

Building Better Value: Reforming Procurement for Quality, Transparency and Long-Term Benefit

Embedding project excellence, whole-of-life value and transparent, fair competition across South Australia’s procurement system.

Context and Vision

Procurement shapes the economic, social and environmental outcomes of South Australia’s public projects. Yet across Australia, procurement processes for architectural and design services often emphasise lowest fee, compressed timeframes and limited early-stage design input. These approaches undermine design quality, increase risk, elevate long-term operating costs and diminish public value.

South Australia has the opportunity to lead nationally by embedding whole-of-life value, design quality, risk management and sustainability into procurement processes. The State Procurement Act 2004, Procurement SA Framework, Green Procurement Guideline and associated policies already provide strong foundations for value, probity, transparency and social benefit. These frameworks now need to be consistently aligned with contemporary, outcomes-focused procurement models and ethical governance principles endorsed by the Australian Institute of Architects.

The Office for Design and Architecture SA (ODASA) and the Government Architect play an important leadership role in supporting design quality through advisory functions and design review. Rather than “strengthening” ODASA in prescriptive ways, this policy statement proposes a collaborative approach: clarifying where ODASA’s expertise and the Institute’s professional knowledge can meaningfully support procurement decisions — particularly in high-complexity or design-sensitive projects — without duplicating existing responsibilities or processes.

Why It Matters

Quality delivers public value.

Evidence shows that quality-based selection for design services leads to better project performance, reduced maintenance costs, improved energy efficiency, lower carbon emissions and enhanced community useability.

Poor procurement erodes outcomes.

Lowest-fee procurement often results in cost escalation, construction defects, waste, inefficiency, and diminished safety and resilience.

Transparency builds trust.

Clear criteria, fair processes and accountable decision-making uphold public confidence and support ethical investment of public funds.

Government can lead by example.

By modelling best practice, South Australia can strengthen local industry capability, stimulate innovation and demonstrate national leadership.

The Institute's Position

The Australian Institute of Architects advocates for a procurement framework that values design quality, ethical conduct, fair risk allocation and whole-of-life value. Architects should be engaged early and consistently throughout project development to ensure that public investments deliver enduring environmental, social and economic benefits.

Recommendations

1. Prioritise Quality-Based Procurement for Architectural and Built Environment Services

South Australia should adopt procurement approaches that select architects and design teams based on capability, experience and whole-of-life value.

The Institute calls on the Government to:

- Adopt Quality-Based Selection (QBS) or weighted qualitative criteria for architectural and built environment services.
- Use two-stage EOI/RFP processes or remunerated design competitions for complex, strategic or design-sensitive projects.
- Publish clear, consistent evaluation criteria and weightings, linked to project objectives and whole-of-life performance.
- Require fair, realistic timeframes for market responses and offer meaningful tender debriefs to support transparency and industry improvement.
- Avoid lowest-fee procurement pathways that increase project risk, reduce design quality and undermine long-term public value.

2. Embed Independent Design and Technical Expertise in Procurement Governance

High-risk and design-sensitive projects require informed evaluation and robust decision-making.

The Institute calls on the Government to:

- Work with Procurement Services SA, ODASA, the Institute and lead delivery agencies (such as DIT, South Australian Housing Trust and Renewal SA) to clarify when and how design and technical expertise should be integrated in procurement planning, evaluation and contract management.
- Ensure evaluation panels for complex or high-impact projects have access to appropriate independent design and technical advice, including registered architects or specialist reviewers.
- Align ODASA's existing design review processes with key procurement decision points, ensuring advice on design quality, user experience and sustainability meaningfully informs selection outcomes.
- Support consistent design governance across agencies, without duplicating existing ODASA responsibilities or creating unnecessary layers of process.

3. Reform Procurement Frameworks for Project Excellence

Procurement should deliver projects that are safe, resilient, sustainable and functional — not merely fast and cheap.

The Institute calls on the Government to:

- Adopt procurement processes that prioritise whole-of-life value, including operational performance, durability, carbon impacts and community benefit.
- Adopt and promote the Institute's Code of Novation as best practice for D&C contracts, ensuring fair risk allocation and protection of design integrity.
- Ensure project architects participate in evaluation of relevant non-price criteria for construction tenders on architect-led projects, supporting design quality and reducing delivery risk.
- Encourage effective collaborative models — such as Early Contractor Involvement (ECI) — where complexity warrants integrated input from architects, engineers, contractors and clients.
- Strengthen transparency, consistency and fairness across agencies through clear documentation, open feedback loops and consistent procurement expectations.

4. Implement Green and Ethical Procurement Principles

Procurement is a critical mechanism for meeting South Australia's climate, circular economy and social value commitments.

The Institute calls on the Government to:

- Fully apply the SA Green Procurement Guideline across all departments, embedding lifecycle costing, resource efficiency, carbon performance and climate resilience into tender and contract management.
- Align procurement with the National Sustainable Procurement in Infrastructure Guideline, ensuring embodied carbon, circularity and climate adaptation are addressed from project inception.
- Require major public projects to undertake whole-of-life carbon assessment, waste minimisation planning and reporting against sustainability KPIs.
- Support ethical procurement, including modern slavery safeguards, Indigenous participation and local employment pathways.

Conclusion

Reforming procurement is one of the most effective ways to improve South Australia's built environment, stimulate innovation, and ensure public funds deliver lasting benefit. By prioritising quality, transparency, sustainability and fairness, the State can deliver projects that strengthen communities, reduce emissions and enhance resilience.

Call to Action

The Institute calls on all political parties contesting the 2026 State Election to commit to procurement reform that values project excellence, design quality, sustainability and ethical practice — ensuring South Australia continues to lead nationally in delivering high-quality public projects.

Legend of Acronyms

ABCB — Australian Building Codes Board
ASBEC — Australian Sustainable Built Environment Council
DEW — Department of Employment and Workforce Relations
DIIS — Department for Industry, Innovation and Science
DIT — Department of Infrastructure and Transport (SA)
ECI — Early Contractor Involvement
EOI — Expression of Interest
FTAs — Free Trade Agreements
HIA — Housing Industry Association
ITS — Invitation to Supply
MMC — Modern Methods of Construction

NCC — National Construction Code
ODASA — Office for Design and Architecture South Australia
PC027 — Premier’s Circular 027: Disclosure of Government Contracts
PC044 — Premier’s Circular 044: Funding Policy for the Not-for-Profit Sector
PARS — Procurement Activity and Reporting System
QBS — Quality-Based Selection
RAIA — Royal Australian Institute of Architects
RFP — Request for Proposal
RFQ — Request for Quotation
SAIPP — South Australian Industry Participation Policy
TAFE — Technical and Further Education
TI — Treasurer’s Instruction

References and Resources

South Australian Government Procurement Framework

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Architectural Institute Resources

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<https://acumen.architecture.com.au/notepacks/building-procurement>

National and Industry Guidance

Infrastructure Australia (with state and territory partners).

National Sustainable Procurement in Infrastructure Guideline (2023).

<https://www.infrastructureaustralia.gov.au/publications/national-sustainable-procurement-infrastructure-guideline>

Australian Sustainable Built Environment Council (ASBEC).

<https://www.asbec.org.au/>

Australian Construction Industry Forum (ACIF).

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Additional Supporting Frameworks & References

Government of South Australia. **Contract Management Policy and Framework**.

<https://www.procurement.sa.gov.au/policies-and-guides/contract-management-policy>

Crown Solicitor's Office (CSO). **Procurement and contract guidance** (referenced for process guidelines).

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Government of South Australia. **SA Tenders and Contracts**.

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