

ACT GOVERNMENT

Procurement and Engagement of Architectural Services

Guiding Principles

13 December 2016



Guiding Principle One

Ongoing commitment to The Capital Framework (TCF)

- The Territory continues to support TCF as the whole of government process for the upfront assessment of capital works funding proposals in the ACT.
- TCF delivers upfront rigor in needs analysis, identification of risks and delivery model assessment driving improved value for money outcomes in the Territory.

Guiding Principle Two

Ongoing commitment to Early Contractor Involvement (ECI)

- Under TCF, a range of delivery models are supported including Design and Construct (D&C) and variants including Design Construct Maintain (DCM).
- The Territory has achieved significant value for money and innovation using DC/DCM models and will continue to apply where assessed as suitable under TCF.
- There has been a move away from the use of traditional lump sum delivery and construct only models. It is expected that this trend will continue.
- The Territory supports Early Contractor Involvement (ECI) processes and opportunities to interact broadly with industry early in the project delivery process.

Guiding Principle Three

Interactive Processes with Industry

- There is recognition that early engagement with industry provides the opportunity to access industry expertise and innovation in capital works projects.
- The Territory seeks to continue these ECI processes including early interaction with industry during procurement.

Guiding Principle Four

Recalibration of Interactive Processes

- Industry has identified concerns in relation to some recent interactive tendering processes.
- Territory officials have taken this feedback on board and acknowledge that there are opportunities to recalibrate current interactive tender processes.
- Procurement and Capital Works (PCW) and Treasury have commenced discussions with other agencies in ACT Government to establish guiding principles in relation to interactivity and to identify recalibration options.
- Review of some recent procurements that involved early industry interaction.
- Research approaches used in other jurisdictions.

Recalibration of industry interaction could consider...

- **Project suitability** for an interactive process to the project delivery (eg. Apply to projects where there is a requirement to seek an innovative solution. Territory could identify aspects of the project where innovation is sought)
- The level of **reference design** provided in an interactive process (eg. Typically a reference design will be provided)
- **Level of design requested** from industry during an interactive process (eg. Could include basic schematics, block and stack diagrams and functional relationship diagrams up to finishes, fittings, and plant and equipment)
- Opportunities for **optional interactive processes** (eg. Interactive process offered at the discretion of the tenderer. Tenderer can determine the agenda)
- **Copyright Assignment arrangements** (eg. Tenderers to sign a Copyright Assignment Deed and provide a statutory declaration with evidence of payment to sub-consultants.)
- **Bid costs reimbursement** (eg. Applicability, circumstances and scale. Review other jurisdictions)
- **Intellectual Property** ownership (eg. Potential for Territory to purchase intellectual property through an intellectual property assignment to harness innovation from all bids).
- Use of **alternative forms of contract**. Eg. Engage preferred bid design team post RFT to develop up a DA level design (Possibly establish a Guaranteed Maximum Price then confirm with Guaranteed Construction Sum incorporating adjustments from design development).