

Contract Administration System Manual: Procedure – CAP001M

Guidance

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Contents

1	Introduction	1
1.1	Purpose	1
1.2	Scope	1
1.3	Definitions, abbreviations and acronyms	1
1.4	General	2
1.5	Components of the CAS Manual	3
1.6	Mandated components of the CAS Manual	3
2	Obligations and responsibilities of the Principal	4
3	Design advisor and / or consultant (during the construction phase)	4
4	Principal supplied data	5
5	Appointment of Administrator	5
5.1	General	5
5.2	Administrator as Contract Administrator	6
5.3	Administrator as Certifier	7
5.4	Responsibilities	7
6	Operating procedures for Contract administration	8
6.1	General	8
6.2	Contract administration	8
6.2.1	<i>Preliminary Planning and Development of the Administrator's Surveillance Plan (Procedure CAP002M)</i>	8
6.2.2	<i>Risk management program</i>	9
6.2.3	<i>Conference / Conferences</i>	9
6.2.4	<i>Contract administration records</i>	10
6.2.5	<i>Site Office Facilities</i>	10
6.2.6	<i>Delegations / responsibilities</i>	10
6.2.7	<i>Community liaison and communication</i>	11
6.2.8	<i>Principal's Materials / Works</i>	12
6.2.9	<i>Regulatory signing</i>	15
6.2.10	<i>Appointment of Principal Contractor (work health and safety)</i>	16
6.2.11	<i>Reports (Procedure CAP004M)</i>	16
6.2.12	<i>Implementation of the Administrator Surveillance Plan (Procedure CAP006M)</i>	17
6.2.13	<i>Design issues</i>	18
6.2.14	<i>Subcontractor approval</i>	18
6.2.15	<i>Extensions of Time for Practical Completion (Procedure CAP008M)</i>	20
6.2.16	<i>Notices, Claims and Variations (Procedure CAP007M)</i>	21
6.2.17	<i>Payment Claims and Certificates (Procedure CAP009M)</i>	23
6.2.18	<i>Default or Insolvency</i>	23
6.2.19	<i>Disputing directions</i>	23
6.2.20	<i>As-constructed drawings (if required by the Contract)</i>	24
6.2.21	<i>Quality assurance</i>	24
6.2.22	<i>Early completion dates</i>	25
6.2.23	<i>Apprentice / training requirements</i>	26
6.2.24	<i>Contract Closeout (Procedure CAP010M)</i>	26
6.2.25	<i>Terminal reports</i>	26
6.2.26	<i>Records management</i>	26
	APPENDIX A: Relationships and indicative communication pathways	27

1 Introduction

1.1 Purpose

The purpose of this manual is to improve the department's compliance with departmental and legal requirements, and provide a framework for a consistent approach to the contract administration of Transport Infrastructure Contracts (TICs).

NOTE: This procedure does not provide contract law advice which is outside the scope of the Contract Administration System (CAS) Manual. Also, all the legislations and acts stated in this manual are reference only. Please refer the contact for correct version and the year.

1.2 Scope

The scope of this manual is to give a general overview of the Administrator's functions required to be performed on TICs and to briefly present the layout of the CAS Manual, which consists of procedures, letters, forms and checklists.

1.3 Definitions, abbreviations and acronyms

Abbreviation	Description
Administrator	The person appointed as the Administrator by the Principal
Administrator's Representative	The Administrator may, from time to time, appoint individuals to exercise the functions of the Administrator under the Contract but not more than one Administrator's Representative shall be delegated the same function at the same time. The appointment of an Administrator's Representative shall not prevent the Administrator's Representative from exercising any function.
CA	Contract Administrator (the Administrator) may be a firm or person
Contractor's Representative	That person appointed as Contractor's Representative under the Contract
Designer / Design Consultant	A person or firm who undertakes the design: <i>Designer</i> also has a specific meaning under work health and safety legislation
DRR	Design Review Request (where there is some design by the Contractor)
GCoC	General Conditions of Contract – TIC
LD	Liquidated Damages
Lot Register	Each lot shall be recorded in the Lot Register system by the Contractor
MRTS	Transport and Main Roads Technical Standards
MUTCD	Queensland Manual of Uniform Traffic Control Devices
Payment Claim	A claim for payment by the Contractor
Payments Act	means the <i>Building Industry Fairness (Security if Payment) Act (Qld)</i> and any relevant regulations and includes any amendments to that Act and those regulations
PM	Project Manager – appointed by the Principal to manage the overall project of which the TIC may be one of a number of separate contracts under the project
PR	Principal's Representative
Practical Completion	That stage in the execution of the work under the Contract where the Works are able to be handed over to the Principal
Principal	The Principal as stated in the Annexure (State of Queensland acting

Abbreviation	Description
	through the department)
PUP	Public Utility Plant
RPEQ	Registered Professional Engineer, Queensland (registered with the Board of Engineers, Queensland)
TIC	Transport Infrastructure Contract
WHS	Work Health and Safety

1.4 General

The CAS Manual has been written for a user who is not fully familiar with TIC; however, it also provides information for the experienced Contract Administrators (Administrators) to quickly access legislation and departmental information in areas such as:

- programming
- quality (including specifications)
- environmental
- work health and safety (including electrical safety)
- traffic management (including traffic control)
- community liaison
- industrial
- claims and payments
- dispute resolution, and
- records.

The Principal, Contractor and Administrator shall always refer to the Contract for actual requirements. It is important to note that the CAS Manual (procedures, letters, forms and checklists) does not change any requirement of any of the parties under the Contract (Principal, Contractor and Administrator).

Although the CAS Manual covers the general actions required by the Principal, Contractor and Administrator the procedures are aimed at explaining the Administrator Representative's functions under the Contract.

While the term is used in many circumstances, it also refers to the Administrator who actually undertakes the delegated functions. Similarly, for the Principal (Principal's Representative), a number of his or her duties may be undertaken by the department's Project Manager. The Administrator and Project Manager should not be the same person as there is a clear conflict of interest between these two roles¹.

¹ It is recognised that this is not always possible or practical due to resource constraints; however, in either case, the person exercising those functions must clearly understand when he / she is undertaking either role. Worst case is when the person acts in one role when he or she should be acting in the other.

Everyone representing the department (as the Principal) shall be extremely careful in what each says to the Contractor as it may create unintended results, enforceable by law. Any requests from the Principal should be discussed with or issued to the Administrator for his or her appropriate action.

Under the TIC, the Administrator is authorised to receive payment claims and issue payment schedules on behalf of the Principal. There is requirement for the Administrator to act honestly and fairly when assessing claims, variations, Extensions of Times (EOT) or performing valuations (see Section 5.3).

1.5 Components of the CAS Manual

The Manual consists of:

- this Guidance Text (CAP001M), which provides an overview of the contract administration of TIC
- other procedures providing specific explanation of the key components of contract administration; procedures are referenced by a code with a format CAP0XX
- standard letters that provide essential correspondence, which is contractually sound; the letters may be linked to the procedures and are referenced by a code with a format CAL0XX
- forms which assist in the establishment and implementation of the Contract Administration System (CAS); the forms may be linked to the procedures and are referenced by a code with a format CAF0XX
- checklists for various activities throughout the Contract that may be linked to the procedures and are referenced by a code with a format CAC0XX, and
- links to departmental documents, manuals and guidelines which are referenced in the procedures to ensure latest versions of references are accessed².

1.6 Mandated components of the CAS Manual

Mandating components of this Manual has been aimed at reducing the department's exposure to unacceptable levels of risk (technical, contractual or compliance with legislation). It is believed that the mandated components of the CAS Manual will also lead to improved consistency in the application of the CAS throughout the department.

The mandated components of the CAS Manual shall be complied with for the contract administration of TICs.

The mandated procedures, letters, forms and checklists have the suffix 'M' added to the document identifier code: for example, Development of the Administrator's Surveillance Plan (CAP002M).

In some instances, the procedures in the CAS Manual may be mandatory but some of the associated letters, forms or checklists may not: for example, there may be a requirement to have conferences according to a procedure, but the referenced agenda may be a generic form that will need to be modified to suit the Contract.

² These may include processes, procedures and documents of other departments or organisations. The CAS Manual does not guarantee that these are current or uniquely applicable to Transport Infrastructure Contract.

2 Obligations and responsibilities of the Principal

When the Principal engages a Contractor under a TIC, the TIC imposes repetitive responsibilities on the Principal (including but not limited to):

- provide the functions of a Principal Representative under the Contract, often through the Project Manager via appropriate delegations (preferably in writing) (a highly experienced engineer such as the Regional or District Director will invariably undertake the role of the Principal under the Contract) – the Project Manager, as the Principal's Representative, shall liaise with the Administrator in the completion of all other functions of the Principal under the Contract not performed by the Principal's representative
- provide all those services required outside the Contract which relate to the department (for example, ensuring Principal Supplied Materials, services and Works are provided on time; update senior departmental staff on the project's status; and other duties as required)
- interact with the Administrator on areas such as land acquisition processes (resumptions), program variation requests, wider departmental communication, project and other ministerial / briefing notes, industry liaison, site visits, and so on
- provide the services of Administrator through a written appointment
- provide to the Administrator all relevant drawings, documentation, data, material and reports in its possession which are required for the Administrator to exercise its functions under the Contract and for efficient administration of the Contract
- provide, if required under the Contract, or arrange with the Contractor to provide, all accommodation, facilities, services, office equipment
- appoint the Contractor as the Principal Contractor under Chapter 6 of the *Work Health and Safety Regulation 2011* (Qld).
- give possession of the site or parts of the site to the Contractor (Clause 27 Site of the *General Conditions of Contract*)
- make payments to the Contractor (Clause 42 Certificates and Payments of the *General Conditions of Contract*), and
- provide insurance under Principal Arranged Insurance scheme (if applicable) (Clause 18 Insurance of the Works of the *General Conditions of Contract* and Clause 19 Public Liability Insurance of the *General Conditions of Contract* if applicable).

3 Design advisor and / or consultant (during the construction phase)

In TICs, the design is undertaken by the Principal (either directly via in-house staff or via the engagement of a design consultant) and those designers may be engaged by the Project Manager to provide a design contact for responding to enquiries from the site through the Administrator about design -related construction issues. For details of the process of the engagement of consultants, refer to the *Manual – Consultants for Engineering Projects*.

Any design changes shall be communicated to the Contractor via the Administrator to avoid unexpected contractual difficulties, clarity of communication and consistency of contract administration. Under Clause 40 Variations, of the *General Conditions of Contract*, the Contractor shall not vary the work under the Contract unless directed by the Administrator.

The Principal's technical staff, even though they may be considered Principal's Representatives, who may from time to time be required to undertake investigations or inspect the Works for compliance purposes, must work through the Administrator to avoid any unwarranted contractual issues. The Principal's technical staff should only provide technical advices; they do not administer the Contract. It is important that the functions of the Administrator are not inadvertently disregarded by the Principal's staff.

4 Principal supplied data

The Project Manager shall provide the Administrator's Representative with the following data (as applicable for the Contract) prior to the internal prestart conference among the Principal's Representative, Project Manager, Administrator and the Administrator surveillance team. Many of these documents may already form part of the Contract or the concept planning report:

- geotechnical reports (bridge site, pavement, settlement, and so on)
- pavement design report
- review of environmental factors report / environmental management plan
- cultural heritage management plan
- environmental licences, permits, and so on
- resumption plans and title schedules (include summary of the status of individual resumptions)
- designer's notes for the Administrator
- cost sharing arrangements with other authorities
- any relevant community liaison reports or materials
- annotated cross section / construction tables if not included in Contract, and
- copies of all previous orders, correspondence, plans and the status of any outstanding works relating to Works listed on the Contract schedule as Principal Supplied Material. In some instances a conference with the engineer (Public Utility Plant) and / or designer / design consultant may be appropriate.

5 Appointment of Administrator

5.1 General

Generally, after the issue of the *Letter of Acceptance*, the Contractor shall be notified of the appointment of the Administrator under Clause 23 Administrator, of the *General Conditions of Contract*.

The functions of the Administrator are as those exercisable under the Contract and include giving directions, certifying and valuing, issuing variations, undertaking inspections, testing, and so on. Effective contract administration involves careful exercise of these functions.

In exercising those functions the Principal shall ensure that the Administrator:

- acts honestly and fairly
- acts in the prescribed time, and
- acts according to the Contract.

The Administrator in administering the Contract shall:

- provide supervision of the Contract using a surveillance process to confirm the work is completed as required by the Contract
- supply documents and contract-related information to the Contractor as required by the Contract
- issue directions to the Contractor within the scope of the Contract
- make all necessary decisions required under the Contract in a timely manner
- make valuations, verify and certify payments and certificates for which the Administrator has responsibility
- issue *Variation Order* (CAF027M) under the Contract, and
- maintain and handover specified documents, required by the Contract, and site records to the Principal.

In the event that a consultant is engaged as the Administrator, the consultant brief must clearly detail what functions will be delegated and what functions are to be retained by the Administrator. The consultant brief must include terms stating that where a function has not been clearly delegated (or there is some doubt) to the Administrator, the function in question is retained by the Administrator. The Contractor shall be notified of the appointment of any Administrators and the functions delegated.

The Administrator's functions fall into two main categories: contract administration and certification activities.

5.2 Administrator as Contract Administrator

As a contract administrator, the Administrator is able to issue directions to the Contractor including, but not limited to:

- directing the order and timing of the various stages or parts of the Works
- deciding on errors, discrepancies and ambiguities in the Contract
- directing the Contractor as to Nominated Subcontractors
- approving of Subcontractors
- approving of suppliers
- ordering work under Provisional Sums / Items
- evidence of compliance with statutory requirements
- deciding on the omission or execution of Works
- deciding and instructions on matters arising from site conditions
- issuing *Variation Order* (CAF027M) and determining the quantum of time and costs of the variations
- instructing substitution of materials or workmanship
- ordering the opening up of covered work and subsequent testing and investigation of materials or goods
- ordering the removal or re-execution of any work

- ordering the making good of any defects in the Works
- ordering the disposition of any minerals, relics or antiquities
- correcting any defective work by others (not the Contractor), and
- postponing any work.

5.3 Administrator as Certifier

As a certifier for the Contract, the Administrator is required to act in a fair and impartial manner in:

- confirming that the Contractor has completed the Works in accordance with the Contract
- verifying by a surveillance process, the proper execution and completion of the Works
- issuing the *Certification of Practical Completion* (Form C7881)
- assessing claims for payment (Payment Claims)
- assessing contractual claims: for example, extensions of time, delay and disruption, variations, defective work, and so on
- assessing Liquidated Damages (LD)
- assessing costs arising from Latent Conditions or defective Works
- assessing costs of any postponed Works
- assessing costs of disposal of minerals, relics and antiquities, and
- issuing the *Final Certificate* (Form C7882).

5.4 Responsibilities

The Administrator and the surveillance team have legal responsibilities beyond those stated specifically in the Contract. These responsibilities are related to legislation and the associated regulations, and are commonly related to work health and safety, traffic, electrical safety, environment, cultural heritage matters and registration as a Registered Professional Engineer of Queensland (RPEQ).

All those undertaking contract administration functions need to be aware of their professional and personal responsibilities in connection with all legislation and regulations and also to be aware of the assistance available through engaging specialist advisors where necessary.

It is also important for the Contractor and the Administrator to be familiarised with the notification requirements set out in certain legislation and regulations. In the event of an incident or an issue, the responsible party shall make timely notifications according to the related legislation and regulations. It is advisable to consult the specialist advisors and the communication team for their advice where necessary.

As for advice on current RPEQ requirements, the Board of Professional Engineers Queensland shall be consulted. It is also advisable to refer to the Board's website www.bpeq.qld.gov.au for the latest information.

6 Operating procedures for Contract administration

6.1 General

A Project Manager will be appointed by the Principal to manage the project. The Contract is only one part of an overall project that may include a number of contracts. Under all circumstances the Administrator, as appointed by the Principal, shall be the sole contact with the Project Manager on all Contract matters as they arise.

On appointment by the Principal, the Administrator shall exercise the Administrator's functions under the Contract which may extend to up to 10 business days after the issue of the *Final Certificate* (Form C7882) (Clause 42.8 Final Certificate of the *General Conditions of Contract*). The Project Manager should not be involved in any way in the direct contract administration of the Contract as this could lead to contractual difficulties, bypassing the Administrator's independent role in regard to particular functions and potentially acting unintentionally as the Principal's Representative on matters without the authority or departmental delegations to do so. The Administrator has been given the authority by the Principal to administer the Contract and, for the Project Manager to bypass the Administrator, it may be argued by the Contractor as a breach of the Contract, should circumstances arise that favours the Contractor to do so. The Project Manager working with and through the Administrator avoids the possibility of this occurring.

6.2 Contract administration

6.2.1 Preliminary Planning and Development of the Administrator's Surveillance Plan (Procedure CAP002M)

The Administrator should commence planning in advance for the preparation of the *Administrator Surveillance Plan* (CAF001M), in accordance with Development of the *Administrator's Surveillance Plan* (CAP002M). This is a risk based approach which requires a good working knowledge of risk management.

The 'Risk Management Tools and Techniques' which is located on the departmental intranet, can be made available by contacting the Project Manager within the District.

As part of the planning process, the Administrator may initiate an internal prestart conference with his or her surveillance team to:

- confirm the roles and the responsibilities of the Principal, Principal's Representative and Project Manager
- establish delegations of functions under the Contract for the Administrator, site engineers and inspectors
- define the roles and responsibilities of any internal testing staff, internal technical advisors (structural, geotechnical, pavement, and so on) any external testers or auditors, if applicable
- discuss the surveillance team's view of the requirements of the project work outside the Contract but required to be carried out or arranged by the Principal for the effective completion of Works under the Contract
- obtain the data necessary to match the team's capabilities to the surveillance requirements
- establish any shortfalls in experience and capabilities
- commence arrangements to overcome any shortfalls in skills or experience

- establish the Contract registers, including the initial risk register; details when the Contractor, Contractor's staffing, program, lot register and complete surveillance requirements are known, and
- understand the project risks as developed by the Principal prior to the start of construction. As construction proceeds, the Administrator will need to refine the risks.

For more information, see Quality Assurance Audits for further details on the Administrator's Surveillance Plan.

Internal Pre-start Conference Agenda / Minutes (CAF002M) shall be adopted.

6.2.2 Risk management program

The risk register, within the *Administrator's Surveillance Plan* (CAF001M), shall be updated as necessary to take into account any changes to the contract risk profile from the *Letter of Acceptance* until the issuing of the *Final Certificate* (Form C7882). The *Administrator's Surveillance Plan* (CAF001M) may still need to be reviewed during the Defects Liability Period as the risk profile may change during this period with the project opened to traffic.

6.2.3 Conference / Conferences

6.2.3.1 Pre-start conference

The Administrator shall arrange, conduct and minute a pre-start conference with the Contractor and forward copies of the minutes to the Principal's Representative, Project Manager and Contractor within one week of the conference. *Pre-Start Conference Agenda / Minutes* (CAF003M) should be adopted.

Regular site conferences, generally monthly, shall be held with the Contractor. The main purposes of these conferences are to:

- review progress to date and future programmed Works
- discuss any issues affecting time, cost or quality
- discuss status of identified high risk areas (traffic management, work health and safety matters, environment, community concerns and so on)
- where necessary, modify the contract risk register and consequences to the Contractor and Principal, and
- where optioned, discuss and score the partnering process.

Generally, contractual issues (invariably claims and disputes) are best left to conferences called specifically for the purpose, as only relevant staff are needed for such conferences. Also, the conferences should have a specific agenda to deal with the issues which aim initially to agree the facts, list facts not agreed to be negotiated within the terms of the Contract, and eventually, establish the contractual liability with the aim to resolve the claim most expeditiously within the Contract.

6.2.3.2 Conferences with the Principal's Representative and Project Manager

Depending on the circumstances and regional requirements for the Contract, conferences with the Principal's Representative and / or Project Manager may be regular or held as required by either party. An agenda and minutes are required, as such conferences must reflect the requirement for the Principal to ensure that the Administrator acts fairly and honestly in its exercise of the Administrator's functions under the Contract.

6.2.4 Contract administration records

The Administrator shall ensure that complete and accurate records are maintained for all of the Works from the internal pre-start conference until the issuance of the *Final Certificate* (Form C7882). As contracts are project specific, the records shall include all the registers identified in the *Administrator's Surveillance Plan* (CAF001M).

Inspector's diaries are an important form of contract administration records and they are important substantiation for assessing Contractors' claims. Prior to construction commencement, the Administrator Representative shall discuss with the inspectors about the contents to be recorded in the diaries. The Administrator Representative's shall ensure that the diaries are properly recorded with all the important site facts included. Discrepancies in information such as weather conditions, numbers and types of plant and labour on site may have important ramifications, should the diaries be relied on in resolving any disputes.

The Administrator's Representative shall also ensure that the diaries are archived on the completion of the Contract.

For details of the typical reports required for TICs, refer to the section on reports following and to *Reports* (CAP004M).

For details of the disposition and archiving of contract administration records, refer to *Contract Closeout* (CAP010M).

6.2.5 Site Office Facilities

Office accommodation provided under the Contract shall be for the exclusive use of the Administrator over the duration of the Contract. The level of accommodation needs to comply with various industrial awards and with work health and safety requirements. Seeking advice of the regional Work Health and Safety Advisor in this regard to this issue is recommended.

The responsibility for the establishment and maintenance of the office equipment (including phones, facsimile machines, computers, and photocopiers), stationery, other consumable items and the supply and routine costs of services as per *Site Office Set up Checklist* (SF001) shall be in accordance with the Contract. If a consulting engineer / firm is the Administrator, the contract between the Principal and the consulting engineer / firm will need to reflect the Contract.

6.2.6 Delegations / responsibilities

The Administrator shall define any delegations under the Contract to other supervisory staff using *Appointment of the Administrator's Representative* (CAL001M). A copy of all delegations shall be forwarded to the Contractor, as the Contractor needs to be assured that any instructions, correspondence and the like are issued by a proper authority under the Contract (Clause 24 Administrator's Representative of the *General Conditions of Contract*).

It is essential to the effective administration of the Contract that delegations given do not exceed departmental delegations of that level, as the Contractor may not be required to follow the instruction or correspondence issued to him or her.

Contract Administration Responsibilities (CAF013M) may be used to allocate the responsibilities for the Administrator's Representative and Inspector.

Summary of Release Letters for Standard Specification Hold Points (CAF014M) may be used to allocate responsibility for the release of mandatory hold points.

Typical duties delegated to inspectors are outlined in *Duties of Inspectors* (CAF015M). These should be amended to suit Contract requirements.

6.2.7 Community liaison and communication

Communication can be internal within the Administrator's team, within the Contract (Principal, Contractor and Administrator) and external to the Contract with external stakeholders such as the community or the media. It is essential to differentiate between contractual communication with the Contractor and non-contractual communication with the external stakeholders.

6.2.7.1 Communication plans

The Administrator shall state the requirements of the communication plans for both internal communication and external communication in the *Administrator's Surveillance Plan* (CAF001M). All relevant channels of communication shall be detailed in the communication plans.

6.2.7.2 Community liaison and external communication

Community liaison and communication with external stakeholders involves local community members, businesses, media organisations, local elected representatives, Councils, other government departments and agencies, public transport providers, emergency services and other interested / enquiring parties.

Depending on the Contract, responsibility for community liaison and external communication can lie with the Project Manager or the Project Manager and the Contractor. Care needs to be exercised to ensure that the Administrator and his or her staff have the ability to liaise with the Project Manager and Contractor so that communication and liaison activities are managed responsively and cohesively.

The communication plans shall address how the relevant parties will interact, and where necessary, provide details of specific communication responsibilities and approval processes.

Where the Contractor is responsible or partially responsible for undertaking general communication regarding construction of the Works, the Contractor shall carry out the duties as defined in the Contract and as specified in departmental policies, plans, manuals and procedures.

The Principal is responsible for approving public statements prior to release.

The Contractor is not to have any direct interaction with the media. All enquiries from the media must be promptly directed to the department's media team.

Community liaison and communication activities need to be able to handle work health and safety, environment, traffic management, incidents and emergencies.

In view of the complex environment within which communication activities exist, all project staff, and especially the Administrator and the Administrator's Representative, must be aware of the project communication plan and associated roles and of the details given in *Incidents and Issues* (CAP005M).

It is recommended that community liaison and external communication activities are discussed at the internal pre-start conference with the regional Communication Officer or relevant departmental delegate.

6.2.8 Principal's Materials / Works

The Project Manager shall be responsible for the supply of Principal Supplied Materials (Clause 12 Care of the Work and Reinstatement of Damage of the *Clause Bank*, and Clause 27.2 Access for the Principal and Others of the *General Conditions of Contract* and Clause 29.7 Materials Supplied by the Principal of the *General Conditions of Contract*) and work on the Site by others if applicable.

The role of the Administrator is:

- to monitor the status of the supply of materials and other Works by the Principal through the Project Manager
- to assure there are no adverse impacts on the Contract, and
- to coordinate delivery of materials / product and access of the Principal's Works supplier / Contractor with the Principal Contractor where necessary.

The Project Manager shall be responsible for all supply, surveillance, quality control / assurance and completion of the Works required under the separate contract for Principal Supplied Materials and Works.

Under Clause 29.7 Materials Supplied by the Principal of the *General Conditions of Contract*, the Contractor is responsible for the transportation and storage of those Materials from the point of receipt from the Principal and is required to inspect those Materials to ensure that both the quantity and the conditions of the Materials are in compliance with the Contract.

Disputes can arise where the Contractor refuses to accept Principal Supplied Materials / Works that, in his or her opinion, do not comply with the Contract. In the event that there is a dispute over Principal Supplied Materials / Works, the Administrator shall make a fair and honest determination (Clause 23 Administrator of the *General Conditions of Contract*) and provide a direction subject to the dispute mechanisms under Clause 46 Time for Notification of Claims and Disputing Administrator's Direction of the *General Conditions of Contract* and Clause 47 Dispute Resolution of the *General Conditions of Contract*.

Some typical Principal Supplied Materials/works include:

- pavement marking
- traffic signals and street lighting, and
- bitumen.

6.2.8.1 Pavement marking

The Project Manager shall arrange for the pavement marking services if the Contract specifies this as Principal supplied Works. This work may be undertaken by others, including the Contractor. Liaison between the Administrator and the Project Manager is required for the scheduling of, and access for, the pavement marking in coordination with the Contractor's program of Works. Where pavement marking is part of the Contract, the responsibility for supervision rests with the Administrator.

Whether the pavement marking is Principal supplied Works or to be undertaken by the Contractor, any changes required to the pavement marking design, whether as identified by the Contractor or the Administrator, shall be handled as a design review request from the Administrator to the Project Manager. Advice from the Project Manager to the Administrator shall be via a Principal's response. The Administrator shall then issue amended drawings for any change to the Contractor, and a direction (if appropriate).

6.2.8.2 Traffic signals and street lighting

In the case where the provision of traffic signals and / or street lighting work is Principal supplied, the Project Manager shall have the responsibilities outlined in Principal Supplied Materials / Works.

In the case where the traffic signals and / or street lighting are the Contractor's responsibility or is by a Nominated Subcontractor to the Contractor, the Administrator shall carry out the surveillance Works on the signals and lighting as for other Works under the Contract. The requirements of the *Electrical Safety Act* must be complied with in either situation. The assistance of the regional Electrical Engineer is necessary as the Act requires licensed persons to carry out and certify the Works.

6.2.8.3 Bitumen

When the supply of bitumen/cutback bitumen is scheduled as Principal Supplied Materials the following procedures shall apply:

- In accordance with Clause 29.7 Material Supplied by the Principal of the *General Conditions of Contract*, the Contractor should give the specified notice of his or her bitumen supply requirements to the Administrator.
- The Administrator shall advise the Project Manager of the requirements by *Supply of Bitumen* (CAL002M) and the Project Manager shall take responsibility for the supply of bitumen to site.
- In order to obtain daily deliveries of the Principal supplied bitumen, the Contractor shall notify the Administrator with a suitable advanced notice dependant on the delivery location (the Administrator should raise this issue at the pre-start conference with the Contractor). The Administrator shall notify the Project Manager who will contact the bitumen supplier, regarding the delivery details.
- After completion of spraying (or on a weekly basis for larger or irregular usage), the Administrator shall advise the Project Manager of the details of bitumen sprayed using *Advice Regarding Bitumen Sprayed* (CAL003M).

6.2.8.4 Principal supplied Works and work health and safety issues

The Project Manager shall take responsibility for the satisfactory completion of all Principal supplied Works. Close coordination and liaison with the Administrator are required to manage the Principal supplied Works Contractor. Under no circumstances shall the Project Manager act on, give instruction to or receive any communication directly from the Contractor. All communications between the Project Manager and the Contractor must be via the Administrator or have the Administrator present during any verbal discussions.

During the completion of this work, the Administrator must be aware that on-site work by others must be completed under the Contractor's direction (as the Contractor is still in possession of the site and therefore has primary responsibility for the management and control of safety on-site, consistent with their duties under the WHS legislation).

In the event that the Contractor for the Principal supplied Works has possession of the site prior to the main Contract Works, then consideration of the current WHS legislation is required, which provides that there can be only one Principal Contractor for a construction project at any one time and in order to be effectively appointed, the Principal Contractor must be given management and control of the work site. Therefore, the consequences for the main contractor in the event of, for example, a PUP contractor moving power poles throughout the project site, needs careful consideration and management to ensure that there is only one Principal Contractor responsible for the work site consistent with the WHS legislation.

One option for consideration would be to isolate the worksites from each other so defined areas for the two Principal Contractors can be delineated and they can each have management and control of their respective work areas. Where this is neither possible nor practical, consideration needs to be given for the Principal, through the Project Manager, to notify the PUP contractor as the Principal Contractor up to a determined date, rescind that notification and then give the Principal Contractor status to the main Contractor so there is no overlap of Principal Contractor appointments related to the same work area. Another option is to use the possession of site clause (Clause 27.2.1 Adjoining Work of the *General Conditions of Contract*) of the respective contracts. Obviously, the situation must be managed and care taken to ensure that the roles of the two contractors are clearly defined in respect to who is responsible for what. Advising the potential or the actual likelihood of this occurring in each set of Contract documents would also minimise future issues and should be considered in detail when drafting both tender documents. The Director (Prequalification and Contracts) can advise on drafting appropriate clauses in this regard. If doubt still exists, or the Administrator is still unsure, Work Health and Safety Queensland should be contacted for advice on legislative requirements.

6.2.8.5 Public Utility Plant (PUP)

In general, the Principal shall endeavour to have all PUP relocated prior to the award of the Contract; however, under certain circumstances, the balance of PUP works may remain either as Principal's supplied Works or be included in the Contract.

Where the PUP works require specialists or a statutory authority (such as Energex, Origin Energy, Telstra and local government water authorities) to complete the Works or where the Principal requires a particular contractor to do the work (and in some cases, complete Works started but not yet completed), the role of the PUP works contractor can become either:

- one of a Nominated Subcontractor under the Contractor supervised by the Administrator, or
- a contractor working directly for the Principal on the Contractor's worksite supervised by the Project Manager.

In the latter case, if a dispute occurs between the Contractor and the PUP contractor working directly for the Principal, the Administrator must remain fair and reasonable.

6.2.9 Regulatory signing

Regulatory signing shall include all signs / devices described as regulatory in the *Manual of Uniform Traffic Control Devices* (MUTCD) and can be for permanent or temporary Works. *Installation and / or Removal of Regulatory Traffic Signs / Devices* (Form M994) which is located in the Corporate Forms / departmental intranet, can be made available by contacting the Project Manager within the District. Permanent Works:

- a) The Contractor shall complete *Installation and/or Removal of Regulatory Traffic Signs / Devices* (Form M994) for all regulatory signs as they are about to be installed in accordance with the Contract and forward it to the Administrator.
- b) The removal of existing signs is treated similarly.
- c) The Administrator checks the physical location of the signs to confirm the actual sign location is not in conflict with the design locations.
- d) If the sign requires significant relocation on reasonable grounds, then a design review request is required to be sent to the design consultant for his or her immediate attention.
- e) If the sign requires minor relocation on reasonable grounds, then any changes must be recorded on a revised *Installation and/or Removal of Regulatory Traffic Signs / Devices* (Form M994) by the Contractor. The Administrator should speak with the Project Manager (and designer) on what is considered to be reasonable.
- f) The Administrator shall receive the completed *Installation and/or Removal of Regulatory Traffic Signs/Devices* (Form M994) from the Contractor with dates of actual installation / removal and shall forward them to the Project Manager.
- g) The Project Manager shall arrange approval by the delegated authority and return the duplicate *Installation and / or Removal of Regulatory Traffic Signs/Devices* (Form M994) to the Administrator who shall then forward it on to the Contractor for the site records.

6.2.9.1 Temporary Works

- a) The Contractor submits the *Installation and/or Removal of Regulatory Traffic Signs / Devices* (Form M994) which should provide details of the signs to be used in a prior approved traffic management plan for temporary Works. The Administrator shall review the *Installation and / or Removal of Regulatory Traffic Signs/Devices* (Form M994), with respect to the MUTCD.
- b) The Project Manager arranges the review of *Installation and / or Removal of Regulatory Traffic Signs / Devices* (Form M994) and responds with comments to the Administrator.
- c) The Administrator advises the Contractor of any comments by the Administrator and Project Manager and gives a direction on its suitability. It is good practice for the Administrator to remind the Contractor of his or her responsibilities for keeping records. The Contractor shall record the locations, dates, and times of installation / removal of temporary regulatory signage. Within seven days of removal of all devices, the Contractor provides all his or her traffic management records and completed *Installation and / or Removal of Regulatory Traffic Signs / Devices* (Form M994) to the Administrator.

6.2.10 Appointment of Principal Contractor (work health and safety)

6.2.10.1 Appointment

Under the conditions of tendering contained in the Contract documents, the Contractor becomes the Principal Contractor upon advice of being awarded the Contract.

6.2.10.2 Work health and safety responsibilities

The Principal Contractor is solely responsible for the control of site work health and safety activities of the Contractor's and Administrator's staff, all Subcontractors and all visitors to the site. The control can vary from requiring all site personnel to have a 'white card' (CPCCOHS1001A *Work safely in the construction industry*) or a 'blue card' (Card 30215 QLD – Course in General Safety Induction (Construction Industry)) and to successfully undertake site specific induction. As a minimum, visitors (defined as those not undertaking work at the site) are to be escorted by a white / blue card holder who has successfully undertaken a site specific induction.

In addition, all site personnel must undertake the Principal Contractor's site specific induction and have recorded the details in the Contractor's Induction Register. The details include:

- the date of induction
- the name of the inductee
- organisation, and
- white or blue card number.

Visitors must sign in and the details of the escorting inductee are recorded in the Contractor's visitor register. All visitors are given an abridged version of the work health and safety induction to cover the most important details and the specific risks for the location they are visiting. All visitors must wear the prescribed personal protective equipment.

The Administrator has an obligation to ensure that all supervisory staff and visitors comply with these requirements and that cooperation with the Contractor regarding work health and safety issues is essential. There can be no exceptions to this situation as the Administrator does not have the authority to instruct the Contractor to waive any WHS requirements given by legislation.

6.2.11 Reports (Procedure CAP004M)

6.2.11.1 Monthly reports

The required monthly reports are detailed in *Reports* (CAP004M) and include:

- *Administrator's Monthly Report* (CAF007M)
- *Environmental Monthly Report* (CAF008M), and
- *Contract Performance Report* (Form C7876).

6.2.11.2 Other reports

Other reports required during the contract are also detailed in *Reports* (CAP004M) and include:

- *Contractual Requirements Checklist* (C7875)
- *Maintenance Report* (CAF009M)
- *Administrator's Report* (CAF010M)
- *Post Construction Report* (CAF012M)
- *Performance Report on the Design Consultant* (Form C7563), and
- *Accident Investigation Report* (CAF017M) – refer to *Incidents and Issues* (CAP005M).

6.2.11.3 Vehicle damage claims

Refer to *Incidents and Issues* (CAP005M) for details.

6.2.12 Implementation of the Administrator Surveillance Plan (Procedure CAP006M)

A review of the *Administrator's Surveillance Plan* (CAF001M) needs to be conducted at the stage when the Contractor's staff, plant and program of Works are reasonably established; the Contractor's lot registers are underway; and the Administrator's staff and their experience are known. The review would consider all matters involved in the original draft *Administrator's Surveillance Plan* (CAF001M) to provide an appropriate risk-based surveillance process suitable to allow the Administrator to assess the performance of the Contractor in relation to the provisions of Clause 30.2 Quality Assurance Requirements of the *General Conditions of Contract*.

The revised *Administrator's Surveillance Plan* (CAF001M) is then implemented but with the condition that, as site and surveillance risks change, the *Administrator's Surveillance Plan* (CAF001M) is modified accordingly. Implementation of the *Administrator's Surveillance Plan* (CAP006M) provides the details of the processes involved in surveillance of the Contract and includes links to letters, checklists and forms.

As the *Administrator's Surveillance Plan* (CAF001M) is, in effect, an audit process of the Contractor's quality plan, it is mandatory that all the Administrator's surveillance processes are traceable from audit / test / inspection through to acceptance / rejection as the case may be. For this reason, all audits shall have as a record either a handwritten hardcopy or electronic generated copy of the results for quality assurance purposes. In most cases, the record will be in the form of a checklist. Typical checklists are mentioned in Implementation of the *Administrator's Surveillance Plan* (CAP006M).

6.2.12.1 Systems audits

Systems audits by the Administrator are made on:

- the quality plan
- environmental management plan (including cultural heritage)
- construction safety plan
- traffic management plan
- community liaison plan, and
- construction program.

The Contractor also has an obligation under its quality plan to have it externally audited by the Contractor's own auditors at intervals stated in the plan.

6.2.12.2 Process audits

Process audits are made on the Contractor's various work method statements, inspection test plans, testing procedures (related to Australian Standards or departmental standards) and any other processes the Contractor is required to provide under the Contract.

6.2.12.3 Product audits

All final products or components of final products can be subjected to a product audit to confirm compliance with the Contract. Product audits may include audits of items such as embankment material, bridge handrails, and so on.

Of particular interest are those which require evidence of statutory compliance such as product audits for electric cable conduits for traffic signals and street lighting. The audits of the completed conduits in respect to positioning, cover and protection are crucial to the safety of future Works in the vicinity once 240V (or higher) power cables are pulled into place and activated. Note that an electrical engineer is required to certify audits under *the Electrical Safety Act* which has similar powers for non-compliance to that of WHS legislation.

6.2.13 Design issues

During the course of construction, some discrepancies, errors, omissions and / or clarification issues within the Contract may become apparent even to the point of querying aspects of the design. In the majority of cases, the Contractor submits a notice in accordance with Clause 8 Contract Documents of the *General Conditions of Contract*. Depending on the subject matter, the Administrator may issue a Request for Information (RFI) notifying and identifying the matter to the Project Manager.

If the information provided by the Project Manager cannot assist the Administrator in resolving the issue on-site, the Administrator shall further raise the issue with the Project Manager by issuing a Design Review Register (DRR) clearly stating the timeframe for the response.

Design Review Request Register (CAF023M) is used registering DRRs and Designer's responses to allow the Administrator to control the matter and issue appropriate directions to the Contractor. Designers must communicate through the Project Manager and Administrator. Communication control is required as a DRR can lead to a claim by the Contractor under certain circumstances. Timely identifications of potential problems, as well as quick and accurate responses, can help prevent these types of issues from becoming potential claims as well as improve productivity and foster good working relationships.

6.2.14 Subcontractor approval

Clause 9.2 Subcontracting of the *General Conditions of Contract* for TIC include the following provisions:

- a) Contractors are obliged to seek Administrator approval prior to engagement of Subcontractors for any subcontract greater than the value of the Work Under the Contract to be subcontracted exceeds the amount specified in Item 15A of the *General Conditions of Contract Annexure A*, providing appropriate details (without prices) sufficient to enable assessment of proposals for subcontracting.

- b) The Administrator is required to consider the Contractor's submission in terms of the Subcontractor's technical experience and expertise, as well as:
- (i) management of quality
 - (ii) work health and safety, and
 - (iii) environmental responsibilities.

The scope of the application of these principals and the requirements for assessing the suitability of the Subcontractors should be commensurate with the project that is as comprehensive or as simple as warranted.

Contractor's responsibility

- Seek approval in writing from the Administrator to subcontract any part of the work under the Contract.
- Define the appropriate and adequate subcontract arrangement during the course of the Contract.
- Select suitability qualified and capable subcontractors.
- Submit timely applications for approval to subcontract.
- Discuss with the Administrator any query necessary to complete the approval process.

Administrator's responsibility

- Ensure inclusion of the Contractor's intention to subcontract is included in the Contract Management Plan and raised at the pre-start meeting.
- Competently assess applications for individual subcontractor approval.
- Be prepared to discuss any aspect of the application to subcontract with the Contractor.
- Complete timely assessment and notification of decisions to the Contractor.

Subcontractor suitability

Subcontractor capability assessment needs to include succinct data summaries for each of the topics listed following and be relevant to the proposed subcontract, project and site circumstances:

- technical expertise of the Subcontractor's organisation and key staff
- definition of responsibilities and processes for communication
- suitability of equipment
- Works programming and coordination
- processes for verification of compliance of work with specific requirements (quality control)
- management of defective work, and
- adherence to work health and safety and environmental responsibilities.

Other relevant factors that may need to be addressed, dependent on the project circumstances, are:

- definition of the relationship between the Contractor and the Subcontractor, including their management systems
- adherence to the *Queensland Government Building and Construction Training Policy* (the training policy) (where applicable)
- adherence to the *Queensland Charter for Local Contract* (QCLC) (where applicable), and
- adherence to the *Queensland Procurement Policy* (QPP).

6.2.15 Extensions of Time for Practical Completion (Procedure CAP008M)

Under the Contract, the Administrator has the authority to award an Extension of Time for Practical Completion in accordance with Clause 35.5 Extension of Time for Practical Completion of the *General Conditions of Contract* and other clauses. As effects on time can have implications outside the Contract, as well as inside, the Administrator needs to consistently advise the Principal's Representative of the current status of the Contract period and date for completion.

An extension of time for practical completion may be awarded by the Administrator:

- as an instruction from the Principal that the Principal agrees to extend the period for the Contract, and
- as a result of approval by the Administrator of the Contractor's claim for an extension of time for practical completion to the critical path activities on the construction program, thus extending the Contract period.

Throughout the Contract, situations may arise where the Contractor may give notice of a claim for an Extension of Time for Practical Completion. The causes are those listed in Clause 35.5 Extension of Time for Practical Completion of the *General Conditions of Contract*. The claim is assessed in accordance with the Contract by the Administrator and, if accepted, an *Extension of Time for Practical Completion* is formally issued using *Direction to Extend the Time for Practical Completion* (CAL017M).

By virtue of its definition, an Extension of Time for Practical Completion is for an event affecting the critical path and will invariably give rise to a claim for associated costs (both on and off-site overheads) with the Contractor having to work on site for longer than indicated in the tender. An assessment of the costs has to be made by the Administrator under Clause 40.5 Valuation of the *General Conditions of Contract* and further information is given in *Extensions of Time for Practical Completion* (CAP008M).

All Extension of Time for Practical Completion claims by the Contractor and claims assessed by the Administrator (refer to *Contractor's Extension of Time Claim* (CAL015M) and *Direction to Extend the Time for Practical Completion* (CAL017M) are recorded in the *Extension of Time Register* (CAF028M). In order to keep the Principal's Representative and the Project Manager informed of the latest status of the time implication of the Contract, the Administrator shall provide them with the latest register as soon as it has been updated.

Approved Extension of Time for Practical Completion claims usually have associated costs which shall be properly recorded. The cost records can be kept separately in the Extension of Time for Practical Completion Register and need to be incorporated in the total accrued costs for financial reporting. As mentioned in the claims and variation section, care needs to be taken when assessing the costs of variation orders affecting the critical path and thus the costs of the associated Extension of Time for Practical Completion.

For further details on extensions of time, refer to *Extension of Time for Practical Completion* (CAP008M).

6.2.16 Notices, Claims and Variations (Procedure CAP007M)

6.2.16.1 General

A variety of notices and claims may be submitted by the Contractor under a number of clauses of the General Conditions of Contract of the Contract. The Administrator is required to deal with these matters in accordance with the Contract and give a decision or a determination. If it is decided that all or part of the notice or claim has a basis under the Contract, then a direction and/or a *Variation Order* (CAF027M) maybe issued by the Administrator. If the notice or claim has no basis under the Contract, it is rejected by the Administrator.

The Principal is not liable on any claim if the Contractor has not given the required notice under Clause 46 Time for Notification of Claims and Disputing Administrator's Direction of the *General Conditions of Contract* within the time bar of within 20 business days after the first day on which the Contractor could have been aware of the breach.

Variations to the Contract may also be directed by the Administrator (Clause 40.1 Variations to the Work of the *General Conditions of Contract*) or for the convenience of the Contractor (Clause 40.4 Variations for the convenience of the Contractor of the *General Conditions of Contract*). In this case, unless the Administrator otherwise directs, the variation shall not entitle the Contractor to any *Extensions of Time for Practical Completion* or extra payment.

Latent conditions are a particular form of claim with peculiarities of its own with the same outcome as stated previously – a direction and / or a variation order is either issued or the claim is rejected.

Further details are included in *Claims and Variations* (CAP007M).

When claims for time and / or costs start to build up to the degree where the day-to-day Contract Administration is affected – for example surveillance of the Works – the Administrator shall seek assistance with claims assessments. Failing to keep up with the day-to-day Works could easily lead to a vicious circle of further claims arising for, for example, not responding in time to the Contractor. Given the time requirements of various aspects of the Contract, this can lead to significant issues including the potential for breach of Contract by the Principal. Assistance from others outside the Contract can also bring a different perspective to claim assessment. There is not the same degree of either being too close to the decisions or defending previously locked-in positions, which may not necessarily be sustainable in the event of a dispute arising and eventual application of the dispute resolutions mechanisms available under the Contract.

6.2.16.2 Pricing of variation orders

It is preferred that *Variation Order* (CAF027M) be issued after an agreement with a Contractor has been reached with respect to cost and time (delay) implications (Clause 40 Variations of the *General Conditions of Contract*). Using this methodology, the Administrator is less likely to be involved in a dispute with the Contractor and should have a better relationship.

The most contentious type of variation is one that, following a direction from the Administrator, the work is carried out urgently by the Contractor as directed, and then arguments ensue as to the time and cost implications.

Proactive contract administration seeks to avoid the latter by pre-empting the need for such variations before they eventuate and the notice provisions of the Contract facilitate this process. Good communication between various parties enables effective administration, efficient communication of issues, proper execution of the functions of the Administrator, the effective undertaking of the obligations of the Principal and Contractor under the Contract and not, as considered by many, to primarily bar the Contractor from a claim.

The risk based surveillance approach helps facilitate this aim by focusing on the high-risk aspects of the Contract.

Those that consider contract administration a matter of seeking to bar the Contractor at every opportunity will quickly find the Contract ends in acrimonious disputation.

Cost and time certainty for variations can be developed by:

- the Contractor and Administrator negotiating and agreeing (Clause 40.3 Pricing the Variation of the *General Conditions of Contract*)
- the Contractor providing a detailed quotation and the Administrator evaluating and accepting that quotation, or
- valuing the variation by the Administrator (Clause 40.5 Valuation of the *General Conditions of Contract*).

Sometimes dayworks (Clause 40.5b) and Clause 41 Daywork, of the *General Conditions of Contract*) may be ordered as the means of carrying out the Works and obtaining the costs of the varied Works at the same time.

Further details are included in *Claims and Variations* (CAP007M).

6.2.16.3 Claims and variations register

All claims made by the Contractor are to be registered in the *Claims Register* (CAF024M), together with a record of whether the claim is subsequently decided by the Administrator to be the subject of a *Variation Order* (CAF027M) or not.

Further details are included in *Claims and Variations* (CAP007M).

6.2.17 Payment Claims and Certificates (Procedure CAP009M)

As required by Clause 42 Certificates and Payment of the *General Conditions of Contract*, the Contractor shall submit regular payment Claims which are to be processed by the Administrator within the Contract timeframes or under Payments Act. Failure to issue Payment Certificates on time leads to the requirement for the Principal to pay the full claim, notwithstanding its basis in fact, whether or not the actual amount reflects the work done, evidence of supporting conformance or even its validity. Not paying the full claim, or paying a lesser amount if a certificate eventually is issued, may also lead to further claims by the Contractor, so this risk must be avoided.

If applicable, LD for late completion of the Contract (or separable portions of the Contract) may be invoked on the Contractor under the Contract and such amounts need to be taken into account in the preparation of the Payment Certificates.

For details, see Payment Claims and Certificates (CAP009M).

6.2.18 Default or Insolvency

During the currency of the Contract it is possible that, at some point in time, either the Principal or the Contractor may commit a substantial breach of the Contract in Clause 44 Default or Insolvency of the *General Conditions of Contract*.

Substantial breaches of the Contract by the Contractor are listed in Clause 44.2 Default by the Contractor of the *General Conditions of Contract*. The list is not complete and other substantial breaches are possible. Those applicable to the Principal are listed in Clause 44.7 Default of the Principal of the *General Conditions of Contract*; again, the list is not exhaustive.

Between the two, Principal or Contractor, there are requirements to show cause. There are time limits that apply to such show cause notices.

The role and function of the Administrator is not detailed in Clause 44 Default or Insolvency of the *General Conditions of Contract*; however, the Administrator may be called upon to aid in mediation between the two parties or to make valuations as to work done or remaining to be done, hence there are no standard procedures, forms or checklist applicable.

In the event that a valuation is requested, then those forms used for Clause 40.5 Valuation in the *General Conditions of Contract* may be found useful as are those that are used for evaluation payments Clause 42 Certificates and Payments of the *General Conditions of Contract* (*Claims Analysis Worksheet* (CAF025M) and *Review of Contractors Payment Claim* (CAF030M)).

In all circumstances, where the Administrator becomes aware of a circumstance where default or insolvency arises immediately contact Director (Prequalification's and Contracts unit).

6.2.19 Disputing directions

During the Contract, it is possible that either the Principal or the Contractor may deliver a notice of dispute to the other in accordance with Clause 47.1 Notice of Dispute of the *General Conditions of Contract*.

A dispute between the Principal and the Contractor may be due to a number of reasons, including a direction issued by the Administrator. Generally, disputes between the Contractor and the Administrator are caused by the decisions, which can be either verbal or written, of the Administrator using his or her delegated authority. Under these circumstances, the Administrator shall always remain impartial, even when dealing with a decision of one or sometimes several of his or her delegates.

Both the Principal and Contractor shall continue to conduct their obligations under the Contract, regardless of the dispute being in progress.

Once a notice of dispute is issued, there are steps outlined in Clause 47.3 Further steps required before proceeding of the *General Conditions of Contract* to be followed to reach a resolution. The alternative applying for dispute resolution is given in Item 43A of the *Annexure A*.

6.2.20 As-constructed drawings (if required by the Contract)

MRTS50 *Specific Quality System Requirements* only requires as-constructed drawings to be presented as part of the conformance reports for each lot where the lot is applicable; therefore, several regions have introduced their own regional Project Specific Supplementary Specifications to mandate the production of as-constructed amendments to the drawings.

It is vital for all regions to understand the requirements of the *Drafting and Design Presentation Standards Manual* (DDPSM) with regards to as-constructed drawings. The Administrator should also be familiar with this document to be compliant with departmental requirements.

The process for creating as-constructed drawings requires the Contractor to update the Contract's drawings (as issued by the Principal to the Contractor on award of a Contract) as the Works proceed. The Contract drawings are usually the tender drawings with any required modifications before the award of Contract; these modifications reflect the issued Notice to Tenderers and any agreed amendments between the Tenderer and the Principal before the award of the Contract. Ultimately, the as-constructed drawings should be a true reflection of the Works to be handed over to the Principal after construction has finished. The Administrator is required under the DDPSM to submit all original and final issue of amended drawings (as-constructed drawings) used for the construction of the project to plan room for microfilming and storage. A copy of these drawings is to be forwarded to A Road Management Information System (ARMIS) section of the department for updating of the ARMIS database. All amended drawings (as-constructed drawings) must be to the same standard as the original.

To facilitate timely recording of changed details, drawings are to be progressively updated throughout duration of the Contract to reflect the completed Works and are to include any revised drawings issued as Notice to Tenderers or issued during the Contract period. Progress of this work should be monitored by the Administrator as work proceeds as otherwise amendments can be overlooked.

6.2.21 Quality assurance

6.2.21.1 Mandatory hold points

Mandatory hold points are listed in each of the department's Technical Specifications (MRTSs) where applicable. The requirements for obtaining the Administrator authorisation to proceed past a hold point are specified in MRTS50. The responsibility for the release of the mandatory hold points is usually delegated to site staff during the development of the *Administrator's Surveillance Plan* (CAF001M).

A summary of all hold points is shown in *Summary of Release Letters for Standard Specification Hold Points* (CAF014M). This form should have been prepared in the initial *Administrator's Surveillance Plan* (CAF001M) and refined once work commences or as delegations change.

The delegated authority for the release of hold points shall be notified to the Contractor by *Summary of Release Letters for Standard Specification Hold Points* (CAF014M) and *Notice of Appointment of Inspector* (CAL022M).

The release of all hold points shall be requested by the Contractor and approved in writing by the Administrator although where the Contractor's quality plan has hold point release requests as part of the Contractor's quality system, then that can be used.

The hold points will generally be released using *Variation's Valuation and Extension of Time* (CAL023M) and an associated checklist. Where the Contractor's hold point release request form is used, the person authorising the release should ensure that all the requirements of the hold point listed in the applicable standard specification are clearly addressed and recorded on the form before granting authorisation to proceed.

The responsibility for releasing the hold points should be detailed in the *Administrator's Surveillance Plan* (CAF001M) developed during the pre-start phase of the Contract administration.

6.2.21.2 Witness points

Witness points are times when the relevant specification gives the Administrator the option of being present to observe the Contractor's specified work before proceeding any further. The details of the notices given by the Contractor are specified in the Contract documents. If it is not specified, then the Contractor shall give the Administrator a notice of at least one working day of the witness point but may proceed with the activity when the period of notice has expired whether or not the Administrator elects to witness the activity. Although not mandatory, the requirements of the specifications in respect to witness points should be generally adhered to by the Administrator.

Each witness point is listed within the respective Transport and Main Roads Technical Specifications (MRTS).

6.2.22 Early completion dates

Early completion dates are applicable to eligible Works that are significant enough to the Principal to require the Administrator to determine and certify that they have been reached by the Contractor; they are often termed *milestone dates*. Sometimes, such milestones have a contractual implication in that, should the Contractor achieve the milestone by the due date, a bonus payment may be made for eligible Works (refer to Clause 4 Bonus for Early Completion of the *Clause Bank*). The Contractor's construction program will indicate when a milestone is going to be reached; however, it should be agreed on at the pre-start conference on how the Contractor will notify the Administrator when such a milestone is, in his or her opinion, reached. The Principal or Administrator may also use separable portions to define these important milestones.

Such milestone payments or bonus provisions are not regularly used and do not attract security, retention or other aspects of achieving Practical Completion. Should that be the intention, it may therefore be better to use the separable portion provisions Clause 35.3 Separable Portions of the *General Conditions of Contract*.

6.2.23 Apprentice / training requirements

A completed Training Compliance Plan and the Practical Completion Report are submitted to Department of Employment, Small Business and Training (DESBT) through Training Policy Administration System (TPAS) in accordance with Clause 29.3 Training Requirements of the *General Conditions of Contract* within the time specified in Clause 29.3(g).

6.2.24 Contract Closeout (Procedure CAP010M)

Contract closeout is an important phase of the Contract in that it is:

- the start of the process to hand the completed Works to the Principal from the Contractor which triggers various other contractual requirements such as the commencement of the defects liability period, the return of possession of the site from the Contractor to the Principal and the return of the Contractor's securities / retention amounts, and
- the collection stage for all the important documents recording what may be the culmination of years of work into several archive boxes needed not only for legislated archival reasons, but potentially a valuable resource in the event of future construction or related investigations (such as vehicle crashes and fatalities) and sometimes past ones (as in the case for site accidents during construction which have subsequently come to court).

The details of the closeout process are covered in *Contract Closeout* (CAP010M).

6.2.25 Terminal reports

Details of all the required terminal reports are included in *Reports* (CAP004M).

6.2.26 Records management

6.2.26.1 General

All documents created or received from external sources (not within the department) are to be sent to the region's Records Branch as soon as practical. The records will then be filed and archived by the records staff in accordance with legal requirements. No documents shall be disposed by any departmental staff or contracted firm / person without the appropriate departmental approval. Before disposing of any records, it is vital to discuss this with the region's Records Branch as significant fines apply to employees who incorrectly dispose of records.

The Project Manager may want to create a register of stored / transferred / disposed records if this assists the management of the records.

6.2.26.2 Quality records

Details of quality records are included in *Reports* (CAP004M).

6.2.26.3 Administrator's records

Details of Administrator records are included in *Reports* (CAP004M).

APPENDIX A: Relationships and indicative communication pathways



