

USING AUS-SPEC FOR CONTRACT DOCUMENTATION

INTRODUCTION

This TECHnote provides an overview on using AUS-SPEC for standard and period supply and service contract documentation for the life cycle management of assets. The AUS-SPEC system assists users to manage each stage of the contract cycle: project initiation; project delivery; compilation of contract documents; contract management and administration; operation; maintenance and asset management.

PROJECT DELIVERY AND PROCUREMENT

Local government typically procures the following:

- **Building and construction services** involving major works (e.g. construction of an aquatic centre or construction of a road) or minor works (e.g. repairs to a footpath or resurfacing a car park).
- **Supply of services** including supply of equipment or material.
- **Period supply and services** including construction or non-construction services over a fixed period of time (e.g. linemarking of roads, security surveillance, bituminous surfacing or weed treatment).
- **Consultancy services** including design and documentation.

The Local Government Acts of the various states underpin the detailed tendering process and procurement procedures used by Councils. AUS-SPEC provides for the incorporation of state-based requirements into contract documentation and also references AS 4120 *Code of Tendering* which sets out the ethics and obligations of the Principal and Tenderers in the tendering process in the construction industry.

THE IMPORTANCE OF SPECIFICATIONS

Preparing the specification is a core process in tendering and contracting. It is an essential contract management document which sets out the Council's requirements to prospective suppliers and/or contractors. A clear, concise and unambiguous specification results in more accurate tender bids and fewer variation claims.

The AUS-SPEC specification *Templates* and associated guidance documents provide a framework for developing quality documentation for different procurement methods and types of contracts. They can be used to define:

- Outputs.
- Quality standards and standards of compliance.
- Method of payment.
- Risk identification and management.
- Procedures, roles and responsibilities.
- Dispute resolution processes.
- Requirements for Council's economic, social and environmental objectives.

COMPILATION OF CONTRACT DOCUMENTS

The AUS-SPEC contract document system is suitable for all Council services related to asset management including design, construction, maintenance and operations of urban and open spaces, buildings and facilities, road reserves, and public utilities.

Reference documents

Before compiling the documentation, refer to the following AUS-SPEC TECHguides for detailed guidance on contracts, technical specifications, tender submission requirements and sample documents.

- *TG 102 Guidelines for Principals – standard contracts.*
- *TG 103 Guidelines for Principals – period supply and service contracts.*
- *TG 104 Guidelines for Principals – sample documents.*

Standard contracts

Identify the following contract requirements for the project:

- Conditions of tendering: Required for tender documentation only.
- Conditions of Contract: General conditions, Annexures and Special conditions of contract. SAI Global licence is required to use the Annexures of AS 2124 and AS 4000.
- Quality management system: Quality assurance or Integrated management.
- Method of payment: Schedule of rates or Lump Sum or a combination of both.



The Australian economy spends approximately \$7 billion per annum to resolve disputes in the construction industry. Concerns exist including the cost of tendering, lack of clarity of documentation and unequal allocation of risk.

*- CRC Construction Innovation,
Guide to leading practice for dispute avoidance and resolution: An overview*

Relevant publications

Austrroads

AGPD01 Guide to project delivery Part 1: Overview.

AGPD02 Guide to project delivery Part 2: Planning and control.

AGPD03 Guide to project delivery Part 3: Contract management.

AGPD04 Guide to project delivery Part 4: Direct management of project works.

AGPD05 Guide to project delivery Part 5: Road construction quality assurance.

AP-G92 Building and construction procurement guide – Principles and options

The compilation of the AUS-SPEC contract documentation for standard and period and supply contracts is in alignment with the Austrroads project delivery guides AGPD01 to 05.

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Period supply and service contracts

In addition, for period supply and service contracts, define the following contract requirements:

- Extent of service: Supply only, supply and deliver or supply, deliver and install/lay/place.
- Type of quality control: Quality control or Quality management system.
- Period of contract: e.g. 12 months with optional extension for 3 to 5 years or a longer term.
- Method of payment: Monthly payment, proportional payment, payment upon delivery.

SPECbuilder

Using SPECbuilder, the online specification compilation software, select the appropriate AUS-SPEC worksections and Office edited worksections to create a project specification. Edit standard clauses where necessary and customise the worksections to include project specific information. Complete any checklists and annexures to suit the needs of a particular project.

Project documentation

Assemble the project specific documentation in two sections:

- Section A – Tender documents: Assemble separately. For electronic tendering, a PDF file with all the information can be issued to the tenderers.
- Section B – Contract documents: Assemble contract documentation in 4 volumes as noted in the **Contract compilation table**.

Contract compilation table

Contract volumes	Standard contracts	Period supply and service contracts
Section A	TENDER INFORMATION	
	0122 Information for tenderers 0123 Conditions of tendering	
Section B	CONTRACT DOCUMENTS	
Volume 1 CONDITIONS OF CONTRACT		
	0147 Conditions of contract (e.g. AS 2124)	
	Annexure to General conditions of contract	
	Special conditions of contract	
Volume 2 TECHNICAL SPECIFICATIONS		
General	0136 General requirements (Construction)	0134 General requirements (Supply) and/or 0135 General requirements (Services)
Quality assurance	0161 Quality Management (Construction)	0162 Quality (Supply) or 0163 Quality (Delivery)
Integrated management	0161 Quality Management (Construction) and 0167 Integrated management	
Checklists (for development of documents only)	0125 Standard contract checklists	0126 Period supply and service checklists
Specific requirements	Select other worksections as required. Refer to the National worksection matrix . Construction services: <i>Workgroups 2, 3-11 and 13</i> . Maintenance services: <i>Workgroups 14-18</i> .	
Volume 3 (Separate compilation not covered by AUS-SPEC)		
DRAWINGS and SCHEDULES	Project drawings	
	Standard drawings	
	Schedules	
Volume 4		
TENDER SUBMISSION DOCUMENTS	0124 Tender submission documents including Tender forms, Schedule of rates or Bill of quantities Tenderer's particulars, Declarations	
ADDITIONAL INFORMATION	For example, geotechnical information, environmental protection agency information and Council's WHS policy	

Relevant publications

TECHguides

General

- TG 101 Guidelines for compiling documentation for contracts.
- TG 102 Guidelines for Principals – standard contracts.
- TG 103 Guidelines for Principals – period supply and service contracts.
- TG 104 Guidelines for Principals – sample documents.

Maintenance

- TG 401 Guide to parks and open space maintenance system and documentation.
- TG 402 Guide to adapting asset delivery documentation to parks and open space maintenance.
- TG 403 Guide to building and facility maintenance management system and documentation.
- TG 404 Guide to adapting asset delivery documentation to building and facility maintenance.
- TG 405 Guide to road reserve maintenance system and documentation.
- TG 406 Guide to adapting asset delivery documentation to road reserve maintenance.

TECHreport

NATSPEC TR 06 Procurement: Past and present provides guidance on using NATSPEC for building construction and AUS-SPEC for infrastructure to suit different procurement and delivery systems. Integrating sustainable procurement with the general stages of the procurement process reduces adverse environmental, social and economic impacts of purchased products and services throughout the asset life cycle.

TECHnote

- NATSPEC TECHnote GEN 009 Hold points and witness points
- GEN 018 Using AUS-SPEC for asset maintenance sets out the philosophy and components of the AUS-SPEC maintenance system.
- GEN 022 Using AUS-SPEC for asset delivery
- GEN 023 Using AUS-SPEC for management of unsealed roads

Worksections

Refer to the [National worksection matrix](#) for selection of worksections.