suppliers will be assessed against the criteria listed in the performance management starter pack linked to [here](#).

Assessing supplier performance

The Ministry will use the performance results to support Secondary Selection decisions. High performing suppliers will receive more opportunities to tender for contract opportunities.

Updating the Directory

New entrants

The Directory will be re-opened (refresh) to new entrants based on the Ministry's upcoming work requirements and needs via GETS. New entrants will be assessed using the same criteria and evaluation approach identified in the original RFP process. To ensure suitable coverage of suppliers across all the criteria the refresh may have a defined criteria of appointments focus on where additional suppliers are needed. This would mean that not all suppliers will be eligible to join the directory in each refresh.

Existing suppliers

Existing suppliers will be required to refresh their organisation's information (financial status, organisational changes and health and safety accreditation) annually to maintain their position on the Directory.

During the refresh existing suppliers may be given the opportunity to increase their scope of services as long as it is within the defined criteria of appointments that can be made during that refresh.

Who to contact for more information

If you have feedback or enquiries about anything not covered in this Guide, please contact Construction.Directory@education.govt.nz.



**Te Tāhuhu o
te Mātauranga**
Ministry of Education

We **shape** an **education** system that delivers
equitable and **excellent outcomes**

He mea **tārai** e mātou te **mātauranga**
kia **rangatira** ai, kia **mana taurite** ai ōna **huanga**

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