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## **Tender Method of Evaluation**

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## Tender Method of Evaluation

### Objective

The principal aim of the tendering process is to select goods and/or services, which offer best value for money. The objective of this method of evaluation is to compare alternatives so that the best value for money offer is chosen.

### Methodology

#### Mandatory Criteria

A tender response which does not meet any one of the conformance or mandatory requirements is generally deemed to be non-compliant. Mandatory factors are measured in terms of pass or fail or compliant or non-compliant.

#### Weighted Criteria

A weighted analysis is the method of summarising the information for analysis of the comparison of tenders. The weighted method of evaluation is used to support the final recommendation on contract award.

With this technique, the Council pre-assigns weights to important measurable criteria. Each tender is subsequently assessed against these criteria, and is assigned scores reflecting how well it satisfies each item. Refer Table A. A score of '1' for any criteria may result in that Tender no longer being considered.

The scoring is out of 5 and has the following definitions

Score	Description	Criteria
5	Excellent	Compliant. Exceeds specified performance or capability and the additional input adds value. Tenderer has an excellent understanding of the requirement. No weaknesses or deficiencies. Excellent probability of success
4	Very Good	Compliant. Tenderer's supporting statement indicates a very good understanding of the requirement. No weaknesses or deficiencies. Very good probability of success
3	Good	Compliant. Tenderer's supporting statement indicates a good understanding of the requirement.

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Score	Description	Criteria
		No major weaknesses or deficiencies. Good probability of success.
2	Marginally Acceptable	Tenderer's supporting statement indicates a low level of understanding of the requirement. Some major weaknesses or deficiencies requiring further clarification Low probability of success
1	Unacceptable	Non-compliant The submission provides unsatisfactory responses or failed to address the criterion. Very Low probability of success.

The tendered solution receiving the highest weighted score is prima facie the most attractive offer.

### Tender Price

For the assessment of tender price the following formula is used to convert tender price to a point score:

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

(If calculation produces a negative, use a score of zero, and if it produces a score >10, use a score of 10.0)

A tender price that is over the allocated tender budget will automatically achieve a score of 0. If all tender prices are over the allocated budget they will be assessed using the formula above.

### Other non weighted evaluation criteria

In addition to the Evaluation Criteria, the Evaluation Panel may take into account:

- a) the information furnished in the Tender Form and Schedules submitted by the Tenderer;
- b) referee checks which may include, without being limited to, verifying references and/or referees;
- c) such security, financial or probity checks as it considers necessary in relation to any Tenderer, its officers, employees, partners, related entities and nominated subcontractors; and
- d) information about any Tenderer from any other source, including from within Council, whether or not the individuals or organisations contacted are nominated as referees by the Tenderer.

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