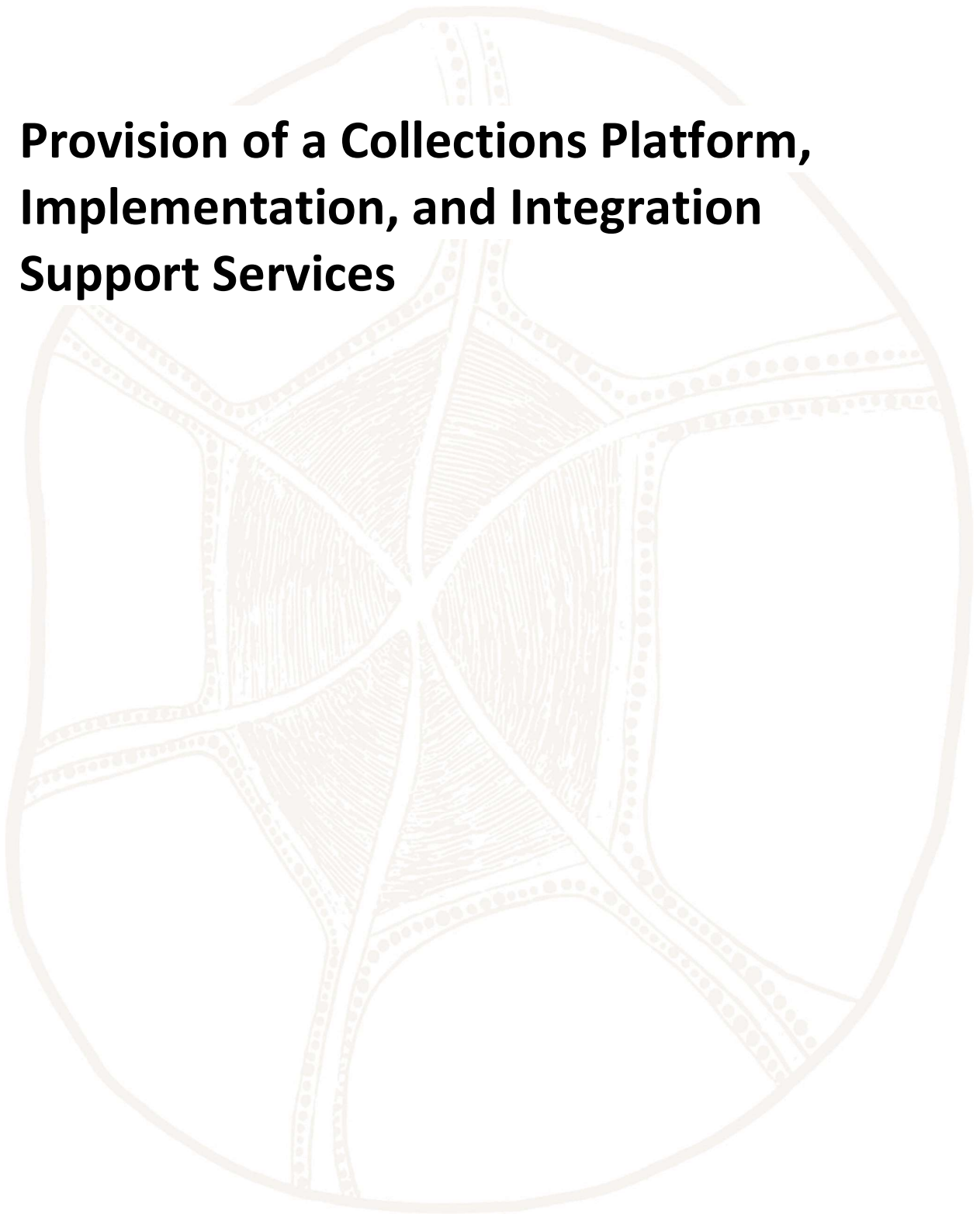


# REQUEST FOR TENDER (RFT)

## PART B - SCHEDULE OF REQUIREMENTS

### **Provision of a Collections Platform, Implementation, and Integration Support Services**



# Requirements

The purpose of this document is to specify the requirements of this RFT and provide further detail to the evaluation criteria in Part A Table 1: Evaluation Criteria.

## 1. Technical Capability

### 1.1 Software Requirements

IBA is seeking a qualified and experienced supplier for the delivery of an integrated Loan Collections Platform with the Core Business Solution. The response must demonstrate how the following requirements will be met:

- 1.1.1 The management of collections including rules driven automated processes, and real time decisioning to optimise the management of arrears and legal recoveries.
- 1.1.2 The ability to view collection queues, unallocated accounts, transfer accounts between officers, restrict access to sensitive accounts.
- 1.1.3 Custom Activity Dashboard providing all relevant information with real time status of all activities to enable officers to prioritise accounts, understand actions due and view complete customer history, including all associated products.
- 1.1.4 Ability to create and manage additional events queues e.g. non-financial defaults (insurance) and dishonours etc.
- 1.1.5 Ability to create and manage watchlist for high-risk accounts which is not mutually exclusive to payment default.
- 1.1.6 Automated notification and alerts with the ability to manage manual actions to achieve high touch or low touch interactions.
- 1.1.7 Segment customers based on predetermined parameters to provide flexible strategies to manage collection accounts.
- 1.1.8 Availability of analytics and records such as payment history, customer notes, interactive customer responses to provide visibility into the performance of collection strategies.
- 1.1.9 Effective management through automation of priority lists, payment reminders and late payment notifications, creation and assignment of actions, escalation of credit issues to managers, tracking of broken promises.
- 1.1.10 A complete audit trail tracking all activities with tight controls.
- 1.1.11 Secure integration with the Core Business Solution (CBS) which is a Software as a Service (SAAS) solution.
- 1.1.12 Fully compliant Hardship and Arrears Management processes.

1.1.13 Reporting capabilities for users.

1.1.14 A highly configurable workflow engine which can be managed inhouse.

1.1.15 Ability to store all historical arrears data captured within our legacy system (Finacle is limited to 2 years' worth of migrated data).

To support the tender, diagrams have been included as part of this RFP which can be found in the Appendix of this document.

The table below provides an overview with their purpose.

Name	Purpose
<b>Solution Concept</b>	Shows high level solution capabilities for CBS
<b>Current State – Application Architecture</b>	Current implemented systems (or in progress) by the CBS project
<b>Target State - Application Architecture</b>	Envisioned end state of the solution after Phase 1b
<b>Process Maps – Collections Overview</b>	Shows the current high-level Collection process in the legacy system. The functionality in the new solution is limited and is not fit for purpose.
<b>Current Collection Capability with Legacy System</b>	Shows the core capabilities within the existing legacy system.
<b>Collections Manager Capabilities</b>	Lists the collections capabilities required for a Collection Manager with questions raised around the capabilities.
<b>Collections Officer Capabilities</b>	Lists the collections capabilities required for a Collection Officer with questions raised around the capabilities.
<b>Collections Officer Hardship Capabilities</b>	Lists the hardship capabilities required for a Collection Officer with questions raised around the capabilities.
<b>Overall Required Collections Functionality</b>	Summary of use case requirements

## 1.2 Maintenance and Support (warranty)

Demonstrate your specific strengths surrounding your ability to support your product and solution. Additionally, how maintenance of the solution will be guaranteed and delivered.

IBA recognises that long term support for the new application can be provided. Please differentiate the levels of support available within your organisation including locality, and the number of skilled professionals capable of addressing calls allocated / escalated for resolution. Specifically:

1.2.1 Where is your technical support centre located?

1.2.2 What are the hours of operation for technical support?

- 1.2.3 Are support staff within the same time zone as IBA?
- 1.2.4 Do you have standard SLAs for response to support calls based on different severity levels?
- 1.2.5 What SLAs are you able to offer? Could you support the following?

Priority	Response Time	Restoration Time	Resolution Time
Priority 1	15 mins	6 hours	5 business days
Priority 2	60 mins	8 hours	10 business days
Priority 3	1 Days	Mutually Agreed	Maintenance Release.
Priority 4	5 Days	Mutually Agreed	Subsequent main line release

- 1.2.6 The tools and mechanisms (e.g., interactive and remote view help, web based, call centre etc.) that you provide to enable the support process.

### 1.3 Training

Vendors should describe their approach to training IBA Level 1 Service Desk and application end users, including role specific training materials, and who will be responsible for conducting the training.

Vendors should describe any prerequisite skill sets needed to implement and support their application solution as outlined in this tender, prior to staff attending any vendor solution training.

Vendors should confirm that Standard Operating Procedures will be provided.

### 1.4 Deliverables

#### Expected Activities

Based on the scope, the following activities are expected as part of the delivery to ensure a successful outcome for IBA:

- 1.4.1 Project Management Support from vendor side
- 1.4.2 Software Configuration
- 1.4.3 Application Architecture Documentation including documentation of systems logic
- 1.4.4 Development:
  - a. Data Integration Support to CBS (Finacle)
  - b. Dashboards, Custom reports, Queries, and Forms
  - c. Configure Workflows
  - d. Historical Data Conversion and Migrations; and
  - e. Security Configuration

- 1.4.5 Testing
- 1.4.6 Business System Administrator Training
- 1.4.7 End User Training
- 1.4.8 Role Specific Documentation
- 1.4.9 Knowledge Transfer
- 1.4.10 Deployment (roll out) support; and
- 1.4.11 Post Implementation Support and Software Maintenance.

Please call out any deviation or addition of activities in your response.

## **1.5 Delivery and Acceptance**

Clearly define how the services are to be delivered. This should include timeframes and any milestones that apply.

## **1.6 Laws and Standards**

Vendors must ensure that the services and deliverables comply with, and provide functionality to enable IBA to achieve compliance with, the following laws and standards:

### **1.6.1 Standards**

- (a) Australian standards
- (b) ISO standards
- (c) APRA prudential standards and guidelines
- (d) Standards or codes applicable to the financial services industry
- (e) Debt collection guidelines for collectors & creditors published by the ACCC and ASIC.

### **1.6.2 Laws**

- (a) Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)
- (b) National Consumer Credit Protection Act 2009 (Cth) - note: this applies to Housing Solutions and not to Business products.
- (c) Aboriginal and Torres Strait Islander Act 2005 (Cth) (ATSI Act) and the Privacy Act 1988 (Cth) - which governs how IBA must collect, store, use and disclose customer information and how individuals can access records containing their personal information.

(d) Archives Act 1983 (Cth), Freedom of Information Act 1982 (Cth), Public Interest Disclosure Act 2013 (Cth), Fair Work Act 2009 (Cth), Ombudsman Act 1976 (Cth), Auditor-General Act 1997 (Cth), and Public Governance, Performance and Accountability Act 2013 (Cth).

## 1.7 Security Requirements

- 1.7.1 What cyber security standard does your company/organisation meet?
- 1.7.2 Do you have a cyber security incident response plan, if yes how often is this plan tested and revised?
- 1.7.3 What risk management framework do you employ?
- 1.7.4 What encryption standards to do use for data in transit and data at rest?
- 1.7.5 What technologies do you use to store data and where is the data stored?
- 1.7.6 Are you able to meet data sovereignty requirements if needed?
- 1.7.7 Do you regularly assess and test your systems and services to ensure they remain compliant with your cyber security standards?
- 1.7.8 How is the secure administration of your systems and services audited and revised?
- 1.7.9 Is the mitigation of known vulnerabilities factored into product design (through product architecture, run-time protection techniques, code review)?
- 1.7.10 Do you have a patching and vulnerability policy? How does this policy address new “zero day” vulnerabilities?
- 1.7.11 How long do you store customer information after the contract has expired, what is your destruction process?
- 1.7.12 What type of employee background checks are conducted and how frequently?
- 1.7.13 What supply chain risk management practices do you employ for upstream suppliers?
- 1.7.14 What metadata do you collect, is it anonymised, and what metadata information do you sell?

## 1.8 Data Conversion and Migration

Describe the process for successful conversion of historical data from existing systems and migration to the proposed system. Describe any tools that will be used to complete data migration. Outline your role and tasks, IBA’s role and tasks and any additional information to support the data migration efforts.

## 1.9 Go Live Support

Please detail your cutover and go live process including how you would assist with User Acceptance Testing.

## 1.10 Mandatory Integrations

IBA views sharing of data between the systems as critical to the overall success of the project. IBA expects that the vendor will have prebuilt such capabilities into their solution or will work closely with IBA in the development of the integration and/or API service.

Please describe your proposed integration approach and any available alternative integration options.

Please describe each integration, including length of time to setup the integrations, tools used, security controls applied, and data types passed as part of the integration.

## 1.11 Disaster Recovery

Please document the ways in which you manage Disaster Recovery.

# 2. Capacity

## 2.1 Experience

The vendor must demonstrate experience and skills in system integration and has undertaken similar projects for other organisations, banking sectors or other Commonwealth Government Agencies are preferred.

## 2.2 Key Personnel Expertise

The key personnel must possess the following qualification and skills:

- Relevant qualifications
- Demonstrated skills and experience confirming their competency
- Excellent communication skills both verbally and in writing

## 2.3 Quality [Management] Systems

Quality [management] systems refer to the governance system that contains the policy/procedures/instructions that assist with quality assurance.

Please address how your senior team should work with IBA from a governance perspective on an ongoing basis.

Describe the quality gates and checks within your approach and who will be performing checks at each stage.

## **2.4 Referee checks**

Provide contact details for two referees to whom similar work has been performed and include reference to the kind of work performed for the referees.

## **3. Pricing**

Pricing should be provided in AUD dollars. The Respondent's cost quotations must include detailed pricing and all itemised costs associated to fully implement a successful operation of a Collections solution as described within (e.g., software cost, license fees, system installation/set up, modifications, data conversions, training, interfaces, annual maintenance/support, documentation and any other anticipated costs).

It is expected that future upgrades are available to allow IBA to benefit from improvements in software capabilities. In the event a product or service is provided at no additional cost, the item should be noted as "no charge" or words to that effect. In addition to the breakdown of costs outlined above, IBA requires submittal of quoted hourly rates for add on professional and technical services as part of the cost proposal.

## **4. Indigenous Economic Impact**

The tender should highlight a demonstrated commitment to Indigenous communities. Including demonstration of assisting Indigenous people and communities.

## **5. Cultural fit**

Demonstrated understanding of IBA's business, strategy & outcomes and social and/or corporate responsibilities.

## **6. Risk Identification**

Identification of all risks not included in the other evaluation criterion. Listing of all assumptions, risks and dependencies.



## **7. Other**

### **7.1 Pre-Implementation Activities**

Describe any suggested activities that IBA could complete prior to the start of the implementation project that would accelerate or facilitate the implementation effort.

### **7.2 Product Capabilities and Functions**

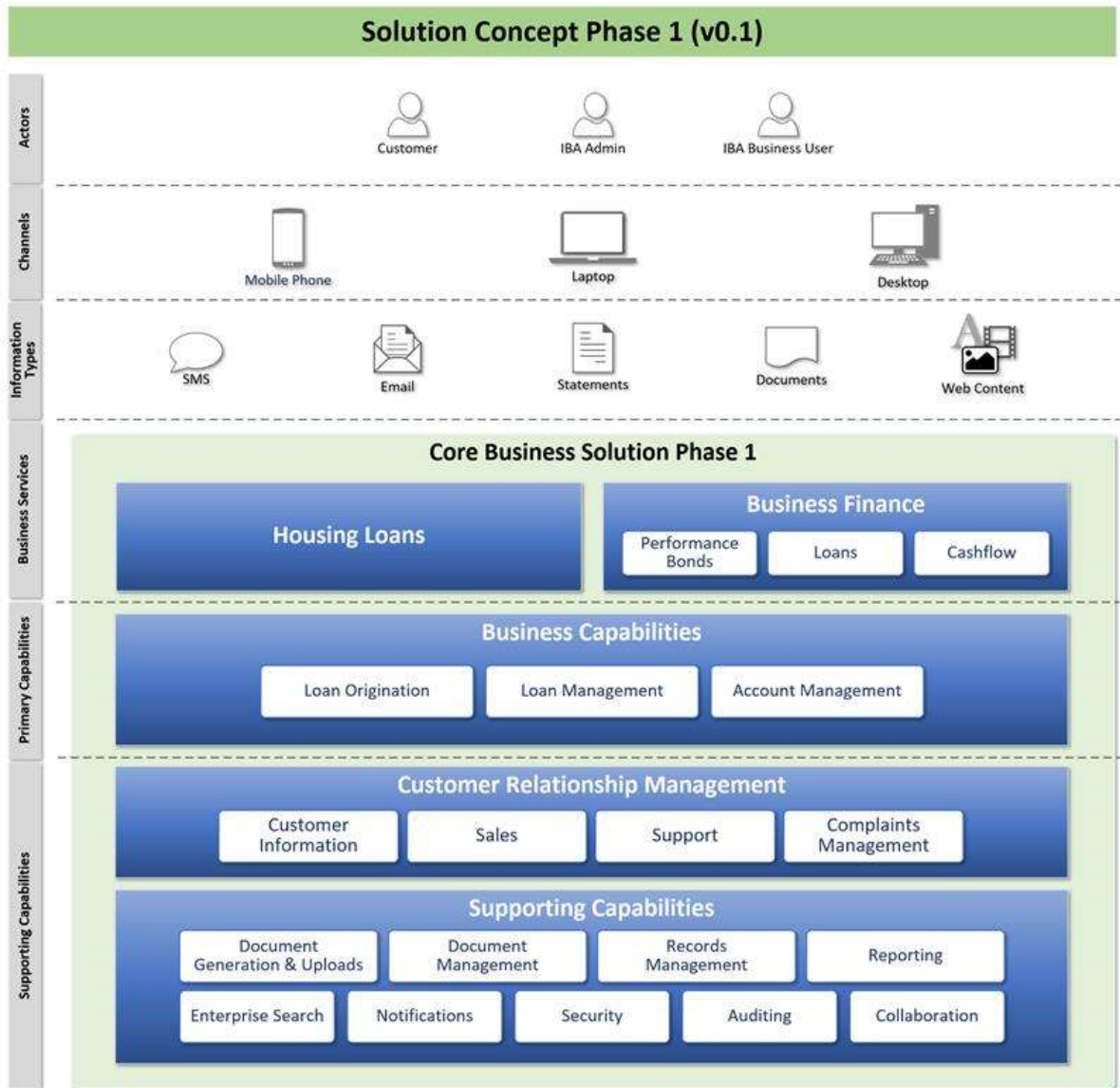
In addition to the requirements stated above, please detail any other product capabilities and functions that may be of interest to IBA.

### **7.3 Preferred Terms of Supply**

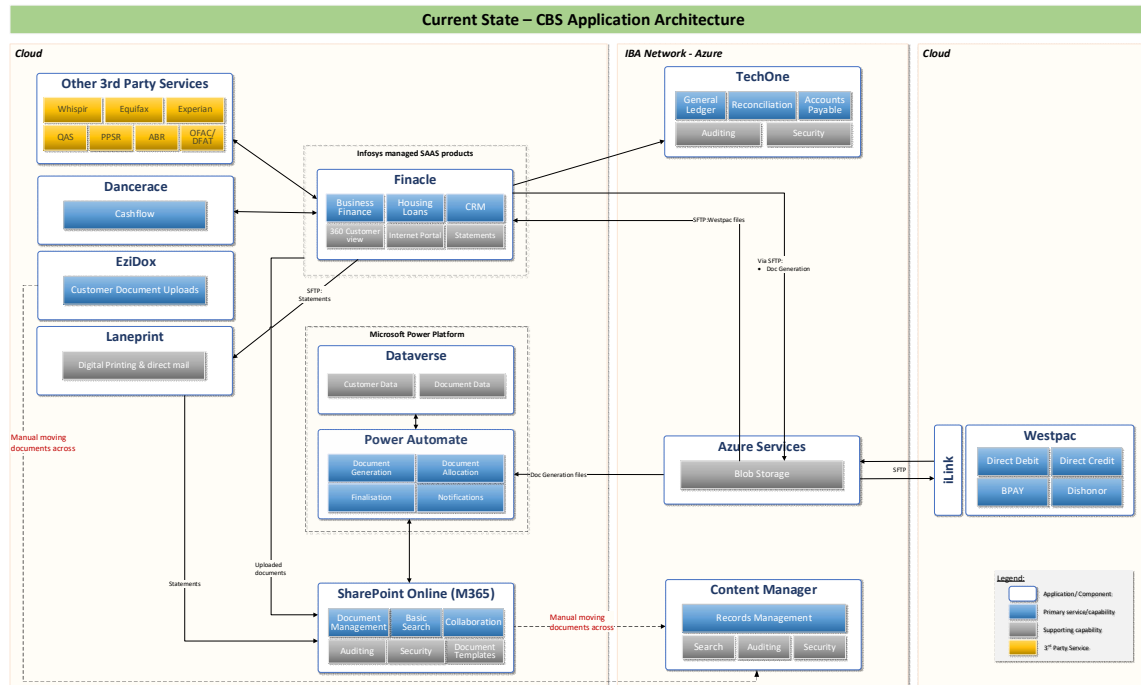
Tenderers are to provide their preferred terms of supply.

## Appendix

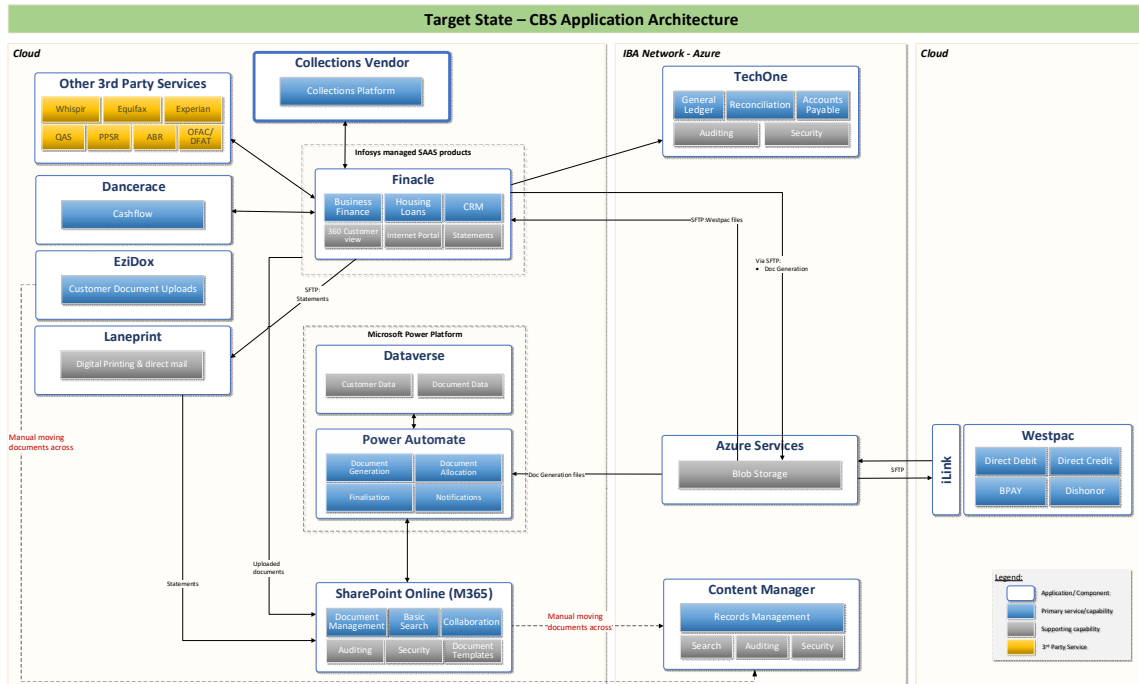
## A - Solution Concept (CBS) Phase 1



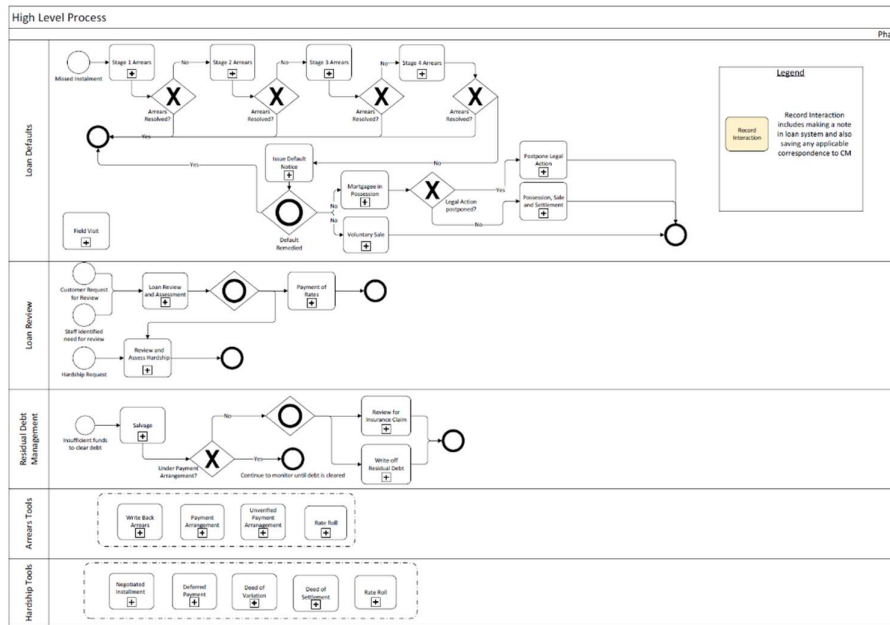
## B - Current State (CBS) – Application Architecture



## C - Target State (CBS) – Application Architecture

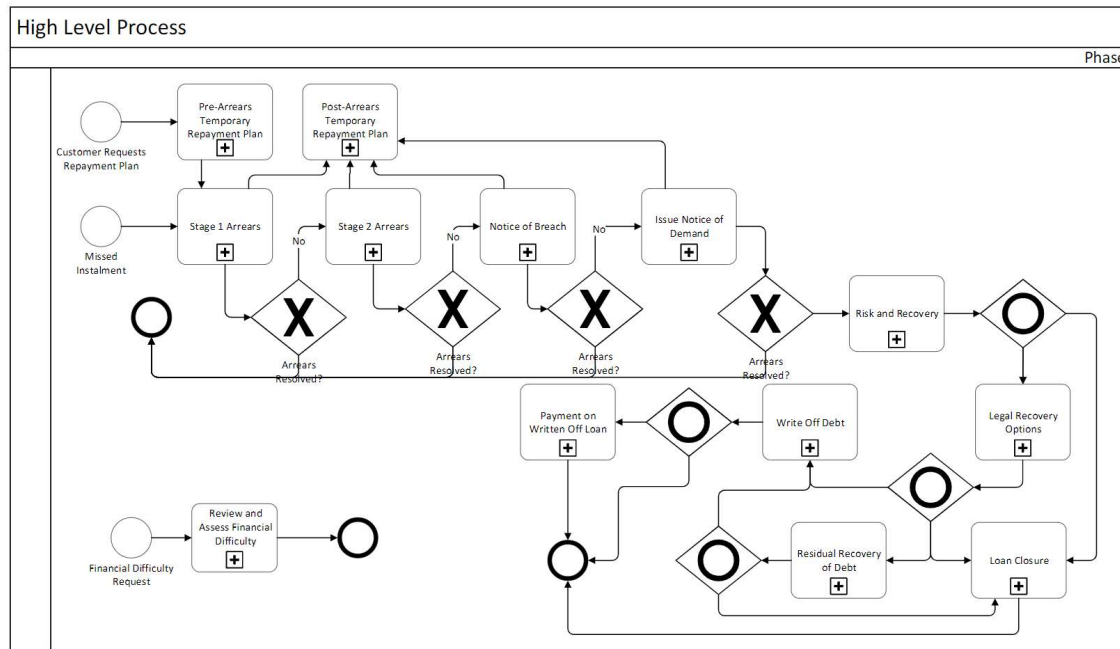


## D - High Level Collections Process – Housing Solutions

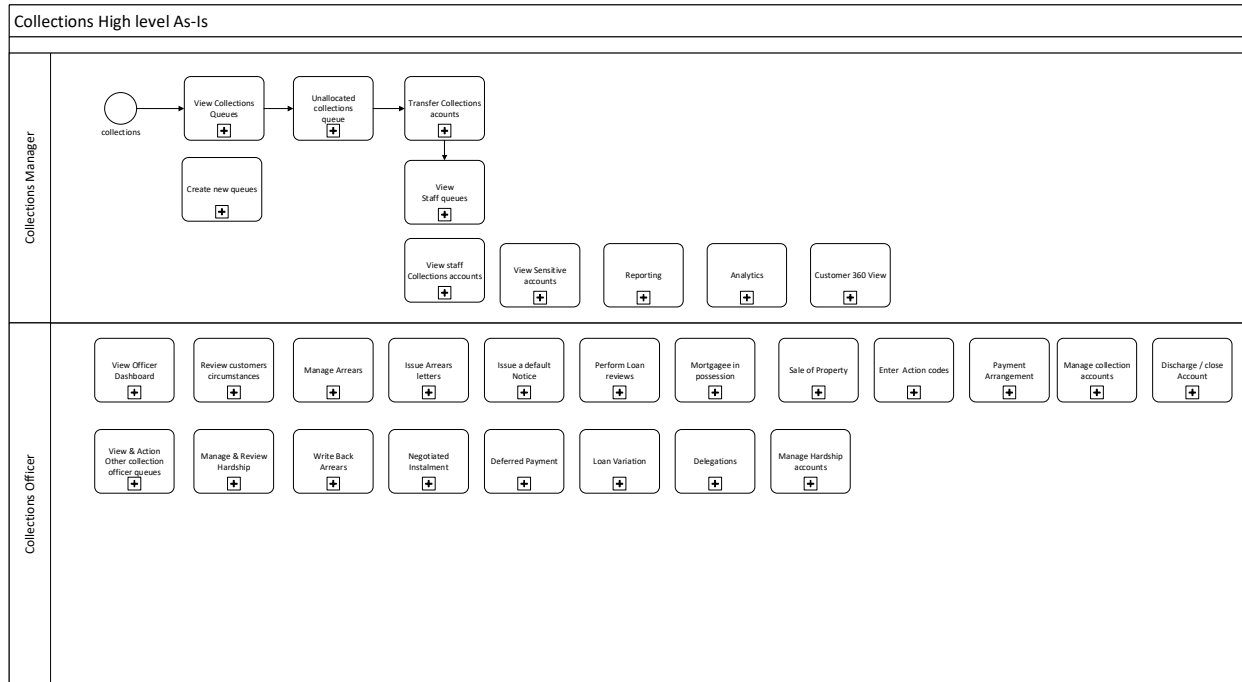


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## E - Current – High Level Collections Process – Business Solutions



## F - Current Collection Capability with Legacy (LLAS) System



## G - Collections Manager Capabilities

Capability	Questions
View Collections Queues	<p>Can the manager view all collections queues including</p> <ul style="list-style-type: none"> <li>• Initial Arrears</li> <li>• Advanced Arrears</li> <li>• Legal</li> <li>• Financial Hardship</li> <li>• Recovery (Salvage)</li> <li>• Risk and Recovery (Business Solutions)</li> <li>• Paid out with debt</li> <li>• Rental</li> </ul> <p>Can the manager see a collections Dashboard</p> <p>Can the manager see Real Time updates on collections</p>
Create new collection queues	<p>Can the collections manager create new queues</p> <p>Can we add new users to a queue</p>
Unallocated queue	<p>Can the collections manager see an unallocated queue of all collections</p> <p>Can we see a summary including:</p> <ul style="list-style-type: none"> <li>• Contract number</li> <li>• Customer number</li> <li>• Arrears Status</li> <li>• Review Date</li> <li>• Arrears amount</li> <li>• Current Balance</li> <li>• Arrears days</li> </ul>
Transfer Collections accounts	Can the manager transfer collections accounts to a collection officer
View staff queues	<p>Can the manager see all staff queues of the collections officer including</p> <p>Customer Name</p> <p>Arrears Status</p> <p>Review date</p> <p>Arrears amount</p> <p>Current Balance</p> <p>Arrears days</p> <p>Last Actioned date</p>
View staff collection accounts	<p>Can a manager view and action all staff collections accounts</p> <p>View all customer payment history</p> <p>View notes history</p>
View Sensitive accounts	Can you flag sensitive accounts to authorised users
Reporting	<p>What reports are available</p> <p>Provision of a movements report showing accounts improving and deteriorating</p>
Analytics	<p>What analytical tools are available to manage the collections and queues</p> <p>What trend analysis against credit risk tolerances is available (Business Solutions)</p> <p>Provision estimates</p>
Customer 360 View	<p>View the Collections history of the customer</p> <p>View the Collections history of the customer per product (number and type of products)</p> <p>View the Collections history across Housing and Business Solutions products</p>



## H - Collections Officer Capabilities

Capability	Questions
View Officer Dashboard	View all customer payment history View notes history
View & action other collections officer queues	Can you see a shared queue and view other staff workload Can staff action accounts in other user queues
Review customer circumstances	Can you show a full Summary history of the account, including payment history, collections history and work notes
Manage Arrears	Can this be managed by an Initial and Advanced queue How will this be managed What are the steps in Arrears Can accounts be either automatically or manually allocated to users when accounts fall into arrears.
Issue Arrears/ Breach letters	What is the process for issuing Arrears/ Breach letters
Issue a default Notice	Can you show the process to issue a default notice Can you prepare , issue and approve a Submission Can an automated submission be created and approved by a delegate including past history Can different Notice templates be selected based on jurisdiction
Perform loan reviews	Can you show the process when a loan is in arrears Can you show when the loan is not in arrears Can you show when the loan is marked Watchlist
Seizure and Sale of Business Assets\	Can an automated submission be created by a delegate including past history
Mortgagee in Possession (MIP)	Can you show the process for MIP Can you prepare ,issue and approve a submission Can an automated submission be created and approved by a delegate including past history
Sale of Property	Can you prepare ,issue and approve a submission Can an automated submission be created and approved by a delegate including past history
Enter action codes	Can you show the actions taken on the accounts in arrears Can you see summary on a single screen: <ul style="list-style-type: none"> <li>• Customer details</li> <li>• Reviews</li> <li>• History</li> <li>• Ageing analysis</li> <li>• Create and view notes</li> </ul> Can multiple action codes/ screens be open at a time
Payment Arrangement	Can the following arrangements be done <ul style="list-style-type: none"> <li>• Temporary Payment Plan (TPP) (pre-arrears)</li> <li>• Promise to Pay (PTP)</li> <li>• Arrangement to Pay (ATP)</li> <li>• How is this satisfied in the system when payments are received</li> <li>• What happens if payment is not met and is there an alert</li> <li>• Is there a difference in how this is managed for different payment types (Direct debit/Bpay/over counter/salary deduction, etc)</li> <li>• What happens under PTP/ATP when a DD is dishonoured</li> </ul> Can the following arrangements be done manually and automatically
Review Capacity to Pay Residual debt	Can you show the process for reviewing Capacity to Pay Can an automated submission be created by a delegate including past history
Discharge/close account	What is the process to do this in your system
View Sensitive Accounts	Can you flag sensitive accounts to authorised users
Manage Collection Accounts	Can you show us work trays / how officer knows an action is due or overdue

## I - Collections Officer Hardship Capabilities

Capability	Questions
Manage & Review Hardship	<p>Can you show us the hardship process end to end</p> <p>Can you show us how to create a submission for approval by collections officer or a different delegate</p> <p>Can you manage an account in arrears and in hardship</p> <p>Can you show an account not in arrears and in hardship</p> <p>Can all hardship accounts be managed within a hardship queue</p> <p>Can review dates be set as reminders</p>
Write Back Arrears (Capitalise)	Show the process of how you can amend and write back the arrears
Negotiated instalment	Show the process of how this can be recorded and input on loan
Deferred Payment	<p>How can a deferred payment be added to the customer account</p> <p>Can this be for a period of 6 months</p>
Loan Variation	<p>How can a loan variation be processed:</p> <ul style="list-style-type: none"> <li>• term extension</li> <li>• Interest rate variation</li> <li>• loan split with quarantined portion with no interest</li> <li>• reduced instalments in non-quarantined portion</li> <li>• instalment recalculation</li> </ul>
Delegations	How can an account history be reviewed to determine previous hardship assistance provided within specified timeframes
Manage Hardship Accounts	Can you show us work trays / how officer knows an action is due or overdue

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## J - Overall Required Collections Functionality

FUNCTIONALITY	APPLICABLE TO			
	COLLECTIONS/ ASSISTANT MANAGER	COLLECTIONS OFFICER	PAYMENTS	HARDSHIP
Ability to see real time update of collection queues (issue of banking updates including dishonours during the day)	✓			
Ability to View all collections on a Dashboard	✓			
Ability to view unallocated collections and have an unallocated queue	✓	✓		
Ability to add manual collection queues	✓	✓		
View all staff collections queues	✓	✓		
Ability to see and review total number of collections for each collection officer	✓	✓		
Ability to expand on each officer collections queue in one screen	✓	✓		
Transfer collections to collections officers	✓			
Ability to transfer collections from unallocated to a collections officer	✓			
Ability to see the status of a collection in a single screen	✓	✓		
Ability to see all collection queues on a single screen (including Business Solutions queues)	✓	✓		
Ability to see actions codes and notes on a collection in the same screen	✓	✓		
Ability to see the full collection story in 3 clicks	✓	✓		
Ability to see if a customer is in arrears but not in Hardship	✓	✓		✓
Ability to see the full picture of accounts on Watchlist	✓	✓		
Ability to see all transactions in one screen	✓	✓		✓
Ability to see the full picture of all accounts in hardship	✓	✓		✓
Ability to see any inward payments added to a any agreed payment plan	✓	✓	✓	
As a collections officer I want the ability to use action codes that have automatic smarts in the system so that reminders are created and then turn red	✓	✓		
As a collections officer I want the ability to select action codes and put notes so that I am processing the collection.	✓	✓		
As a collections officer I want the ability to prepare a submission so that we can get approval	✓	✓		
As a collections officer I want the ability to create multiple arrears letters so that they can be sent to the customer	✓	✓		
As a collections officer I want the ability to see actions that are overdue or fallen due	✓	✓		
As a collections officer I want the ability to see an overview of the customer interactions so that I have a clear picture of that customer	✓	✓		
As a collections officer I want the ability to have multiple screen open so that I can manage accounts efficiently	✓	✓		
As a collections officer I want the ability to see what queue I am in so that I understand what collections I am dealing with	✓	✓		
As a collections officer I want the ability to use a one step process when dealing with the collection	✓	✓		
As a collections officer I want the ability to filter my work by queues	✓	✓		
As a collections officer I want the ability to perform actions and save them so that they can be see them in the same screen	✓	✓		
As a collections officer I want the ability to distinguish between Housing Solutions and Business Solutions customers and in Business Solutions to distinguish between BRP and Business Loans	✓	✓		
As a collections officer I want the ability to order my work by review date	✓	✓		
As a collections officer and a collections manager I can only see sensitive accounts if authorised to do so	✓	✓		

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