

# Licensing and Compliance System Replacement

SERVICE FAMILY

Procurement Support



## Background

The Department of Local Government, Industry Regulation and Safety's (LGIRS) current licensing and compliance system, Navigate, was commissioned in 2013 and is nearing its end of life.

In order to meet the ever-evolving regulatory environment, as well as the varying needs from a small bottle shop to massive gaming venues, LGIRS requires a modern, efficient, secure and cost-effective solution for managing licensing and compliance operations, that will make it easier for businesses to understand requirements, streamline approvals, boost hospitality and tourism, and contribute to the State's economic growth.

We were engaged by LGIRS to build a comprehensive pricing workbook to support the request for tender (RFT) and a comparator model to minimise the risk of the project running over budget and schedule, to enable a like-for-like comparison and assist a value to State assessment.

## Approach

Having supported the business case with financial modelling and through meetings with LGIRS to better understand the risk areas prone to cost variation, we developed a bespoke and comprehensive pricing workbook to support the RFT, seeking a detailed breakdown of costs across multiple functional and non-functional areas and services.

WATC provides extensive support to various agencies in their procurement processes, including the creation and delivery of pricing workbooks and comparator models. Each engagement is unique, involving bespoke build processes. However, the pricing

<b>Client</b>	Department of Local Government, Industry Regulation and Safety
<b>Engagement Summary</b>	Request for Tender Pricing Workbook and Comparator Model

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*WATC's expertise in pricing analysis brought rigor and transparency to our RFT process, empowering us to make informed decisions and negotiate with confidence in a complex regulatory environment.*

General Manager Licensing System Reform  
Department of Local Government, Industry Regulation and Safety

workbooks generally follow a consistent design and structure to facilitate like-for-like comparisons among respondents. These workbooks cover key themes such as compliance with predetermined requirements, implementation costs, and recurring costs.

In collaboration with the LGIRS team, WATC developed an RFT Pricing Workbook that expanded beyond conventional requests. This new workbook required respondents to confirm the nativity of their proposed systems for each functional and non-

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functional area and service. Additionally, respondents detail any one-off customisation or configuration costs, categorised by priority levels (mandatory, highly desirable, and desirable) for each requirement.

This approach aimed to balance detailed granularity for accurate respondent comparisons with the need to aggregate information appropriately. The balance assists with early identification of potential risks and avoids excessive respondent input, which could lead to higher overall pricing. The project team believed this methodology would enable more comprehensive respondent analysis, provide deeper insights into each proposed solution, and streamline efforts during the subsequent discovery phase.

We then conducted independent testing with WATC's own Technology team utilising their relevant experience in tender submissions and evaluation. The testing assisted to alleviate issues raised by the Department of Finance over the size and complexity of the pricing workbook and concerns respondents may not submit offers.

## Outcome

The RFT received a strong response from the market and we were able to use the more detailed level of information to identify areas of inconsistency between respondents, under-pricing due to incorrect assumptions and omissions of essential pricing data.

LGIRS were able to make relevant data driven and informed adjustments to normalise responses and achieve a like-for-like comparison, providing a more realistic pricing decision with focus areas for contract negotiations.

This information is descriptive and general in nature and does not take into account your organisation's specific financial objectives, situation and needs. Please contact our Advisory Services team before making any decisions in relation to WATC's products and services, so they can provide information and advice on which options are suited to your organisation's requirements.

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