

### Initial Procurement < \$80,000

#### General

Stage:  **INACTIVE** 6/05/2016

Proc Ref:

Procurement Description:

Assigned User:   
 Add to my engagements  
 There are no associated users or CRM teams. Add associated users and CRM teams.

#### Business Case < 80

Contact Officer:

TRIM File Number:

Cancelled with Error:

Business Case:   
 For buildings providing sleeping accommodation (i.e. residential buildings), NCC Volumes One and Two contain mandatory requirements for the provision of early warning on the detection of smoke to enable occupants

#### Indigenous Procurement Policy (IPP) <80

Is this considered a remote contract under the Indigenous Procurement Policy?:

#### Stage 1 Details

Business Unit:

Procurement Method:

Procurement Risk Rating:

Fund Source:

Cost Code Account:

#### Stage 1 Approval Details

Stage 1 Obtained:

Stage 1 Decision Date:

Stage 1 Delegate:

Stage 1 Method:

#### Contingent Liability

**Actions to Perform**

- Save and Close
- Save

**Links to other Functions**

- Procurement Toolkit
- AAI 3 - Procurement
- Commonwealth Procurement Rules (CPRs)
- Step 1: Copy Proc Ref Number
- Step 2: Open Report and Paste
- >= \$80k Stage 1 Summary
- >= \$80k Stage 2 Summary
- Multi Contract Stage 1 Summary
- Multi Contract Stage 2 Summary
- Panel Stage 2 Summary
- Evaluation Summary

**Stages**

Past, 
  Current, 
  Future  
 Draft  
 Stage 2 Approved  
 **Contract Created**  
 Show Stage History

**Sections to Display**

- General
- Business Case < 80
- Indigenous Procurement Policy (IPP) <80
- Stage 1 Details
- Stage 1 Approval Details
- Contingent Liability
- Stage 2 Details
- Stage 2 Approval Details
- Contract Details
- Contract Details
- Attachments

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- Stage 2 Approval Details
- Contract Details
- Contract Details
- Attachments

### Initial Procurement < \$80,000

#### Stage 1 Details

Business Unit: 115 - ABCB

Procurement Method: Limited Tender

Procurement Risk Rating: Minor

Fund Source: Departmental

Cost Code Account: 134 - ABCB-Minimum Performar

#### Stage 1 Approval Details

Stage 1 Obtained: No

Stage 1 Decision Date:

Stage 1 Delegate:

Stage 1 Method:

#### Contingent Liability

Contingent Liability?:

Is Section 60 Approval required?:

Section 60 Approval Outline:

#### Stage 2 Details

Value of Contract(s) GST inc: 47,025.00

Options Value: 0.00

Total Contract Value (inc Opt): 47,025.00

Value for Money Justification:  
 Consistent with the ABCB's obligation to monitor developments in the area of life safety in buildings independent research is commissioned on an 'as needs' basis to inform decision making related to the requirements of the NCC.  
  
 As a technology, ionisation, photo-electric and combination smoke alarms have demonstrated that they can meet the current AS 3786 requirements. However, testing is currently being undertaken as a part of an ongoing research project being managed and funded by FRNSW since 2014. As the research is established and specialised and specifically designed to add to the current body of knowledge on the performance of smoke alarm

Does this arrangement include personnel that require security access?:

#### Stage 2 Approval Details

Stage 2 Delegate: s 22

**Actions to Perform**

- Save and Close
- Save

**Links to other Functions**

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### Initial Procurement < \$80,000

#### Stage 2 Details

Value of Contract(s) GST inc:

Options Value:

Total Contract Value (inc Opt):

Value for Money Justification:

Does this arrangement include personnel that require security access?:

#### Stage 2 Approval Details

Stage 2 Delegate:

Stage 2 Decision:

Stage 2 Decision Date:

Stage 2 Approval Comments:

#### Contract Details

Contract Profile:

#### Contract Details

Contract Number	Contract Profile Name	Contract Type	Description	Narration	Sponsor	Contract Status	Approval Status	Approval Date	Approval User	Effective Date	Completion Date	Reference	User Status	Category	Business Unit	Comments	Maximum Contract Value
<a href="#">011830</a>	CONTRACTS	Purchase	Professional Advice on the effectiveness of smoke alarm tech		s 22	Active	Complete	8/11/2016	s 22	8/11/2016			STD		115		36,931.47

#### Attachments

File...

**Actions to Perform**

- Save and Close
- Save

**Links to other Functions**

- Procurement Toolkit
- AAI 3 - Procurement
- Commonwealth Procurement Rules (CPRs)
- Step 1: Copy Proc Ref Number
- Step 2: Open Report and Paste
- >= \$80k Stage 1 Summary
- >= \$80k Stage 2 Summary
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**Stages**

- Past, Current, Future
- Draft
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- Contract Created**
- Show Stage History

**Sections to Display**

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- Business Case < 80
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- Stage 2 Approval Details
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Value for Money Justification:

Consistent with the ABCB's obligation to monitor developments in the area of life safety in buildings independent research is commissioned on an 'as needs' basis to inform decision making related to the requirements of the NCC.

As a technology, ionisation, photo-electric and combination smoke alarms have demonstrated that they can meet the current AS 3786 requirements. However, testing is currently being undertaken as a part of an ongoing research project being managed and funded by FRNSW since 2014. As the research is established and specialised and specifically designed to add to the current body of knowledge on the performance of smoke alarm

Does this arrangement include personnel that require security access?:

#### Stage 2 Approval Details

Stage 2 Delegate: s 22

Stage 2 Decision: Approved

Stage 2 Decision Date: 22/04/2016

Stage 2 Approval Comments:

#### Contract Details

Contract Profile: Contract

#### Contract Details

Contract Number	Contract Profile Name	Contract Type	Description	Narration	Sponsor	Contract Status	Approval Status	Approval Date	Approval User	Effective Date	Completion Date	Reference	User Status	Category	Business Unit	Comments	Maximum Contract Value
011830	CONTRACTS	Purchase	Professional Advice on the effectiveness of smoke alarm tech		s 22	Active	Complete	8/11/2016	s 22	8/11/2016			STD		115		36,931.47

#### Attachments

File...

- Procurement... Smoke Alar...
- SimpleRiskA... Smoke Alar...
- Stage\_2\_Re...

Does this arrangement include personnel that require security access?:

## Stage 2 Approval Details



Stage 2 Delegate:

Stage 2 Decision:

Stage 2 Decision Date:

Stage 2 Approval Comments:

## Contract Details





## Department of Industry, Innovation and Science – Procurement Risk Management Plan

The following Risk Management Plan is for use where, in completing the Simple Risk Assessment Template, the Department has identified a medium or above risk. The Plan is a further risk assessment tool which includes controls/treatments to lower the risk rating.

**Step 1 – Review Description of Risk column to identify all risks within your procurement. Delete and add risks specific to your procurement. Provide further description to personalise and clearly define the risk. Please note: The example descriptions are based on the Simple Risk Assessment Matrix.**

**Step 2 – Develop an overall rating by assessing the likelihood and consequence as outlined in the below table. Assess whether the risk is considered acceptable to retain.**

LIKELIHOOD RATINGS	CONSEQUENCE RATINGS				
	LOW	MINOR	MODERATE	HIGH	VERY HIGH
ALMOST CERTAIN	Minor	High	High	Very High	Very High
LIKELY	Minor	Moderate	High	High	Very High
POSSIBLE	Low	Minor	Moderate	High	Very High
UNLIKELY	Low	Minor	Moderate	Moderate	High
RARE	Low	Low	Minor	Moderate	High

**Step 3 – For unacceptable risks, provide strategies to treat the risk and outline what steps will be undertaken if the risk event happens.**

Description of risk	Likelihood	Consequences	Overall rating	Is the Risk Acceptable?	Risk treatment strategy (What can the Department do to stop it happening?)	Contingency steps (What will the Department do if it happens anyway?)
<b>Example:</b>						
XXXXX: (Please add further details of the risk)	(Rare, Unlikely, Possible, Likely, Almost Certain)	(Low, Minor, Moderate, High, Very High)	(Low, Minor, Moderate, High, Very High)	(Yes, No)	Example: Include clauses within the contract to base payments on fixed price made on milestones.	Examples: The Department will need to ensure a process is in place for seeking additional funding.

## The Department's Procurement Risk Management Plan Template

Description of risk	Likelihood	Consequences	Overall rating	Is the Risk Acceptable?	Risk treatment strategy (What can the Department do to stop it happening?)	Contingency steps (What will the Department do if it happens anyway?)
<b>4. The project is potentially controversial or politically sensitive</b>						
Media exposure	Likely: Media interest, though the extent is dependant on outcomes.	Low: The research adds to international research already undertaken and the ABCB are contributing funding and sharing results to inform decisions.	Minor	Yes	No action can be identified. The issue is the subject of a senate Inquiry and reporting will occur in the public interest. Further testing may be required.	The ABCB undertook in our submission to the Senate Inquiry on Smoke Alarms to evaluate the outcomes of the testing and its methodology. Mechanisms for considering changes to the NCC, where this is supported by evidence are available.
Ministerial involvement						
Stakeholder relations						
Transition – stakeholder satisfaction						



Australian Government

Department of Industry,  
Innovation and Science

## Department of Industry, Innovation and Science – Procurement Simple Risk Assessment Guide

### Simple Risk Assessment

Step 1 – For all procurements valued \$10,000 to \$80,000, please complete the following Simple Risk Assessment. For further assistance on completing the simple assessment please refer to Table 2 – Risk Assessment Matrix on page 2 (Please note: Table 2 does not need to be completed – these are examples designed to assist you to answer the questions below).

Table 1 – Simple Risk Assessment

Procurement Risk	No	Yes
1. The expected cost of the purchase is valued at or above \$80,000?	X	<input type="checkbox"/>
2. The Department has limited experience in either the nature of the purchase being undertaken or the market?	X	<input type="checkbox"/>
3. The project itself is inherently complex (technically, legally or financially)?	X	<input type="checkbox"/>
4. The project is potentially controversial or politically sensitive?	<input type="checkbox"/>	X

Step 2 – After completing the Simple Risk Assessment, if the answer is:

- 'No' for all four questions, the procurement is considered Low and **no further assessment is required**.
- 'Yes' for any of the four questions, the procurement is considered Medium and above. Please complete the Procurement Risk Management Plan.

Completed by: \_\_\_\_\_ Date: \_\_\_\_\_

Table 2 – Simple Risk Assessment Matrix

Indicator	Key Stage applicability	Potential risk area	Low Risk	Medium or Above	
			Low Risk	Minor Risk	Moderate to High Risk
<b>1. The expected cost of the purchase is high, or relatively high compared with the purchases normally undertaken by the entity</b>					
Costs	All stages	Overall cost of procurement	Under \$80,000	Under \$80,000 but unusual amount for procurement of similar products or over \$80,000	Over \$ 80,000 with additional expenses (liability caps, contingent liabilities)
Costs	Preparing to go to tender	Resourcing required to manage procurement	Resources are known and available	Resources are known and not available	Resources unknown and unaccounted for
Costs	Preparing the contract	Management of budget	Budget is managed appropriately. Milestones are achieved	Milestones in contract are not met and remedial action identified	Budget exceeds or underspends on targets due to lack of budget planning or control
Costs	During the Contract	Management of budget	Budget is managed appropriately. Milestones are achieved	Milestones in contract are not met and remedial action identified	Budget exceeds or underspends on targets due to lack of budget planning or control
Costs	Preparing to go to tender	Deliverables	Deliverables are well known and able to be both quantitatively and qualitatively identified	Deliverables are well known but subject to discussion	Deliverables are agreed at high level (outlines and concepts) only and may be subject to large variations which could affect price
<b>2. The entity has limited experience in either the nature of the purchase being undertaken or the market</b>					
Internal - Experience	All stages	Timeframes	Adequate time available to develop and manage all phases of the procurement	Adequate time available to manage most phases of the procurement with some known short timeframes	Procurement developed with short time frames, with little time available for negotiating with suppliers.
Internal - Experience	Preparing to go to tender	Staff knowledge of procurement process	Staff have attended procurement training or have prior experience with procurement	Staff have attended training and have access to other experienced staff in area	Staff have not attended training and have no experience with procurement process
Internal - Experience	All stages	Senior Management Support and Involvement	Procurement is well supported	Procurement is supported however guidance to staff is limited	Procurement is the source of some negative internal discussion
Internal - Experience	All stages	Conflicts of Interest	No conflicts exist	Are known and documented	Are unknown
Internal - Experience	Preparing the contract	Negotiating and evaluation teams	Negotiating and evaluation teams have experience with contracts and tenders	Negotiating and evaluation teams have limited experience and access to experienced advisors	Lack experience and skills in managing contracts and procurements
Internal - Experience	Evaluation of the tender/contract	Negotiating and evaluation teams	Negotiating and evaluation teams have experience with contracts and tenders	Negotiating and evaluation teams have limited experience and access to experienced advisors	Lack experience and skills in managing contracts and procurements
Internal - Experience	Preparing the contract	Entering into the contract and commencement of work	Contract is entered into prior to work commencing	Verbal agreement or exchange of agreement	Contractor instructed to commence work prior to contracts being exchanged
Internal - Experience	All stages	Retention of corporate knowledge	Documents are appropriately created and filed. Reliance on key staff is limited	Documents are created and filed however procurement relies on key staff members for knowledge	Undue reliance on key staff members with little documented evidence created

Table 2 – Simple Risk Assessment Matrix

Indicator	Key Stage applicability	Potential risk area	Low Risk	Medium or Above	
			Low Risk	Minor Risk	Moderate to High Risk
Internal - Experience	Transition (including end of contract or major changes to process)	Experience of staff during transition	Staff have previously worked with procurements during the transition process	New staff with appropriate training and access to information	New or disaffected staff
External - Experience	Evaluation of the Tender Contract	Qualification or expertise of contractor staff	Contractor has stated staff have relevant experience to deliver property and services	Contractor has not provided evidence of staffing ability	Contractor or tenderers staff is suspected of engaging in fraudulent activities
External - Experience	During the Contract	Qualification or expertise of contractor staff	Milestone documentation supplied as requested	Documentation is missing or requests for assistance by Contractor staff is higher than usual	Contractor or tenderers staff is suspected of engaging in fraudulent activities
External - Experience	Evaluation of the tender/contract	Tender documentation	Documentation is completed and appropriate to Commonwealth requirements	Documentation has been submitted with minor errors	Documentation is incomplete/ non-compliant with requested information due to lack of supplier experience
External - Experience	Evaluation of the tender/contract	Contractor/tenders experience	Tenderers or Contractors regularly perform these services or provide similar property	Tenders or Contracts have performed these services in the pasts or provided similar property to the Commonwealth within the past five years	Tenderers or contractors are new to providing property and services to the Commonwealth
Internal/ External - Experience	Evaluation of the tender/contract	Work Health and Safety standards are not adhered to	The Department has assessed the Work Health and Safety requirements of this procurement and no formal action is required.	Work Health and Safety issues are present and a plan is required to treat this risk (e.g. delivery of heavy or hazardous equipment).	Major Work Health and Safety issues are present and a plan is required to treat this risk (e.g. major building works, highly toxic and hazardous equipment).
<b>3. The project itself is inherently complex (technically, legally or financially)</b>					
Complexity – Technical	Preparing the contract	Contract Deliverables	Well identified deliverables with known outcomes		Difficulty in quantifying and describing key services and outcomes
Complexity – Technical	Evaluation of the tender/contract	Contract Deliverables	Well identified deliverables with known outcomes		Difficulty in quantifying and describing key services and outcomes
Complexity – Technical	During the Contract	Contract Deliverables	Well identified deliverables with known outcomes		Difficulty in quantifying and describing key services and outcomes
Complexity – Technical	Transition (including end of contract or major changes to process)	Contract Deliverables	Well identified deliverables with known outcomes		Difficulty in quantifying and describing key services and outcomes
Complexity – Technical	Preparing the contract	Contract negotiations	Contract and tender are negotiated to satisfaction of all parties	Discrepancies between tender promises and actual contract	Tenderer does not agree to contract clauses as promised in tender evaluation
Complexity – Technical	All stages	Confidentiality requirements	Are established and simple to maintain	Are complex and require legal guidance	Have been breached with either departmental information being released to the public or commercially sensitive information being released by the department

**Table 2 – Simple Risk Assessment Matrix**

Indicator	Key Stage applicability	Potential risk area	Low Risk	Medium or Above	
			Low Risk	Minor Risk	Moderate to High Risk
Complexity – Technical	During the Contract	Delivery of property and services	Are delivered on time and to specifications described	Are delayed or are not to exact specifications	are not received and are not fit for purpose
Complexity – Technical	Preparing the contract	Intellectual Property (IP)	IP is considered during contract development and managed including identified in IP register	Potential conflicts over background or new IP could occur	Known conflict with IP exists
Complexity – Technical	During the Contract	Intellectual Property (IP)	IP is considered during contract development and managed including identified in IP register	Potential conflicts over background or new IP could occur	Known conflict with IP exists
Complexity – Technical	Finalising the Contract	Insurance requirements Departmental	Insurances clauses are standard and does not require additional Comcover insurance	Insurance clauses create liabilities that are covered by Comcover	Insurance clauses create liabilities that are not covered by Comcover or invalidate departmental insurance
Complexity – Technical	Preparing the contract	Insurance requirements – contractors	Are known and standard clause for contracts has been used	Non-standard and acceptable after consideration of exposure to liability risks	Are nonstandard and expose department to additional financial risk
Complexity – Technical	Finalising the Contract	Insurance requirements – contractors	Are known and standard clause for contracts has been used	Non-standard and acceptable after consideration of exposure to liability risks	Are nonstandard and expose department to additional financial risk
Complexity – Technical	Preparing the contract	Model RFT insurance clauses overall low risk procurements	Low risk procurement Public Liability - \$2m Professional Indemnity \$1m		
Complexity – Technical	Preparing the contract	Model RFT insurance clauses Medium Risk Procurements	Medium risk procurement Public Liability - \$5m Professional Indemnity \$3m		
Complexity – Technical	Preparing the contract	Model RFT insurance clauses - high Risk Procurements	High risk procurement Public Liability - \$10-20m Professional Indemnity \$10m		
Complexity – legal	Preparing the contract	Identification of contingent liabilities	Legal area have identified potential contingent liabilities which are remote and immaterial	Legal area have identified contingent liabilities which are either not remote or are material	Legal area have identified contingent liabilities which have a probability of over .5% and are material
Complexity – legal	Preparing the contract	Contract Clauses	Standard departmental or Commonwealth contract clauses used	Non standard	Clauses may not be acceptable to Commonwealth
Complexity – legal	Finalising the Contract	Contract Clauses	Standard departmental or Commonwealth contract clauses used	Non standard	Clauses may not be acceptable to Commonwealth
Complexity – legal	Evaluation of the tender/contract	Contract Performance Measurement data	Data is known and previously used		Contract performance data collection methods are new(unproven) or expensive
Complexity – legal	During the contract	Contract Performance Measurement data	Data is known and previously used		Contract performance data collection methods are new(unproven) or

**Table 2 – Simple Risk Assessment Matrix**

Indicator	Key Stage applicability	Potential risk area	Low Risk	Medium or Above	
			Low Risk	Minor Risk	Moderate to High Risk
					expensive
<b>Complexity – legal</b>	All stages	Legislative requirements	Are known and have been considered during development of procurement	Are known and have the ability to negatively impact on the procurement	Are unknown
<b>Complexity – legal</b>	Preparing the contract	Ability to acquire legal expertise	Subject matter is well known	Unable to use internal legal advice due to conflicts of interest	External advice required
<b>Complexity – legal</b>	Finalising the Contract	Entity	Entity is a registered Australian company	Entity is a trust, individual or partnership	
<b>Complexity – legal</b>	Finalising the Contract	Contract does not contain correct information	Contract is free of errors	Potential errors in contract including ABN numbers, description of legal entity or company names	Major errors leading to invalidation of Contract or inability to enforce tender promises
<b>4. The project is potentially controversial or politically sensitive</b>					
<b>Complexity – Financial</b>	During the contract	Payment regimes			
<b>Complexity – Financial</b>	Preparing the contract	Capping expenditure	Contract is capped		Contract is uncapped
<b>Complexity – Financial</b>	Evaluation of the tender/contract	Value for money	Procurement has proven value for money and has not unfairly disadvantaged tendering entity		Is compromised due to procurement process
<b>Complexity – Financial</b>	Evaluation of the tender/contract	Ongoing financial viability of contractor	The contractor is considered viable with no history of insolvency	Financial information indicates potential for financial difficulties and should be monitored.	Financial information indicates existing issues with contractor remaining solvent in the absence of assistance from Government
<b>Sensitivity</b>	Preparing to go to Tender	Media exposure	Procurement has no media sensitivity	Media may consider procurement to be of interest	Multiple occurrences of negative media likely to occur
<b>Sensitivity</b>	During the contract	Media exposure	Procurement has no media sensitivity	Media may consider procurement to be of interest	Multiple occurrences of negative media likely to occur
<b>Sensitivity</b>	Preparing to go to Tender	Ministerial involvement			
<b>Sensitivity</b>	All Stages	Stakeholder Relations			
<b>Sensitivity</b>	Transition (including end of contract or major changes to process)	Transition – stakeholder satisfaction	Stakeholder needs are met during transition	Previous stakeholders are unsatisfied with new contract arrangements	Previous stakeholders may attempt legal action against the Commonwealth

## Stage 2 Request Form

(Please see pages 4 to 6 for instructions on completing each section)

### Important Notice

The [Indigenous Procurement Policy](#) may apply to domestic procurements valued between \$80,000 - \$200,000 including procurements from non-exclusive panel arrangements and all procurements within a remote location. Where the Indigenous Procurement Policy applies, Procurement Officers must first consider whether there is a Small to Medium Enterprise (SME) with at least 50% Indigenous ownership that can deliver the required good or service on a value for money basis. This is done via searching the supplier directory on the Supply Nation website. Please contact Procurement on ext. 67763 if you are unsure whether this applies.

Procurement Description:	Professional Advice on the effectiveness of smoke alarm technologies
Contact Officer:	s 22
Contract Manager:	s 22
Business Unit:	Australian Building Codes Board
Delegate Name and Position:	s 22 – General Manager ABCB
PRI Number (if applicable):	

Complete this section if the procurement is under \$80,000 or using a panel arrangement:

<b>Business Case:</b>	<p>Australia is well regarded in relation to the efficacy of fire safety requirements of the NCC and it is important that the ABCB ensures the NCC retains this status. The IGA requires the ABCB, to monitor contemporary issues relating to building occupant life safety and the ABCB maintains a watching brief on both international and national events relating to the performance of buildings, particularly the matter of life safety of building occupants.</p> <p>For buildings providing sleeping accommodation (i.e. residential buildings), NCC Volumes One and Two contain mandatory requirements for the provision of early warning on the detection of smoke to enable occupants to evacuate to a place of safety. The two most common types of smoke alarm technologies installed in dwellings are ionisation alarms and photo-electric alarms. Ionisation alarms are acknowledged as being more effective in detecting flaming fires and photo-electric alarms are acknowledged as being more effective for smouldering fires. Both types of smoke alarms are able to comply with international and Australian methods of testing smoke alarms; therefore the NCC enables either or both to be installed as a deemed to comply solution against AS 3786. However, the relative effectiveness of the available technologies has been the subject of some public debate and media coverage.</p> <p>On 25 June 2015, the Australian Senate referred specific matters to the Legal and Constitutional Affairs References Committee (Committee) for inquiry into the Use of Smoke Alarms to Prevent Smoke and Fire Related Deaths.</p>
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The terms of reference for the inquiry relevant to the smoke alarm technologies include how the type and installation set-ups of smoke alarms could affect such injuries and deaths, common configurations and how the provisions of the Building Code of Australia relating to these issues can be improved.

With regard to the efficacy of current NCC requirements, the ABCB submitted to the inquiry that no independent peer reviewed scientific evidence has been presented to the ABCB that demonstrates the technical content of the NCC or Australian Standard is deficient.

The Committee were due to report on the findings of the Inquiry in December 2015. On 16 March 2016, the Senate granted an extension of time for reporting until 30 June 2016. Access to contemporary research on the effectiveness of alarm technologies will be necessary to inform any response to the Inquiry.

As part of a research program which has been ongoing since 2014, Fire and Rescue NSW (FRNSW) are currently undertaking testing into smoke alarms in dwellings, which includes an evaluation of different technologies. The ABCB submitted in its response to the Inquiry that it is committed to collaborating and contributing funding to testing. Testing commences on 29 April 2016 and is due to conclude on the 29 June 2016. In exchange for part funding these tests, FRNSW will provide a report outlining the findings of research, methodology and access to the data including smoke alarm activation times, temperature readings, gas analysis readings and video footage.

The ABCB's contribution to the project covers the capital expenditure for the scheduled testing (fifty percent of the total outlined below) and findings:

Building Materials	3,000
Hardware items	2,000
Cabling and data logging materials	1,000
Labour cost for smoke alarm modification	2,000
Furnishings and fittings	7,000
Carpet	3,000
Smoke Alarm purchase	20,000
(130 each of photoelectric, ionisation, dual and multi alarms)	
Sensitivity testing of smoke alarms by CSIRO	
Sensitivity Testing	7,810
Directional Dependence Testing	3,740
Gas analysis technician (5 days @ \$900/day)	4,500

	Hire of gas analysis equipment	40,000
	<b>Total Project Costs:</b>	<b>\$ 94,050</b>
<b>Procurement Method:</b> Limited Tender		
<b>Panel SON number (if applicable):</b> [e.g. SON325631]		
<b>Procurement Risk Rating:</b> Low		
<b>Funds Source:</b> Departmental		
<b>Cost Code Account (Cost centre):</b> [e.g. 645]		
<b>Natural Account:</b> [e.g. 6233 Fee for Service - Other]		
<b>Project Code:</b>		
Value of Contract – Including GST:	\$47,025.00	

Does the Indigenous Procurement Policy (IPP) apply?

Please note that the IPP may apply to procurements valued between \$80,000 - \$200,000

Options Value – Including GST:

Total Contract Value (including Options):

Is Future Year Spending Required?\*

*\*If Future Year Spending is required you must provide details of the funding required for future year commitments in the Value for Money Justification section*

Value for Money Justification (selection of the preferred supplier):

Consistent with the ABCB's obligation to monitor developments in the area of life safety in buildings independent research is commissioned on an 'as needs' basis to inform decision making related to the requirements of the NCC.

As a technology, ionisation, photo-electric and combination smoke alarms have demonstrated that they can meet the current AS 3786 requirements. However, testing is currently being undertaken as a part of an ongoing research project being managed and funded by FRNSW since 2014. As the research is established and specialised and specifically designed to add to the current body of knowledge on the performance of smoke alarm technologies and their effectiveness, an agreement between FRNSW and the ABCB to share the costs and results of the research is the most efficient use of resources.

An initial payment of \$42,025.00 will occur on 30 May on production of an itemised invoice by FRNSW for the above expenses.

The balance of \$5000.00 will occur as a final payment on delivery of a report outlining findings, methodology and data in the 2016/17 financial year.

If the Indigenous Procurement Policy applies to this procurement, did you find a suitable Indigenous supplier? If 'No', explain why:

--

Complete this section if the procurement is over \$80,000 (GST inclusive)

<b>Goods or Services:</b>		<b>Goods</b>					
<b>Proposed Initial Agreement Period:</b>		<b>Years</b>	0	<b>Months</b>	0		
<b>OR Goods Delivery Date:</b>							
<b>Extension option:</b>	No.	Choose an item.	<b>Years</b>	Choose an item.	<b>Months</b>	Choose an item.	
<b>Draft Contract Attached?</b>				Choose an item.			
<b>If 'No' Explain Why:</b>							
<b>Evaluation Report Attached?</b>				Choose an item.			
<b>If 'No' Explain Why:</b>							
<b>Revised Risk Rating:</b>				Choose an item.			
<b>Revised Risk Assessment Attached?</b>				Choose an item.			
<b>If 'No' Explain Why:</b>							

## Guidance on completing Stage 2 Request Form

Field	Description
Procurement Description	The Procurement description will be reported externally (e.g. AusTender) and therefore needs to be suitable for the public domain. Please select a description from the suggested items and include further details if required. Do not include acronyms or personal information that should not be publicly available, such as names, hourly rate or number of hours. Do not use the word "consultancy." Do not use the supplier's entity name. Please see the <a href="#">Standard External Reporting Descriptions</a> list for further information.
Contact Officer	The Contact Officer is the person responsible for managing and administering the procurement and contract. If this person is you, enter your name.
Business Unit	Specify the business unit for the funds for this procurement. Contact your Finance out-posted team for assistance if needed.
Delegate Name and Position	The Delegate responsible for approving the procurement request. For more information on Delegation levels, please refer to the <a href="#">Delegations Schedules</a> of the Department. Please note the separate approval requirements for <a href="#">consultancy</a> contracts.
PRI number (if applicable)	Insert the PRI number if the procurement has already been entered into the contracts module. If Stage 1 approval was obtained via the contracts module a PRI number would have been generated. If Stage 1 approval is not applicable to this procurement then a PRI number is not required. Contact your Finance out-posted team for assistance.
Business Case	<p>Include a detailed business case that addresses the following areas:</p> <ul style="list-style-type: none"> <li>• Describe the property/service being procured and the justification for its purchase</li> <li>• Consider whether there are any alternative options that would achieve value for money, or the objective of the procurement better;</li> <li>• Identify key stakeholders and potential criticisms, and state which internal and external stakeholders you have consulted and if there were any dissenting views;</li> <li>• Outline any market research undertaken and how you estimated the value for this procurement;</li> <li>• Include the proposed timeframe for when this procurement will commence;</li> </ul> <p>The detail and extent of your approval documentation should reflect the size, risk and complexity of the procurement.</p>
Procurement Method	<p>Select the procurement method you intend to use to engage a supplier for your procurement.</p> <p><b>Note:</b> You must use an open approach to the market for all procurements at or above the relevant procurement threshold unless the procurement meets conditions for prequalified tendering or limited tendering as outlined in Division 2 of the Commonwealth Procurement Rules OR is exempt as per Appendix A.</p>
Panel SON number (if applicable)	If you are using an existing panel arrangement, insert the SON (Standing Offer notice) number of the panel arrangement you wish to utilise. This number can be found on the list of panel arrangements on the <a href="#">Procurement and Grants Toolkit</a> or by searching the <a href="#">AusTender</a> website. If you are not using an existing panel arrangement, leave this field blank.
Procurement Risk Rating	<a href="#">Risk management</a> should be built into all procurement processes. While a formal risk assessment process is not required for procurements <\$10,000, you still need to consider any risks involved in your procurement and put

	strategies in place to mitigate these risks. If the procurement is between \$10,000 and \$80,000, a <a href="#">simple risk assessment</a> must be undertaken.
Fund Source	Identify the source of funding. If the contract will be paid from multiple fund accounts, enter the fund account that will be used for the majority of expenditure and provide the additional fund accounts and their expenditure breakdown in the Business Case field.
Cost Code Account	Provide the Cost centre for this procurement. Contact your Finance out-posted team for assistance.
Value of Contract – including GST	Enter the initial value that is to be committed at the time of contract execution. The figure should include fees and expenses, but does not include options, extensions, renewals or other mechanisms in the contract that may be executed to increase the total value over the life of the contract. Where a contract spans several years, the total value of those years in the contract is reported, not the value on a per-annum basis.
Options Value	Enter the value of any options, extensions or renewals.
Total Contract Value (inc. GST)	The total potential value of the contract, including any extension options.
Is Future Year Funding Required?	Indicate if you intend on making a payment outside of the current financial year. If Future Year Spending is required you must provide details of the funding required for future year commitments in the Value for Money Justification section.
Value for Money Justification (selection of the preferred supplier)	Outline how the preferred supplier/s represents a value for money outcome and will be an efficient, effective, economical and ethical use of Commonwealth resources. List the organisations that were invited to quote/tender, the date quotes/tenders were received, a summary of the assessment of quotes/tenders, including reasons for eliminating any suppliers from further consideration (attach tender assessment panel findings that have been endorsed by the panel members). If Future Year spending is required it is recommended you provide details of the funding commitment in future years.
Value of Contract – including GST	Enter the initial value that is to be committed at the time of contract execution. The figure should include fees and expenses, but does not include options, extensions, renewals or other mechanisms in the contract that may be executed to increase the total value over the life of the contract. Where a contract spans several years, the total value of those years in the contract is reported, not the value on a per-annum basis.
If the Indigenous Procurement Policy applies to this procurement, did you find a suitable Indigenous supplier? If 'No', explain why	<p>The <a href="#">Indigenous Procurement Policy</a> mandatory set-aside applies to:</p> <ul style="list-style-type: none"> <li>all remote procurements (detailed maps of the remote areas are available on the <a href="#">Indigenous Procurement</a> website); and</li> <li>all other domestic procurements where the proposed procurement method is Open Tender (including the use of a non-exclusive panel arrangements) and the estimated value of the procurement is \$80,000 to \$200,000 (GST inclusive).</li> </ul> <p>Please note: procurements where the purchase is made through a mandatory whole of Government procurement arrangement or through a departmental panel arrangement that is specified as an exclusive purchasing arrangement are exempt.</p> <p>Where the mandatory set-aside applies (as outlined above), Procurement Officers must first consider whether there is a Small to Medium Enterprise (SME) with at least 50% Indigenous ownership that can deliver the required good or service on a value for money basis. If there is no Indigenous SME that</p>

	<p>represents value for money, the entity can approach the market via an alternative procurement method. Procurement Officers can search for Indigenous businesses via the <a href="#">Supply Nation</a> directory).</p> <p>Indicate whether you were able to find a suitable Indigenous supplier for your procurement. Provide an outline of the outcome of the search. For example, "I conducted a search and found no suitable businesses that could meet the requirement."</p>
Goods or Services?	<p>Indicate if the procurement is for the purchase of goods, services or a consultancy. If the procurement is for the purchase of goods and the contract encompasses installation and/or a maintenance or warranty period, you should select 'Goods'. Please note the separate approval requirements for <a href="#">consultancy</a> contracts.</p>
Proposed Initial Agreement Years	<p>Enter the period of that the proposed agreement will run for. This timeframe is for the initial term of the contract. It excludes options, extensions, renewals or other mechanisms that may be exercised to extend the period of the eventual contract.</p>
OR Goods Delivery Date	<p>For Goods, enter the delivery date.</p>
Extension Option	<p>Enter the period of any options, extensions, renewals or other mechanisms that may be exercised to extend the period of the proposed contract.</p>
Draft Contract attached?	<p>Indicate if you have provided the Draft Contract. You may attach a contract that you have started to complete or you may simply attach the contract template you intend on entering into. If planning to engage a supplier from a panel arrangement, the work order template for the Deed of Standing Offer will be used as the contract. Please contact the <a href="#">Financial Frameworks team</a> to obtain the correct work order template.</p>
If 'No' Explain Why	<p>Provide an explanation as to why a Draft Contract has not been provided. Refer to the <a href="#">Procurement and Grants Toolkit</a> for guidance on entering into and managing a contract.</p>
Evaluation Report attached?	<p>Indicate if you have provided the Evaluation Report. Refer to the <a href="#">Procurement and Grants Toolkit</a> for information regarding Evaluation Reports.</p>
If 'No' Explain Why	<p>Provide an explanation as to why an Evaluation Report has not been provided. Refer to the <a href="#">Procurement and Grants Toolkit</a> for guidance on tender evaluations.</p>
Revised Risk Rating	<p>Throughout the procurement cycle, risk levels may change. What may be considered a risk at one stage of the procurement may not remain a risk in a different stage or may be rated lower/higher throughout the procurement lifecycle. As risks will change, ongoing monitoring and regular reviews of existing risks is vital. Indicate the risk rating of your procurement at this stage of the procurement cycle.</p>
Revised Risk Assessment attached?	<p>Indicate if you have provided the Revised Risk Assessment.</p>
If 'No' Explain Why	<p>Provide an explanation as to why a Revised Risk Assessment has not been provided. Refer to the <a href="#">Procurement and Grants Toolkit</a> for guidance on assessing the risk of a procurement.</p>