



1 May 2026

Ms Julie-Anne Burgess

Chief Executive
South Australian Housing Trust

By email: housingcustomers@sa.gov.au

Dear Ms Burgess,

Thank you for your letter of 22 April 2026 in response to the Institute's correspondence regarding RFQ SAHT-1612 (Thomas Street, Unley).

The Institute appreciates the considered and constructive tone of your response, and we acknowledge the Trust's commitment to probity, consistency in evaluation, and the timely delivery of much-needed housing.

We also note your explanation of the rationale for including a limited concept design response, urban design narrative, and planning justification as part of the RFQ. We understand the complexity of the site and the importance of testing respondents' understanding of planning risk and delivery pathways.

However, the Institute remains concerned that the inclusion of design-based deliverables at this stage of procurement, without remuneration, places a disproportionate burden on respondents and is not aligned with established best-practice procurement approaches for professional services.

While we acknowledge your advice that the process has been undertaken in accordance with the South Australian Government procurement framework, we consider that this issue sits within the broader application of that framework's principles, particularly:

- achieving value for money through an appropriate balance of cost and quality
- maintaining probity, transparency and fairness in market engagement
- ensuring procurement processes are proportionate to the stage and purpose of evaluation

In our view, requesting design concepts at RFQ stage risks undermining these principles by shifting project cost and risk onto the market, disadvantaging smaller practices, and incentivising speculative rather than considered design responses.

The Institute also notes a further concern in relation to professional indemnity risk. Concept design material, even at a preliminary level, constitutes professional advice and may give rise to liability exposure if relied upon or alleged to be deficient. As recognised by industry insurers, contractual arrangements play a critical role in ensuring that professional indemnity coverage aligns with defined scope, obligations and risk allocation. Where design work is requested outside a formal engagement, without agreed scope, limitations of liability or appropriate remuneration, there is a material risk of misalignment between professional obligations and insurable cover. This creates exposure for consultants that is disproportionate to the procurement stage and inconsistent with sound risk management practice.



This risk profile also has direct implications for market participation. Practices with robust governance and risk management frameworks, particularly small-to-medium enterprises, may reasonably elect not to participate in procurement processes that require the provision of design services without appropriate contractual and insurance alignment or may limit the extent and quality of their response. This has the effect of narrowing the field of respondents, reducing competitive tension, and potentially limiting the diversity and quality of design outcomes. In this way, the issue extends beyond professional concern and has implications for the achievement of value for money and the effective functioning of the procurement process.

Importantly, this is not an isolated matter. The Institute is increasingly required to raise similar concerns across both state and local government procurements. The recurrence of this approach suggests a systemic issue rather than a project-specific one.

For this reason, the Institute is seeking more than acknowledgement of the concern, we are seeking a clear commitment to review and refine procurement practices to better align with best practice for architectural services.

In particular, we would welcome the opportunity to work with the Trust to explore alternative procurement models that:

- assess capability, experience and methodology at initial stages
- defer design development to a paid phase or shortlisted process
- incorporate honoraria where design input is required for evaluation

We believe this would support both the Trust’s objectives and the broader intent of the procurement framework, while strengthening participation, design quality, and long-term value outcomes.

We would appreciate the opportunity to meet with you and your procurement team to discuss this further and to contribute constructively to any review of current practices.

Thank you again for your engagement on this matter. The Institute remains committed to working collaboratively with the Trust to support the delivery of high-quality housing outcomes for South Australia.

Yours sincerely,

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Craig Glasson
Executive Leader SA (interim)
Australian Institute of Architects

cc. Danilo Joachin, Manager, Procurement: danilo.joachin@sa.gov.au