



LGRF

Tender Evaluation Plan

July 2012

When to develop a Tender Evaluation Plan:

A Tender Evaluation Plan should be prepared after every tender evaluation.

Background

Give a short overview on the background of this procurement.

EXAMPLE:

What is being procured? Does a current contract exist? When does it expire, etc

Tender Evaluation Panel

List the tender evaluation panel members.

EXAMPLE:

Name	Position

All team members will be required to submit the following:

- Conflict of Interest form (template attached)
- Deed of confidentiality (template attached)



Tender Evaluation Guidelines

What is the process that has been decided on will guide the tender evaluation process?

EXAMPLE

Evaluation panels must adhere faithfully to the tender conditions including applying the selection criteria set out therein.

Probity Guidelines:

Outside parties with whom the councils have a business relationship may contact staff (who do not have a direct involvement in the tender) as part of the normal day to day relationship. It is important that staff follow the following guidelines throughout the entire process:

- No discussion should be held with any tenderer about the selection process in relation to any aspect of any public tender process or the selection process without the prior approval or at the direction of the Chair of the Tender Evaluation Panel or his or her nominee.
- No tenderer should receive or be perceived to have received additional information to that which is publicly available in respect of the selection process.
- Tenderers should be advised to deal directly with the contact persons nominated in the tender documents or with the Chair of the Tender Evaluation Panel in all matters in relation to the selection process, public tender process or its current status. You should refuse to enter discussions of this nature.
- Should any tenderer request a copy of any document, he/she should be referred to the Chair of the Tender Evaluation Panel. No documents should be provided by staff.
- Unusual or exceptional invitations from any party with a declared interest in the project should not be accepted.
- Routine business meetings and social activities continue as usual, but the council's managers and employees must exercise caution, and must not discuss the evaluation, selection procedures, or contents of any tender.
- Where any party in an unrelated business meeting or social situation seeks to raise issues in respect of the evaluation and selection procedures or contents of any tender, the employee should indicate that it is not appropriate to discuss such matters.
- Evaluation criteria are to be followed, and responses assessed against pre-determined criteria.
- Detail reasons for the choice of the preferred tenderer, and ensure these reasons are clear and defensible.



Persons who are appointed to tender evaluation panels should adhere to the following requirements:

- a. Act objectively and fairly throughout the tender evaluation process to ensure that all bidders are given an equal chance to succeed with their bid and that the integrity of the process is upheld.
- b. Hold information received as part of a bid in the strictest confidence and not release this information outside of the tender evaluation panel.
- c. Not divulge information on the deliberations and decisions of the Tender Evaluation Panel at least until a formal recommendation has been approved by the appropriate officer or council and the successful bidder has been formally notified.
- d. A council may also resolve to designate information relating the award of a tender as confidential pursuant to section 77 of the Act. The tender evaluation panel members must comply with the terms of such resolutions.

Tender Evaluation Process

What has been decided will be the tender evaluation process?

EXAMPLE:

The proposed process is as follows:

1. Consider probity matters outlined by the Probity Advisor (**delete if not applicable**)
2. Consider the **conformance requirements** which require:

Conformance Requirements

Tenders will first be assessed for compliance with conformity requirements. Initial conformity assessment will be as detailed in Section 8 Tender Submission. Conformity assessment will include confirmation of:

- Statements on Conformance
- Conflict of Interest

3. Consider the **mandatory requirements** which require:

Mandatory Requirements

Occupational Health and Safety

The Contractor must complete and have in place a proven OHS system.

Insurance's and Industry Obligations

The Contractor must complete schedules demonstrating that all required insurance's are in place and that all relevant industrial relations obligations will be met.

Financial Viability



The Contractor must provide evidence of its ability to fund completion of the works and in the event of being unable to do so must provide an undertaking from their bank of its willingness to fund the works.

4. Scored the selection criteria which are:

Scored Evaluation Criteria and Weightings

C: Scored Selection Criteria

Criterion	Description	Measure	Method of measure	Weighting
Level of Service/ Capability (Quality)	Ability to provide the works which meet the specified requirements	Proven record of specification compliance in past contracts Quality of systems employed	Demonstrated skills, including the ability to manage labour and plant in delivering quality finishes and to identify and manage all risks. Proven record of timely completion of all works based on past contractual performances and using referee check Standard Management and Quality Systems	20%
Capacity (Resources)	Ability to supply works within the timeframes required	Sufficient resources to ensure reliability of works. Ability to carry out work within the required timeframes	Resources committed to the contract, including skills and experience in delivering quality finishes Current intended contractual commitments and extent of non-municipal operations, relative to available resources	20%
Financial Benefit (Price)	Overall value for money of each proposal to council	Tendered prices	Comparison of the price with other submitted tender prices Local content	60%

5. Undertake the scoring of selection criteria as follows:

- a. Each council will score each tender against the Level of Service / Capability and Capacity (Resources) selection criteria using the follow ratings prior to the tender evaluation meeting:

Excellent	100/100
Very Good	80/100
Good	60/100
Fair	40/100
Poor	20/100
Unacceptable	0/100

- b. The weightings will be applied to each score
- c. An **average score** will be derived at the tender evaluation meeting.



- d. All participants will determine an **agreed score** (which may be the average score)

6. Undertake the scoring of pricing as follows:

Methodology for applying volume to the prices received to be discussed and agreed. The recommended formula for assessing the values derived is:

$$\text{Price Score} = \frac{\text{Lowest Tender Price} \times 100}{\text{Tender Price}}$$

Where “Tender Price” is the price of the tender being evaluated.

- 7. Clarification of matters arising from tender evaluation.**
- 8. Finalisation of Scoring**
- 9. Short listing based on weighted scoring**
- 10. Financial due diligence – references , financial capacity assessment**
- 11. Recommendation**