



# INFORMATION SHEET PROCUREMENT POLICIES AND PRODUCT SUBSTITUTION

TRUE OAK MAXLINE EUROPLUS VICTORY HERITAGE

## Background

Since 1966, use of pre-painted steel sheeting in Australian construction has become increasingly popular. Historically Australian architects, builders and homeowners have specified a roll formed profile by name and supplier. However, what has not been as heavily understood and specified has been the type of paint coating used, due to the fact there has only been one generic paint finish on the market from one default supplier.

Revolution Roofing has introduced Nexteel™ pre-painted coil, who have three new finishes which provides the construction industry with choices in performance levels to best suit specific environments. Nexteel™ has enhanced paint coverage and protective film, fast turnaround times, and meets the National Construction Code compliance for a non-combustible product.

In addition to their own QA processes, the Nexteel™ product is independently guaranteed and QA tested by international conglomerate, PPG Industries.

Established in 2009, Revolution Roofing is a South Australian owned company with manufacturing operations in SA and WA. Formerly OneSteel Coil Coaters, Nexteel™ is also a South Australian owned company with painting facilities in Newcastle NSW and proudly carries the Australian Made & Owned Logo.

Revolution Roofing provides the Nexteel™ product range as standard practice which is an alternative steel product to those existing on the market on offer.

It is also worth noting that Nexteel's head office is in South Australia and all research and development is done within the state. Currently, Nexteel™ employs 8 direct staff in this state.

## Compliance Statement

Revolution Roofing meets all requirements to provide lightweight steel cladding for all projects including statutory codes and building codes in Australia for domestic and commercial construction, including South Australian Government Buildings.

## National Consistency in Supply for Government Projects

For the last 10 months, Revolution Roofing have been supplying Government projects throughout Australia using Nexteel™ products and before that, periodically using OneSteel Coil. Government procurement policies specifically support industry competition and the removal of bias and discrimination between suppliers. As a small to medium enterprise, Revolution Roofing is afforded the right to compete against other global suppliers on an equal and transparent basis. Government agencies at all levels have stipulated that only specifying one brand name is not an acceptable practice for open and fair competition.

Departments and agencies which stipulate competition include:

- Federal Department of Finance
- Department of Finance WA



- WA Building Management and Works
- State Supply Commission WA
- Department of Planning, Transport and Infrastructure SA
- Department of Treasury and Finance SA
- Department for Education SA

Policies regarding specifications for Government work are consistent across Australia due to recognition that competition delivers benefits to all parties through delivery of longstanding innovation, competitive pricing, the creation of local jobs in local industries, and customer service. Federal policies, which apply across all states and territories, recognise the benefits of high levels of its of doing business with competitive small and medium enterprises. These benefits include small and medium enterprises' capabilities and their commitment to local or regional markets, and the potential benefits of having a larger, more competitive supplier base. Procurement policies' specifications across Australia recognised required product standards and that the specification should be written to invite offers of equivalent products that meet similar functional, performance and/or technical standards on the basis that an equivalent product will be evaluated along with the nominated brand name. These policies do not allow the explicit naming of particular products or require any specified product to be followed by the words 'or equivalent.'

## Requirements for Non-Structural Steel

The lightweight pre-painted steel products that Revolution Roofing use meets all relevant Australian Standards. The Nexteel™ products are not heavy structural steel so the requirements for structural steel do not apply. There is a misconception that Government projects require lightweight steel used for roof sheeting, wall cladding, facades, and similar applications to be 100% Australian Steel. There is no such policy that exists and furthermore there is no company supplying pre-painted steel in Australia making the claim that their steel is made up of 100% Australian content.

All reinforcing and structural steel must conform to Australian Standards, which was done to protect against low quality imports. Steelwork fabricators must be certified in accordance with the National Structural Steelwork Compliance Scheme however this is only for reinforcing bar and mesh and pre and post tensioning strand structural steel.

Nexteel™ is a company that offers a range of painting solutions for steel products by using the latest paint technologies from global brands such as PPG Industries and Akzo Nobel. All paint purchased by Nexteel™ has been formulated, manufactured, and tested in Australia. All steel has been sourced through global steel suppliers whose quality meets and exceeds the relevant Australian Standards. All coils purchased and brought to Australia for painting have mill certificates identifying the characteristics of the coil which makes up the compliance to the Standard.

It is important to note that there is only one company in Australia who make the raw substrate lightweight coil for painting purposes. Requests from Nexteel™ to purchase coils from this company have been denied. For there to be an opportunity for small to medium enterprises to compete against global suppliers on an equal and transparent basis, Nexteel™ has no choice but to source coil from outside of Australia.

For the last ten years Revolution Roofing has been supplying Government Projects, at all tiers, including Department of Defence, Department for Education, and Department for Planning Transport and Infrastructure, using products manufactured from pre-painted steel. The South Australian Industry Participation Policy allows Revolution Roofing the freedom to source steel from Nexteel™, or any other reputable painted steel supplier, providing the product meets the relevant Australian Standards.



## Examples of Policy Outlines : South Australian Government and Compliance

### Example 1

**Government of South Australia – Department of Treasury and Finance**

**South Australian Industry Participation Policy, Page 4**

**Effective 01 January 2018, Review 30 June 2022**

#### **3.1 Economic Development**

The Policy is designed to deliver economic development by promoting:

- Employment for residents of South Australia.
- Investment and capital expenditure that builds capacity in the South Australian economy.
- Use of businesses and supply-chains that employ South Australian Residents and invests in the state.

#### **Compliance Statement for 3.1 Economic Development:**

Revolution Roofing employs over 150 South Australian residents, uses SA companies for all local and interstate deliveries, and has a supply chain of SA businesses for stationery, factory consumables, engineering, media, marketing and advertising services, tooling and manufacturing of bracketry, cleaners, printing, recycling, and many other facets which contribute to the South Australian economy.

### Example 2

**Government of South Australia – Department of Treasury and Finance**

**South Australian Industry Participation Policy, Page 5**

**Effective 01 January 2018, Review 30 June 2022**

#### **3.1.3 Supply Chain Benefits**

This diagram shows how the supply-chain utilises South Australian businesses, labour and capital equipment (plant and machinery). The higher the number, (e.g. 5 Manufacturing), then in general, the higher the gross state product to the South Australian economy from the supply-chain.

5. Manufacturing	SA Manufacture	SA Assembly	SA Supply or Distribution	SA Installation
4. Assembly	No SA Manufacture	SA Assembly	SA Supply or Distribution	SA Installation
3. Supply or Distribution	No SA Manufacture	No SA Assembly	SA Supply or Distribution	SA Installation
2. Installation	No SA Manufacture	No SA Assembly	No SA Supply or Distribution	SA Installation
1. No SA Supply Chain	No SA Manufacture	No SA Assembly	No SA Supply or Distribution	No SA Installation

#### **Compliance Statement for 3.1.3 Supply Chain Benefits:**

Revolution Roofing is classified under the highest rating of South Australia Manufacturing as all manufacturing is completed and distributed from its three manufacturing sites: Lonsdale SA 5160, Plympton SA 5038, and Regency Park SA 5010.



### **Example 3**

**Government of South Australia – Department of Treasury and Finance  
South Australian Industry Participation Policy, Procedural Guidelines Page 7  
Effective 27 April 2020, Review 30 June 2022**

#### **4.0 Tailored Plans – Expanded Opportunities**

Responsible Government Agency (RGAs) should be looking for opportunities for further economic development for the State from procurement. In the following cases, a tailored approach to industry participation can deliver on this outcome where the procurement includes potential for:

- major infrastructure and major construction;
- involvement with a program of stimulus (i.e. interlinked small projects);
- the purchase of steel or steelwork;
- development in an economic participation region;
- Aboriginal business opportunities;
- investment attraction or generating innovation and growth;
- other socio-economic objectives.

#### **Compliance Statement for 4.0 Tailored Plans – Expanded Opportunities**

Revolution Roofing demonstrates a supply-chain that far exceeds the standard minimum weighting of 15% for standard procurement and should a RGA lift the minimum weighting to 20% when purchasing steel or steelwork, Revolution Roofing will still exceed the minimum.

### **Example 4**

**Government of South Australia – Department of Treasury and Finance  
South Australian Industry Participation Policy, Procedural Guidelines Page 9  
Effective 27 April 2020, Review 30 June 2022**

#### **4.7 Design and Specification**

For the policy to have maximum impact, project design specification should not be an obstacle to the South Australian supply of required goods or services. Design specifications should use Australian standards, or standards regularly used in Australia and be performance orientated rather than design specific where possible.

#### **Compliance Statement for 4.7 Design and Specification:**

Revolution Roofing, using Nexteel™ as their preferred supplier of pre-painted steel, positively impacts the economic benefit to South Australia and enables Revolution Roofing to supply government projects because the Nexteel™ product being supplied by Revolution Roofing meets or exceeds the Australian Standards and the National Construction Code (NCC) for:

*AS 1397-2011 Continuous hot-dip metallic coated steel sheet and strip – Coatings of zinc and zinc alloyed with aluminium and magnesium.*

*AS 2728 Pre-finished / pre-painted sheet steel products for interior/exterior building applications – Performance Requirements.*

*AS1562.1-1992 Design and Installation of sheet roof and all cladding, Part 1: Metal.*

*National Construction Code clauses C1.12 (e) and C7.12 (e) regarding Non-Combustible Products, specific results indicate an Ignitability Index, Spread of Flame Index and Heat Evolved Index of 0 (zero) and as such are considered non-combustible materials.*



### **Example 5**

**Government of South Australia – Department of Treasury and Finance  
South Australian Industry Participation Policy, Procedural Guidelines Page 15  
Effective 27 April 2020, Review 30 June 2022**

*Procedural Guidelines involve full, fair and reasonable procurement from small and medium enterprises for ethical and fair treatment of suppliers. Full, fair and reasonable procurement means that local small to medium enterprises have the same opportunity afforded to other global supply chain partners to participate in all aspects of a project from design to completion, and to compete for contracts on an equal and transparent basis. Tenders are required to be free from technical requirements that might preclude local small to medium enterprises from the opportunity to participate in projects and compete for contracts.*

### **Compliance Statement for Procedural Guidelines:**

By definition under the Full, Fair and Reasonable Definitions, Revolution Roofing are considered to be in the category of Small and Medium Enterprise (SME) and as such is provided the same opportunity as global suppliers to compete for contracts on an equal and transparent basis. This protection under the Full, Fair and Reasonable definition is designed to ensure that local suppliers are not “designed out”.

### **Example 6**

**Government of South Australia – Department for Education  
Writing Procurement Specification Guideline, Page 2  
Last Updated 26 July 2019**

*The content of the specification must:*

- *Not restrict competition by including bias that favours a particular supplier;*
- *Not act as a barrier to the interaction of alternative products for a new and advanced technology;*
- *Encourage suppliers to offer innovation options or solutions which contribute to the department’s ability to carry out its business in a more cost effective manner.*

## **South Australia Industry Advocate Act 2017**

Under section 4(2), The Minister must, in establishing and maintaining the South Australian Industry Participation Policy (SAIPP), seek to promote –

- A. government expenditure that results in economic development for South Australia; and
- B. value for money for public expenditure; and
- C. the economic development of the steel industry and other strategically important industries for South Australia; and
- D. capable businesses based in South Australia being given full, fair and reasonable opportunity to tender and participate in government contracts

*Under section 6, the functions of the Industry Advocate are:*

- A. to take action to further the objectives of the SAIPP (including, without limitation, by building the capability and capacity of businesses based in South Australia to participate in government contracts);
- B. to make recommendations (taking into account requirements under any other law) to responsible officers for procurement and principal officers of public authorities to resolve complaints, remove impediments or improve procurement practices and processes;
- C. to review, and assist in the negotiations for, Industry Participation Plans to ensure they comply with the SAIPP prior to the finalisation of contract conditions;



- A. to investigate and monitor compliance with the SAIPP by participants in government contracts;
- B. to take action to promote and ensure compliance with the SAIPP, including by issuing directions to participants in government contracts requiring them to comply with their contractual obligations in respect of the SAIPP and reporting to the Minister in relation to non-compliance where appropriate;
- C. to encourage the adoption of industry participation policies by local government;
- D. to investigate and monitor compliance with local government industry participation policies by participants in contracts to which such policies apply;
- E. to take any other action considered necessary for the purpose of exercising the functions conferred on the Industry Advocate;
- F. to exercise other functions conferred on the Industry Advocate by the Minister or under this or any other Act.

As of July 2020 Revolution Roofing is a registered supplier of SA Product and Service with The Office of the Industry Advocate.

## Example of Policy Outline : Western Australian Government

**Government of Western Australia – Department of Finance,  
Building Management and Works Western Australia  
Open and Effective Competition, Policy – Works Procurement, Page 4  
Prepared June 2020, Version 3.4**

### **2.6 Avoiding Bias**

*Works procurement request specifications must promote open and fair competition. Adequate and consistent information must be provided to all potential tenderers.*

*Wherever possible, a generic product specification should be used. Where naming a proprietary product is necessary, it should, where possible, be a Western Australian brand and should be used as an example only, with tenderers able to offer an approved alternative.*

*Specifying a proprietary product without permitting alternatives must only be done with written approval of the Accountable Authority, and the granting of that approval must be recorded in an exemption register.*

*Request specifications or drawings should not specify or reference any nominated subcontractors without the written approval of the Finance officer managing the development of the request.*

## Example of Policy Outline : Queensland Government

**Developing Specifications from the Office of the Chief Advisor – Procurement  
V1.4 September 2019, Page 5**

### **About specifying brand names**

*While it is recognised that in some instances it is more practicable to nominate a brand name for the purpose of defining acceptable functional, performance and/or technical standards, it is not acceptable practice to routinely specify brand names.*

*In cases where brand names are used to define the functional, performance and/or technical requirements, Queensland manufactured products should, where practicable, be specified as the first option. Nomination of these products should only be used to define the required product standard. The specification should also invite offers of equivalent products, that is, products meeting similar functional, performance and/or technical standards, on the basis that an equivalent product will be evaluated along with the nominated brand name.*



## Australian Made & Owned

### Code of Practice, Page 4 Effective 8 August 2017

*Excerpt:*

*The Australian Made Logo certification trade mark was created by the Australian Government in 1986 to promote Australian made products in local and export markets. The logo provides information to consumers in Australia and overseas that goods using the logo have met particular requirements under Australian law to be able to be described as of Australian origin. The triangular logo encasing a stylised kangaroo is the most recognised and trusted country of origin symbol in Australia, enjoying a 99.6 per cent recognition level amongst Australian consumers. (Roy Morgan Research, 2017).*

*In 2002, the Logo was assigned to Australian Made Campaign Limited (AMCL), a not-for-profit public company established in 1999 by the Australian Chamber of Commerce & Industry (ACCI) and its network of State and Territory chambers to rejuvenate the Australian Made Campaign.*

*The Logo is administered by AMCL under a Deed of Assignment and Management with the Australian Government.*

#### **Compliance Statement:**

The Nexteel™ paint line is in Newcastle, NSW and can demonstrate the same economic contribution to the state of NSW by employing locally and using a supply chain of NSW residents. Steel sourced has an Australian Iron Ore and Coal content upwards of 70% and only uses Australian paint and primer manufactured in Clayton, Victoria.

Nexteel™ proudly displays the Australian Made and Owned logo on all pre-painted steel coils because it is recognised and certified under the Code of Practice that pre-painted steel coil from Nexteel™ has been substantially transformed as a result of one or more processes undertaken in Australia; is fundamentally different in identity, nature, and essential character from all of its components that were imported in the country.

Meaning that while Nexteel™ sources its raw coil from offshore, the amount of Australian content (both labour and materials) to achieve the end product has substantial benefit to Australians and the Australian economy.

#### **In conclusion**

Revolution Roofing offers the Nexteel™ range as competitively priced, higher performing alternatives to existing products. Revolution Roofing offers a product of the same or superior quality which satisfies all procurement requirements.

The building and construction industry have welcomed Nexteel™ into the marketplace – as it brings choice, competitive pricing and offers long term benefits, not only for practitioners but all Australians.

Please contact the Revolution Roofing head office on 08 8352 0911 should you require further information.



Prepared by John Easling  
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## PROCUREMENT POLICY SPECIFICATIONS

Government Department	Specification	Requirement	Compliance
SOUTH AUSTRALIA			
Department of Planning, Transport and Infrastructure	Procurement Management Framework	<p>DPTI aims to promote open and fair competition in contracting and procurement by:</p> <ul style="list-style-type: none"> <li>Ensuring open and competitive tendering through public scrutiny of the process and by providing all suppliers with equal opportunity to do business with government.</li> <li>Ensuring that specifications promote open and fair competition by: <ul style="list-style-type: none"> <li>Focusing on expected outcomes.</li> <li>Clearly defining functional and performance requirements.</li> <li>Not being biased in favour of a particular supplier and product.</li> </ul> </li> </ul> <p>Ethical behaviour and fair dealing is achieved by DPTI staff / representatives by performing their tasks honestly, without favour or prejudice.</p>	<p>Revolution Roofing focuses on the outcomes we can provide you and we are clear in communicating our functional and performance abilities.</p> <p>Nexteel™ provides you an equivalent product to those existing in the market, and is expected to have the equal opportunity to do business with government.</p>
Department of Treasury and Finance	Industry Participation Policy	Supply-chain utilises South Australian businesses, labour and capital equipment (plant and machinery). The higher the number, (e.g. 5 Manufactured), then in general, the higher the gross state product to the South Australian economy from the supply-chain.	Revolution Roofing falls within '5 Manufacturing' as it manufactures all its products at Regency Park, South Australia.
Department of Treasury and Finance	Industry Participation Policy Procedural Guidelines	For procurements over and equal to \$550,000 (including GST), a minimum 20 per cent industry participation weighting must form part of the overall evaluation where the purchase of structural/ reinforcing steel and fabrication of structural steelwork is involved.	Steelwork has stricter requirements than other industries for procurement guidelines.
Department for Education	Writing procurement specifications guideline	Specifications should not restrict competition by including bias that favours a particular supplier.	Using the Nexteel™ product increases the competition in the market.

## PROCUREMENT POLICY SPECIFICATIONS

Government Department	Specification	Requirement	Compliance
<b>COMMONWEALTH</b>			
Department of Finance	Commonwealth Procurement Rules	<p>Considerations:</p> <ul style="list-style-type: none"> <li>the benefits of doing business with competitive small and medium enterprises when specifying requirements and evaluating value for money;</li> <li>barriers to entry, such as costly preparation of submissions, that may prevent small and medium enterprises from competing;</li> <li>small and medium enterprises' capabilities and their commitment to local or regional markets; and</li> <li>the potential benefits of having a larger, more competitive supplier base.</li> </ul>	<p>There are economic benefits to using Nexteel™ by creating employment opportunities in South Australia and individual financial benefits due to the better pricing. Revolution Roofing is a small and medium enterprise with a commitment to the local market, so qualifies and is justified to be offered equivalent supply opportunities to larger suppliers.</p>
<b>WESTERN AUSTRALIA</b>			
State Supply Commission	Open and Effective Competition Policy	A public authority must ensure that request specifications promote open and fair competition. Proprietary products must not be specified unless there are no suitable alternatives or there are sound technical or operational reasons for doing so, however where naming a proprietary product is necessary, the accountable authority must approve the naming.	Nexteel™ products provide an opportunity for you to promote open and fair competition in the steel market. Without approval, there should not be explicit naming of particular products to be used.
State Supply Commission	Procurement Planning, Evaluation Reports and Contract Management Policy	<p>Procurement planning and adoption of sound procurement practices lead to consistently better value for money; higher quality project and service delivery; and reduced risks to the agency. Procurement planning involves consulting key stakeholders to define requirements, analysing how the supply market works, assessing risks and ultimately defining the best procurement strategy to meet the agency's business needs.</p> <p>However, the scale and scope of research, analysis and planning should be proportionate to the importance of the procurement to the agency, the level of risk inherent in the procurement and its value.</p>	Revolution Roofing can meet the appropriate business needs as Nexteel™ provides a product of same or superior quality at a competitive cost effective price
State Supply Commission	Value for Money Works Procurement Policy	Value for money is the basis for comparing conforming offers so that the optimal offer can be selected. Achieving user requirements, quality standards and service benchmarks, and managing risk, is considered to be more important than obtaining the lowest price.	While Nexteel™ is a more cost effective alternative than other competitors in the market, Nexteel™ still meets all appropriate Australian Standards requirements for non-structural steel.

