



FY18 ACTIVITY

# Airport Security Tender

## Opportunity Description

Pilbara local governments currently procure goods and services and manage contractual arrangements with little or no reference to a common set of broader regional requirements.

Procurement and ongoing contract management is an expensive and resource consuming activity.

Ineffective procurement management practices significantly increase the overheads associated with contract extension, change requests, or renewal.



## Proposed Outcomes

- Centrally managed procurement and contract management process for operating of airport screening and security equipment and services.



## DELIVERABLE 1

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- » Agreed technical specification and managed procurement process

### KEY RESULTS & TARGETS

- » Formalise requirements into procurement requests, conduct market approach and manage procurement activities
- » Regional procurement initiative and contract negotiation yield a cost savings of >15% compared to market price

### EXPECTED BENEFITS

- » Well defined and agreed requirements
- » Provide cost reduction, create efficiencies and increase value through economies of scale
- » Free up existing resources to work on higher-value activities instead of procurement activities

## DELIVERABLE 2

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- » Regional contract and implementation activities

### KEY RESULTS & TARGETS

- » Undertaken and manage the contract negotiation processes for those regional contracts
- » Define implementation plan and schedule of activities

### EXPECTED BENEFITS

- » Ensure continuing service and airport security screening capacity during implementation of new contract
- » Free up existing resources to work on higher-value activities instead of contract management activities

## DELIVERABLE 3

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- » Ongoing contract oversight

### KEY RESULTS & TARGETS

- » Ensure compliance with terms of contracts and service provision
- » Review and arbitrate based on agreed acceptable standards of service
- » Assist to define and effect change requests, variations, arbitrate through the contract management phase, and review contract performance

### EXPECTED BENEFITS

- » Free up existing resources to work on higher-value activities instead of contract management activities