

# Guidance notes

## Invitation to Offer

### What is this document about?

This document contains guidance notes to help the Customer/Principal complete the Invitation to Offer (ITO) document available on the [Department of Housing and Public Works website](#).

**GITC purchasing:** To make it easier for customers who want to use the ITO template to purchase products or services under the GITC framework (either to establish a SOA or for a one-off purchase), we have created an example of an ITO template that can be used for this purpose.

If a customer intends to use the General Contract Conditions to purchase low risk ICT services under \$1 million, then use the generic ITO template (and not the ITO for GITC purchasing).

Guidance Note #	Guidance
<b>Section 1 – Information about the opportunity</b>	
<b>1 Summary of opportunity and Customer / Principal objectives</b>	<p>Customers / Principals can add as much or as little information as appropriate to detail the opportunity available. This should be high level and not duplicate the information provided in the Requirements.</p> <p>This section should clearly explain the Customer's / Principal's objectives and desired outcomes, which will assist Suppliers to present innovative and alternative offers that meet the Customer's / Principal's objectives.</p> <p>The Customer / Principal should also explain the benefits to the Supplier of the opportunity, and set out relevant background information. Examples of relevant background information include:</p> <ul style="list-style-type: none"> <li>(a) issues or difficulties the Customer / Principal is trying to overcome or avoid;</li> <li>(b) unacceptable risks that the Customer / Principal is trying to avoid or minimise;</li> <li>(c) benefits the Customer / Principal would like to achieve.</li> </ul> <p>For routine purchases, this section may be short. For purchases with higher risk / value, this section should be lengthier.</p> <p>If your evaluation criteria includes 'ability to meet the Customer's/Principal's objectives/desired outcomes', then it is important that you clearly specify here what those objectives / outcomes are.</p>

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<p><b>2 Indicative timetable</b></p>	<p>Insert the indicative timetable. The issue date and closing date should always be set out. Other relevant dates include: closing date for questions, briefing session, evaluation period, shortlisting of Suppliers, commencement of work. An example is provided – delete anything that does not apply.</p>
<p><b>3 Evaluation</b></p>	<p>The Customer/Principal can change the evaluation criteria in this document. The evaluation criteria provided is an example only. Evaluation criteria should be relevant to the goods/services that are being purchased.</p> <p>It is recommended that:</p> <ul style="list-style-type: none"> <li>• you do not include too many evaluation criteria</li> <li>• you check that you are asking the right questions in the ITO to obtain the right information to assess suppliers against the criteria;</li> <li>• your evaluation criteria is outcome focussed rather than ‘compliance’ based. For example, “ability to achieve the Customer’s objectives/outcomes”, rather than “compliance with the specification”.</li> </ul> <p>To ensure fairness to Suppliers (and public perception of fairness), if the evaluation criteria are published, the Customer / Principal must evaluate offers (including alternative and innovative offers) according to the published criteria, or will need to notify all Suppliers that it is changing the evaluation criteria. Changes to the evaluation plan, including evaluation criteria and weightings must not be made after offers are received. Example evaluation criteria are provided – add any other criteria that apply and delete any that do not apply.</p> <p>If your evaluation criteria includes ‘ability to meet the Customer’s/Principal’s objectives/desired outcomes’, then it is important that you have clearly specified in the ITO (or in the Requirements in the Contract itself) what those objectives / outcomes are.</p>
<p><b>4 Mandatory / Highly desirable criteria</b></p>	<p>If there are any mandatory criteria/requirements that the Supplier must comply with, then specify what they are. If there are no mandatory criteria then this section can be deleted. You may also want to specify mandatory requirements in the contract itself (such as Schedule 1 – Requirements in the Contract Details/SOA Details). Mandatory criteria suggests that there is no scope for ‘partial’ compliance, so be careful about what you identify as a mandatory requirement as it may automatically exclude some suppliers from participating in the ITO.</p> <p>Another option is to list criteria as ‘highly desirable’. This indicates to suppliers that you have a preference that suppliers meet this criteria. But it will give you more flexibility to consider suppliers that might not necessarily comply 100% with the criteria (who would otherwise be excluded if the criteria was ‘mandatory’).</p>

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	<p><b>For GITC purchasing:</b> The example ITO template for GITC purchases assumes that mandatory criteria will include that the Supplier is QAssure certified, and that the Supplier must be GITC accredited. If either of those requirements are not mandatory then delete them.</p>
<p><b>5 How offers are to be submitted</b></p>	<p>Obtaining responses to the Details in editable format will assist the Customer / Principal to make changes if necessary as part of contract negotiations. If there are specific format requirements of the Customer / Principal , then specify them. For example can responses be submitted in PDF format? Word format? Excel? Do you want certain parts of the offer submitted as separate attachments to make them easier to distribute to the evaluation team? Do you have any page limits or maximum file sizes?</p>
<p><b>6 Invitation to Offer Conditions</b></p>	<p>The Invitation to Offer Conditions contain important protections to ensure that Customers / Principals can make changes throughout the Invitation Process and do not enter into a Contract / SOA before they intend to.</p> <p>Customers / Principals are not encouraged to make changes to the Invitation to Offer Conditions. However if it is necessary to amend or add clauses (e.g. to address an unusual step in the evaluation process not otherwise contemplated by the ITO Conditions), Customers/Principals can do this in this section. It is recommended that you consult with your internal legal team before making changes to the ITO Conditions.</p> <p>Customers / Principals may make contract departures in the Details (unless using the Basic Conditions – no amendments should be made to those).</p> <p><b>For GITC purchasing:</b> An amendment to the ITO Conditions has been inserted so that some definitions used in the ITO template and in GITC can be used interchangeably.</p>
<p><b>Schedule A – Response schedule</b></p>	
<p><b>7 Questions in the Response Schedule</b></p>	<p>In this schedule, the Customer / Principal needs to ask for all information that could influence the Customer’s / Principal’s decision whether to proceed to Contract / SOA and which Supplier to appoint. This is a flexible section.</p> <p>Customer / Principal should insert any specific questions it wants the Supplier to answer in order for the Customer / Principal to be able to evaluate the Supplier’s offer, and its ability to meet the Customer’s / Principal’s requirements and objectives. Focus on questions that are important to the supply of the Goods / Services. <i>(For example, if the geographic footprint of the Supplier is important, or if servicing regional areas is a key requirement, ask questions about the Supplier’s ability to do this).</i> Generic questions are set out in the Invitation to Offer, but these should be supplemented with specific questions that are important to ask, and are relevant to the evaluation criteria. If appropriate, specify a page limit for the Supplier’s response to each question.</p>

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<b>8 Financial Information</b>	<p>Please carefully consider whether or not it is necessary to obtain financial information about suppliers for your contract. Generally, it is not recommended that this information is requested for routine, low value or low risk contracts (e.g. where the Basic Purchasing Conditions are used). Providing financial information such as audited financial statements incurs costs for suppliers, and requires specialist expertise to evaluate. There are other ways to assess financial viability of a supplier, such as credit reports through organisations like Dun and Bradstreet (for example).</p> <p>It is recommended that this information is only requested for:</p> <ul style="list-style-type: none"> <li>• procurements/contracts that justify due diligence of this nature such as high risk or high value contracts where ‘failure’ by the Supplier has significant consequences/risks (e.g. transition impacts) and</li> <li>• when a person that has the required skills/expertise to interpret financial statements will assess the information provided.</li> </ul> <p>For Contracts / SOAs when it is important to assess the financial viability of the Supplier to provide the Goods/Services, rather than ask every Supplier participating in an Invitation Process for financial information, consider including a statement that Suppliers must provide financial information <b>if we ask for it later</b> (e.g. once Suppliers are shortlisted), as contemplated in the ITO template.</p> <p>If Customers believe evaluation of financial viability is critical to consider up front for a particular contract, then this section can be amended to require Suppliers to provide (for example) “audited financial statements for the previous 2 years” as part of their response.</p> <p><b>For GITC purchasing:</b> “Not applicable” has been inserted in the ITO template for GITC purchasing because a mandatory requirement of GITC accreditation is that Suppliers are QAssure certified. The QAssure accreditation process includes financial checks of the Supplier, so it assumed that we will not be asking Supplier to re-supply this information.</p>

## Who can I contact for more information?

For more information contact [betterprocurement@hpw.qld.gov.au](mailto:betterprocurement@hpw.qld.gov.au).