

## TENDER POLICY

### 1 Purpose

This policy establishes the parameters under which AFTRS will conduct a tender whenever it is necessary to seek market responses in this form.

### 2 Scope

This Tender Policy applies to any formal Approach To Market whenever required by the Administrative Orders.

### 3 Policy Statement

When acquiring goods and services, AFTRS is to achieve best value for money while also maintaining efficiency, equity and fairness. AFTRS should maintain a reputation for fair and transparent dealings in its contracts with the public.

The two principles underpinning the Policy are:

#### Economy

- Value for money, being the benefits achieved compared to whole-of-life costs;
- Efficiency and effectiveness.

#### Equity

- Probity and fairness;
- Effective competition.

#### 3.1 Obtaining Best Value for Money

Getting best value for money means considering factors relevant to a particular purchase. While price is important, it is also important to consider whole-of-life costs and non-price factors such as:

- quality;
- reliability;
- delivery time;
- ongoing service; and
- support.

When contracting services, it is important to consider other factors, such as:

- experience;
- qualifications of personnel;
- knowledge of AFTRS' needs; and
- previous work performance.

### 3.2 Ensuring Accountability

An AFTRS Executive member of staff must be assigned as the Project Sponsor to oversee and ensure the whole market approach process is in accordance to this policy and its procedures. Detailed records should be kept throughout the entire process and a report compiled for submission to the relevant divisional director or the CEO.

### 3.3 Promoting Fairness and Impartiality

Selection criteria and specifications will be established and documented before calling for bids, and will be equally available to all prospective suppliers. If it is necessary to change criteria all tenderers must be given the same information, an equal opportunity and reasonable time to revise their bids.

### 3.4 Handling Gifts and Benefits

AFTRS staff involved in a procurement process are able to accept gifts of a token kind or moderate acts of hospitality provided they are not in any way compromised or appear to be compromised as a result of this acceptance. If in doubt, advice should be sought from the Head Business Affairs, the Director, Technology & Infrastructure or the Director, Corporate Services.

As an aid, the following principles may be used as a guide:

- Would acceptance in any way tend to influence judgement?
- Could it appear to an impartial observer that any person or body is securing or attempting to secure influence or favour through the provision of hospitality or benefits?

AFTRS officials should avoid all situations where the offer of a gift or benefit may result in these situations. Any substantial gifts, offers or suggestions about benefits that are made to any staff, either directly or indirectly, must be reported to their supervisor, in the first instance.

In all cases gifts and benefits must be managed according to the Gifts and Benefits Policy.

### 3.5 Avoiding Conflicts of Interest

Conflicts of interest arise when AFTRS staff are influenced, or appear to be influenced, by personal interests when doing their jobs. Any staff who has a connection with any of the respondents, or may stand to gain personally from the outcome of a purchasing decision, should not be involved in the process or be able to affect the outcome.

Contractors, consultants and potential suppliers also need to be made aware of the AFTRS policy on conflicts of interest and should be required to disclose any potential conflicts. If they do not do so, AFTRS may have grounds for terminating the contract.

## 4 **Definitions**

The following definitions apply to this policy:

**Approach To Market** includes any of Request for Tender (RFT), Request for Proposal (RFP), Expression Of Interest (EOI), Request for Quote (RFQ) and Panels.

**Expression of Interest** (EOI) involves publishing an open and public Request for EOI and accepting all responses received that comply with the published terms. This method can be used for the following purposes:

- Seeking market input for the procurement of products and/or services where the requirements are in development and may depend on factors that are specific to a proposed solution.
- Using a limited set of essential or key requirements to pre-select from an expected large respondent pool prior to a detailed closed Request for Tender or Request for Proposal.

An EOI should be published for a reasonable period to allow the respondent to prepare a submission. As the nature of this method is intended to be brief it is expected that a reasonable period may be in the order of 10 working days.

An EOI does not result in the awarding of a contract.

**Open Request for Proposal/Tender (RFP/RFT)** involves publishing an open and public Request document and accepting all responses that comply with the published terms.

An RFP is used where AFTRS is seeking the design and implementation of a solution according to stated business requirements. An RFT is used to procure against specific technical requirements where little or no design deliverables are required.

An approach of this kind must be published for a reasonable period to allow the respondents to prepare a submission. Given the detailed nature of these methods it is expected a reasonable period is no less than 20 business days.

An RFP/RFT may result in the awarding of a contract, however AFTRS standard invitation documents retain our right to award a contract for all, part or none of the goods or services requested.

**Closed Request for Proposal/Tender (closed RFP/RFT)** process is only open to those respondents selected and invited to respond. In all other respects this method is the same as the Open method and all policy and procedures apply equally.

To be selected and invited to respond to a closed RFP/RFT an invitee must be:

- a selected respondent to an EOI; or
- a respondent to a recent and similar RFT/RFP that was open and public; or
- on an established government multi-use list; or
- have been granted a specific license or comply with a legal requirement, in which it is essential to the conduct of the procurement.

**Request for Quote (RFQ)** involves a direct invitation through publishing an invitation to one or more suppliers. This method can only be used where approved either jointly by the Director, Technology & Infrastructure and the Director, Corporate Services, or solely by the Chief Executive Officer.

Selected invitees must represent a reasonable selection of the market that ensures fair competition and achieves AFTRS's goals of economy and equity.

An RFQ may result in the awarding of a contract, however AFTRS standard invitation documents retain our right to award a contract for all, part or none of the goods or services requested.

**Panels:** A panel may be established, by an open tendering or closed tendering process or by AFTRS entering into contracts or deeds of standing offer for the provision of identified goods or services. A panel is defined as an arrangement under which a number of suppliers may each supply goods or services to AFTRS as specified in the panel arrangements.

## Authorisation and Distribution

<b>Authorisation</b>	CEO
<b>Date</b>	30 September 2014
<b>Responsible Officers</b>	Director, Technology & Infrastructure; and Chief Operations Officer
<b>Contact Officer</b>	Director, Technology & Infrastructure
<b>Effective Date</b>	20 January 2016
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<b>Review Date</b>	20 January 2019
<b>Current version</b>	v2.1
<b>Supersedes</b>	Tender Policy & Procedures, August 2012 and earlier
<b>Associated Documents</b>	Administrative Orders Financial Delegations Fraud Control Policy Gifts & Benefits Policy