



11 May 2016



Government of Western Australia  
Department of Finance



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## Subcontractor Procurement Strategy

The new Maintenance Service Arrangement (MSA) is currently being mobilised to commence 1 July 2016. The MSA will assist seven WA State Government Agencies with the maintenance and management of their non-residential building assets in the Perth and Peel region, for up to 15 years. Programmed Facility Management (Programmed FM) and Department of Finance's Building Management and Works (BMW) have been working on the transition from the current Service Arranger (SA) contracts to the MSA structure since 23 March 2016.

With the cessation of the SA contracts on 30 June 2016 and the start of the MSA contract on 1 July 2016, Programmed FM is now procuring subcontractors to meet the new approach for managing the maintenance of these Agencies' property portfolio.

In support of its focus on asset management and contracted obligations, Programmed FM is seeking to simplify and streamline its subcontractor network delivery model by establishing a robust subcontractor network to deliver works and services across the seven Agencies.

The same principles agreed to within the MSA will be imparted on the subcontractor network to ensure that all parties hold mutually aligned objectives. As such, the subcontractor network, in undertaking the delivery of services, is required to demonstrate:

- ✓ value for money,
- ✓ collaborative working, and
- ✓ a value added, holistic approach to service delivery.

To align with these principles, the Programmed FM procurement strategy includes:

- ✓ letting across-agency subcontracts to allow more efficient subcontractor resource management (aggregation),
- ✓ zoning of services to allow subcontractors to price works in their preferred geographical regions,
- ✓ bundling of trades into trade categories (such as mechanical, air conditioning servicing, refrigeration service) to achieve cost benefits, and
- ✓ assessing tenders using an holistic approach and not simply price.

The intent of the procurement activity is to elicit savings and efficiencies by allocating risk to the party best capable of managing it, whilst removing unnecessary risk. In general, this means all subcontractors will be asked to accept the commitments agreed to in the MSA, taking responsibility for the key performance measures that they can manage.

With seven Agencies and seven geographical zones to cover, there is likely to be a high number of subcontracts to negotiate. The current timeline for the procurement of the new subcontracts is summarised in the Current Timeline for Award of Services diagram.

*'There are 27 Request for Tender packages released to the market, covering more than 70 trades. The proposal is to have subcontracts let by September 2016, though this timeline could change depending upon the nature and number of tender responses.'*

Stuart Windsor, Programmed FM, MSA Contracts Manager.

The continuity of services is a critical aspect to the procurement strategy. Programmed FM is liaising with the existing SA subcontractor network to ensure and enable continuity of service during the MSA transition period. This is being completed, where necessary, by implementing temporary contractual arrangements.

### Current Timeline for Award of Services

1 JULY

HVAC  
Mechanical Equipment Positive Continuous  
Airflow to Flammable Storage Cabinets HVAC  
Refrigeration system  
Building Management System  
Electrical Equipment  
Security Lighting  
Test and Tag

1 AUGUST

Fire Protection Equipment and Systems  
Grounds Maintenance  
Tree Management/Pruning/Fire Breaks  
Weed Management  
Drainage  
Roof Gutter Cleaning  
Bores and Pumps  
Irrigation tank and reticulation dam cleaning  
Reticulation and Irrigation Systems  
Painting  
Waste Disposal Services  
Cleaning Canine Waste  
Liquid Removal  
Grease Traps  
Handyman Services  
Flooring (Carpets, Tiling, Vynyl etc)  
Carpentry  
Asbestos  
Locksmiths  
Roofing  
General Building



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## 1 AUGUST

- Signage
- Consultants
- Sanitation Services
- Window Cleaning Services
- Building / Auto Doors
- Building / Boom Gate / Gate
- Paving and Roadways
- Plumbing and Gas Equipment
- Gas Heaters
- Zip Water Cooler
- Back Flow and Thermostatic Mixing Valves
- Eye Wash and Safety Showers
- Ultra Violet Disinfection System (Laundry)
- Waste Water Treatment and Dosing
- Fencing (General & Razor)

## 1 SEPTEMBER

- High Voltage Equipment
- Thermography
- UPS
- Generators
- Lifting Gear - Hoists
- Manual Art Equipment (Woodwork / Metal Work Equip)
- Roofing (Anchor Points and Safety)
- Swimming Pools
- Parking Management
- Glazing (General & Obs Cell Glazing)
- Air Quality Sampling and Testing
- Gym Equipment (Audit)
- Lifts
- Breath Air Filtration
- System - Breathing Equip
- Breathing Equipment Re-charge Compressor
- Smoke Room Training Equipment
- X-RAY Machine
- Hazmat Report - Annual
- Hot Fire Training Ground
- Indoor Plants
- Kitchen Equipment
- Laundry Equipment
- Pallet Racking Inspection
- Simplex Clocks (Library)

### Further Information

Please contact BMW Transition Lead Samantha Johnston on [MSAtransition@finance.wa.gov.au](mailto:MSAtransition@finance.wa.gov.au) or 6551 1704 for more information about the MSA.