



WoAG Travel Advice 2017/26

Subject: Announcement of the new provider for Accommodation Program Management Services to the Australian Government

Issue date: 11 August 2017

On 9 August 2017, the Department of Finance (Finance) signed a Deed to reappoint AOT Hotels (AOT) as the sole provider of Accommodation Program Management Services to the Australian Government.

AOT was awarded the contract following a competitive open tender process undertaken by Finance with assistance from a number of entities. The arrangement is for an initial period of three years, with three one-year extension options and supersedes the current arrangement with AOT, which will expire on 31 December 2017.

It is mandatory for Non-Corporate Commonwealth Entities subject to the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) to use the new arrangement for all official domestic accommodation (including travel for individuals, groups, long stays and relocations) where the Commonwealth is ultimately responsible for meeting any of the costs associated with that travel, unless:

- an exemption has been provided in accordance with the Commonwealth Procurement Rules or
- an allowance or advance is provided in respect of accommodation, or
- reimbursement is to be provided to a third party (i.e. a non-Commonwealth traveller) that cannot access the coordinated travel arrangement for accommodation.

This includes travel by entity officials, contractors and consultants who undertake work duties at the direction of the employing entity. Corporate Commonwealth Entities will be able to opt-in to the arrangement with the agreement of Finance.

The new arrangement seeks to consolidate and expand the benefits in savings and efficiencies to the Commonwealth as a whole, through:

- lower pricing than under the current WoAG accommodation arrangement with booking fees reduced by more than 40 per cent and incentives for booking online
- a wider variety of accommodation distribution channels
- the inclusion of discounted international accommodation
- full integration with the government's Travel Management Company's online booking system, which will provide efficiencies for travellers through a single travel profile, live itineraries and online booking management.

Finance is aiming for a smooth and staged transition for all entities. Scheduling and sequencing of entity transitions will be managed by Finance in consultation with entities and AOT. Finance will commence contacting entities later this month to discuss transition requirements.

Further information on the new arrangement and transition activities will be distributed shortly and discussed at next WoAG Travel Forum, which is being held at the National Library of Australia Theatre commencing at 9.30am on Wednesday, 16 August 2017.

Please contact the WoAG Travel team if you have any questions or require further information.