

Induction and Training Module

PART 1: INFORMATION FOR SUBCONTRACT BUSINESS OPERATORS

This part (1) of the **Prestige** Induction and Training Module (ITM) is specifically to provide Subcontract business operators with an outline of **Prestige's** requirements and expectations in terms of how our 2010 Performance Based Maintenance Contract with Housing New Zealand Corporation will be managed and administered.

Please note that in addition to Part 1 of the **Prestige** Induction and Training Module (ITM) Subcontract business operators and any of their staff who will be involved in the contract works **must also attend Part 2** of the ITM.

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1 MUST HAVE'S

The HNZC Performance Based Maintenance Contract (PBMC) is a high volume, contract in which we carry out multiple small 'jobs' for our customer. The contract requires high levels of communication that is accurate, responsive and timely. (ART).

Before Subcontractors commence work with **Prestige** they must have (as a minimum) the following equipment and services, and must also have someone in their organisation who is proficient at operating these.

- A computer in reliable operating order.
- Broad band internet access
- Business email address
- Cellular telephone with data and email capability.
- Land line telephone with an effective answer phone service

2 WHO TO CONTACT

The **Prestige** business is structured so that the responsibilities of its Managers and staff are clearly defined. The table below describes which **Prestige** manager the Subcontractor should contact in the first instance depending on the reason for contact.

Contract Negotiations	Work Allocation	Issue / Receipt of Work Orders	Site issues / coordination and Quality Matters	Approval of Variations	Issue of invoices and Payments
Operations Manager	Contract Manager	Admin Team	Contract Manager / Supervisor	Contract Manager / supervisor	Admin Team

Telephone and email contact details for these people will be provided to the Subcontractor on commencing work.

3 JOBS

In this section we describe HNZC's 'job' types and priorities and the way 'job' information such as 'job' orders, progress updates, invoices and other information will be communicated between Prestige and the Subcontractor.

3.1 GETTING TO KNOW 'JOB' PRIORITIES

HNZC categorises all work depending on various priorities. Subcontractors must become familiar with the various job types and priorities as we must respond to and complete all HNZC's work within the contract time frames. Failure to achieve these time frames means that we will not receive the maximum amounts payable in the contract.

The table below is also included in Part 2 of the Induction session, however to ensure Subcontract business operators are completely familiar with the priorities of work, the **Prestige** induction manager will spend some time discussing the importance of ensuring that we achieve them.

Job Type	Time to respond	Time to complete	Work Standard	Comply with Plans
URG	<i>All jobs - 4hrs from issue of order from HNZC. Make safe immediately on arrival at site.</i>	<i>All jobs to be closed out within 24 hrs from issue of order by HNZC.</i>	<i>As per HNZC MasterSpec and best trade practice – as measured by HNZC performance audit.</i>	<i>All activities carried out in compliance with Prestige's Contract Plans* as measured by HNZC performance audit.</i>
URS	<i>All jobs by end of working day following issue of order by HNZC. Make safe immediately on arrival at site.</i>	<i>All jobs by end of working day following issue of order by HNZC.</i>	<i>As per HNZC MasterSpec and best trade practice – as measured by HNZC performance audit.</i>	<i>All activities carried out in compliance with Prestige's Contract Plans* as measured by HNZC performance audit.</i>
GNL	<i>All jobs 10 working days from issue of order by HNZC. Subs to respond as agreed with Prestige.</i>	<i>All jobs 10 working days from issue of order by HNZC. Subs to complete as agreed with Prestige.</i>	<i>As per HNZC MasterSpec and best trade practice – as measured by HNZC performance audit.</i>	<i>All activities carried out in compliance with Prestige's Contract Plans* as measured by HNZC performance audit.</i>
PLN	<i>All jobs as agreed between Prestige and the Subcontractor.</i>	<i>All jobs as agreed between Prestige and the Subcontractor.</i>	<i>As per HNZC MasterSpec and best trade practice – as measured by HNZC performance audit.</i>	<i>All activities carried out in compliance with Prestige's Contract Plans* as measured by HNZC performance audit.</i>
VAC	<i>All jobs as agreed between Prestige and the Subcontractor.</i>	<i>All jobs as agreed between Prestige and the Subcontractor.</i>	<i>As per HNZC MasterSpec and best trade practice – as measured by HNZC performance audit.</i>	<i>All activities carried out in compliance with Prestige's Contract Plans* as measured by HNZC performance audit.</i>
EXT	<i>All jobs as agreed between Prestige and the Subcontractor.</i>	<i>All jobs as agreed between Prestige and the Subcontractor.</i>	<i>As per HNZC MasterSpec and best trade practice – as measured by HNZC performance audit.</i>	<i>All activities carried out in compliance with Prestige's Contract Plans* as measured by HNZC performance audit.</i>
OTH	<i>All jobs as agreed between Prestige and the Subcontractor.</i>	<i>All jobs as agreed between Prestige and the Subcontractor.</i>	<i>As per HNZC MasterSpec and best trade practice – as measured by HNZC performance audit.</i>	<i>All activities carried out in compliance with Prestige's Contract Plans* as measured by HNZC performance audit.</i>

Job Type	Time to respond	Time to complete	Work Standard	Comply with Plans
<i>Note:*</i> Contract Plans Include; Prestige's Contract Quality Plan, Health & Safety Plan, Environmental Management Plan, Code of Conduct (HNZC and Prestige), The Prestige Customer Service Policy.				

3.2 JOB CODES, DESCRIPTIONS AND RATES

HNZC uses approximately 1,200 separate job codes to define the work we do in this contract. The job codes are divided into 13 trade categories.

Each job code has a reference number that includes letters at the front followed by numbers. Each job code is followed by a 'short description', which is a brief summary of the work covered by the code.

Letters refer to Category	Reference number	Short description of the work covered
DPC	100	Mould treat ceiling in bathroom.

All the work done by Subcontractors will be covered by the HNZC job codes. If a Subcontractor believes that the work requested is not covered by a particular job code, written approval from the Prestige Contract Manager or Supervisor must be gained before carrying out the work using the 'day works' rate.

3.3 SUBCONTRACTOR PAYMENT RATES

Once the Subcontractor has read Part 1 (this document) of the **Prestige** ITM and confirmed interest in working as a Subcontractor to **Prestige**, the Schedule of Payment Rates (SPR) will be forwarded to the Subcontractor by **Prestige**.

These are the rates (inclusive of GST that **Prestige** will pay the subcontractor for carrying out work under the HNZC 2010 PBMC. The Subcontractor must check and confirm acceptance of these rates before signing the Subcontract Agreement with **Prestige**.

3.4 ISSUING AND RECEIVING WORK ORDERS

Prestige will issue a work order for each job the Subcontractor is to carry out. Work orders will be allocated to the Subcontractor via the internet, either by regular email or by through the Prestige website. Subcontractors will be updated further on the use of the Prestige website in due course.

Note that instructions for urgent work (URG and URS) will also be sent to Subcontractors by text message.

3.5 COMPLETION CERTIFICATION AND PAPER WORK

The Work Order (Job Card) issued by **Prestige** for 'Planned Maintenance' such as VAC; PLN; OTH and EXT will list all the 'job's to be carried out.

Work Orders for 'responsive' maintenance (URG; URS and GNL) will, in most cases provide a simple description of the problem at the property address and it is the serviceman's responsibility to record the correct job codes and quantities.

Once each job has been completed, the individual job line should be ticked or marked. When all the job lines have been completed there are 3 questions at the bottom of the page that must be answered;

- Have you checked each job line?
- Have you recorded all variations correctly?
- Have all jobs been completed to the specification?

Once each question has been answered 'yes' the job card declaration must be signed and dated by the person who completed the work.

Important note: By signing the job card declaration the site worker / subcontractor is certifying that all the work on the Order has been fully completed to the standards and specification and that it has been carried out in accordance with the **Prestige** Contract and Quality Plan.

Once all the work on a job card has been completed and signed off, the following process must be followed;

- Return the job card to the **Prestige** office and deposit in the designated white "in tray".
- advise the Contract Manager or Supervisor who issued the work that job has been completed.
- Subcontractors must send invoice to **Prestige** no longer than 24hrs after completing the work. (see process for invoicing below).

4 INVOICING

4.1 BEFORE SENDING AN INVOICE

Before sending **Prestige** an invoice the Subcontractor must ensure that the work being invoiced has been fully completed to the standards described in HNZC's MasterSpec. The invoice must show the correct job code and the accurate quantity for the work completed.

The Subcontractors invoice must clearly show the following details;

- the address of the HNZC property the work has been carried out on
- the job number (this is located at the top left hand side of the job card)
- the job codes for the work done with the correct rates.

4.2 SUGGESTION FOR SUBCONTRACTORS

It is a good idea for Subcontractors to prepare their 'base' invoice with the codes, quantities and total value (subtotal) of the work requested immediately on receipt of the **Prestige** job card. Once all the work has been completed, make any additions or deductions for variations if required showing these as a separate subtotal. Then issue the invoice in the format shown below.

The work completed by Subcontractors will be regularly checked and measured for correct codes, quantities and rates by **Prestige** Managers and QA's as well as HNZA's auditors.

A sample of the approved invoice format for Subcontractors is set out below.

Note that rates are GST inclusive, therefore the total amount of GST must be shown separately at bottom of the invoice.

Tax Invoice				
Date: 4th November 2009			GST No. 111-111-111	
ABC Contractors 101 Lake Road Coolsville				
Issued pursuant to the Construction Contracts Act 2003				
Job No: 5000434887 Job Address: 96 Dundee Drive Flaxmere				
Code	Description	Qty	Rate	Sum
DAP200	Mould treat ceiling in bathroom	1	\$31.20	\$ 31.20
DPC100	Paint ceiling to bathroom	1	\$100.00	\$ 100.00
DPI910	Prep ceiling for paint	1	\$31.20	\$ 31.20
	SUB TOTAL			\$ 162.40
Variations				
DAP200	Extra mould treatment required	2.00	\$10.00	\$ 20.00
DPI910	Extra prep for painting	2.00	\$10.00	\$ 20.00
	SUB TOTAL			\$ 40.00
	INVOICE TOTAL (Incl. GST)			\$ 202.40
	The invoice total above includes GST to the sum of:			\$22.49

4.3 TIMING FOR SUBMISSION OF SUBCONTRACTOR INVOICES

Subcontractors must submit their invoices by no later than the 5th day of the month following the month in which the work was completed. For example, if the work was completed during May, the Subcontractors invoice for that work must be received by **Prestige** by no later than 5th June.

4.4 PAYMENT OF SUBCONTRACTOR INVOICES

All invoices received by the 5th of the month (as described in the paragraph above) and approved as correct by **Prestige** will be paid the 20th of the month following the month in which the work was completed. (less any amount deducted for materials as described below). If the 20th of the month falls on a weekend, **Prestige** will make payment on the next business day.

5 PURCHASING AND USE OF MATERIALS.

HNZC's MasterSpec provides clear specifications of the materials to be used when carrying out work in this contract. Subcontractors **must not use alternative materials** without the prior written approval of the **Prestige** Supervisor or Contract Manager.

A large proportion of the specified materials must be purchased from the suppliers nominated in HNZC's procurement schedule. The HNZC procurement schedule lists all the materials covered by this arrangement and identifies the supplier each of the materials must be purchased from.

Prestige has an account with each of the nominated suppliers and Subcontractors must uplift the required materials from these suppliers using the order number provided by **Prestige**.

The suppliers will bill **Prestige** for the materials collected by the Subcontractor and, because the rates paid by **Prestige** to its Subcontractor are inclusive of all material costs, **Prestige** will in turn deduct the cost of these materials (plus a 5% margin) from the Subcontractor's invoice to **Prestige**.

For example: If a nominated materials supplier bills **Prestige** \$120 + GST for materials that have been purchased in March on Subcontractor A's **Prestige** order number, **Prestige** will deduct \$126 + GST from Subcontractor A's March invoice. **Prestige** will issue a tax invoice to Subcontractor A for this amount.

6 PRESENTATION OF PEOPLE AND VEHICLES

6.1 DRESS CODE AND PERSONAL HYGIENE

This contract is a service contract and Subcontractors and their staff spend a large proportion of their time working in the private homes of HNZC tenants.

Prestige expects Subcontractors to ensure that all personnel working on this contract to present themselves in a clean and tidy manner at all times.

This means;

- Clothes must be washed, tidy and free of body odour each day.

- Work boots must be clean and tidy (over covers to be worn in occupied homes).
- Hair must be clean and (if long) must be tied back and covered to ensure it is safe.
- No patches or other gang identification, or hoodies or beanies pulled down over eyes to be worn on site or in or around **Prestige** offices or yards.
- Dark glasses to be removed while working inside.
- **Prestige** vest or other issued top must kept clean and worn on site at all times.
- Personal hygiene (body odour) must be managed so as not be offensive to work colleagues and / or occupants of the HNZC rental properties.

6.2 SUBCONTRACTOR VEHICLES

The vehicles used by Subcontractors and their staff to service the HNZC contract must be **kept in a clean and tidy state at all times** and must be recognised as a fully equipped service vehicle suitable for servicing a contract of this nature and scale. Subcontractor service vehicles must also be clearly recognisable as a **Prestige** service vehicle. **Prestige** will work with each Subcontractor to develop an acceptable signage graphic, which must be displayed on at least both sides and the rear of the vehicle at all times whilst servicing this contract.

As a minimum the signage will contain the **Prestige** logo and words to the effect that the Subcontractor is an agent of **Prestige** and a service provider to HNZC. Example below.



7 FUTURE TRAINING REQUIREMENTS

Subcontractors and staff should be aware that as part of the **Prestige** Induction and Training Module, on-going training is a requirement for all personnel engaged on this contract.

Future training requirements will be discussed at the Induction session; there will be two types of training formats that all personnel are required to attend.

- **Toolbox meetings**

This is a casual 'at work' meeting session that will be held at each of our head and branch offices every 2 weeks. The theme of the meeting will vary, although each session will include discussion on Health & Safety topics as well as Quality and general contract performance discussion.

The sessions will last for up to 90 minutes and will usually be held first thing (7.30am) on a Wednesday morning. All Subcontractor and in-house site personnel are required to attend a Tool Box meeting at least once every 2 months. A schedule of attendees at each meeting will be kept and any personnel who have not attended a Tool Box meeting for 2 months will be removed from the contract works.

- **Update Training Session**

This is a formal training workshop that will take a similar format to this Induction session. The agenda will include a refresher and update on most of the topics covered at this Induction, plus additional material as topical at the time of the session. We expect that these sessions will be delivered each quarter and all Subcontractor and in-house site personnel are required to attend at least two of these sessions every 12 months. Subcontractors must ensure that a senior member of their team attends each Update training session. This member must then take the information back to share with other staff in his / her organisation.

8 HEALTH & SAFETY

Nothing is more important to the directors and managers of **Prestige** than the health, safety and well being of its staff, subcontractors, customers and the general public.

Prestige has a clear Health & Safety Policy and a detailed Health & Safety Plan for the HNZN 2010 PBMC. A copy of the plan is available for downloading at any time from www.prestigelimited.co.nz

One of the key components of our Health & Safety Plan is the element of personal accountability. This means that every employee and subcontracted personnel must take personal responsibility for their own safety and the safety of their work mates and anyone else in or around their work environment.

It is a requirement of engagement on **Prestige** work sites that every person must as a minimum, have read the **Prestige** Health & Safety manual AND have attended Part 2 of this Induction and Training Module at which an introduction to the **Prestige** Health and Safety System will be provided.

Every site worker must have been issued with a copy of the **Prestige** H&S Manual and a clean copy must be available at all times in every service vehicle being used on **Prestige** work. **Prestige** will not tolerate any disregard whatsoever of its Health & Safety Policy and Plan.

All sub-contractors will be required to read the **Prestige** H&S plan and sign a form to confirm that they understand the processes involved and agree to abide by these guidelines whilst engaged in the HNZN maintenance contract works with **Prestige**.

9 ENVIRONMENTAL MANAGEMENT

Prestige is committed to being a responsible custodian of the environment in which we live, work and play.

We have an Environmental Management Plan (EMP) for the HNZN 2010 PBMC and it is the responsibility of all subcontractors to support this plan and to contribute to further improvements we can make to reduce the environmental impact of our work.

A copy of the **Prestige** EMP is available for download at www.prestigelimited.co.nz and every subcontractor must retain a copy of the plan and ensure they (and their staff) are fully familiar with the contents of the plan. Failure of subcontractors' to support our efforts in being a responsible custodian of the environment will be seen as a serious breach of contract.