**CT ANNEXURE B**

**ASSESSMENT OF TENDERS**

The key objective of the evaluation process is to determine which tenderer will achieve the best value for money for the SA Government.

### Short Listing

Any short listing of tenderers, or notification to a tenderer that the tenderer is the preferred tenderer will only constitute an invitation to participate in negotiations, not an acceptance of the tender.

### Tender Evaluation Panel

The tender evaluation panel generally including but not limited to the Department’s Project Manager, the Department’s procurement officer, lead agency representative(s), lead professional service contractor, cost manager, the Department’s budget risk adviser will conduct an evaluation of tenders received and make recommendations for the awarding of the Contract.

### Evaluation Process

Initially the tender evaluation panel will determine that:

1. the tenderer is registered in the required prequalification category;
2. the tenderer has complied with the requirements set out in the tender documents relating to the South Australian Industry Participation Policy. (Note that this aspect of the evaluation will be undertaken by the Office of the Industry Advocate (OIA). OIA will be provided with the response to SAIPP requirements only and not the full tender submission);
3. a fully completed, correct Tender Form has been submitted; and
4. there has been compliance with the Code of Practice.

The tender evaluation panel will determine whether any tenders include alternatives. If any alternatives are included these will be evaluated in accordance with the Conditions of Tendering, as there may be revision to the price.

The tender evaluation panel will then consider:

1. Price (or Revised Price).

The Price shall be the conforming tender submitted by the tenderer.

The Revised Price shall be the conforming tender price as submitted on the tender form as well as any alternative submitted by the tenderer that are assessed as being acceptable and any separate items (Schedule 1 to Tender Form) that the evaluation panel determines will form part of the final scope of work.

1. Non-Price (Project specific objectives).
2. South Australian Industry Participation Policy (SAIPP) requirements.

Compliance with the SAIPP requirements will be evaluated with the assistance of DIS. Consideration may also be given to the tenderer’s compliance, in whole or in part, with the SAIPP requirements in relation to previous contracts for the State.

1. Tenderers’ performance in previous engagements by the Department.

Tenderers should note that the price/non-price/SAIPP evaluation may change the relativity of tenders and are advised that the weighting of Price, Non-Price and SAIPP is as follows to a maximum of 100%.

* Price: 70%
* Non-Price: 15%
* SAIPP Requirements 15%

\* *For projects where the purchase of structural steel and fabrication of structural steelwork is involved minimum 20% SAIPP weighting is applied or where an expanded economic development opportunity exists consideration should be given to increasing the minimum 15% weighting in discussion with the OIA. Update as appropriate.*

At the conclusion of the evaluation of price and performance criteria the tender evaluation panel will determine the initially preferred tender. The initially preferred tender and tenderer will then be considered in regard to the following:

1. conformity with the tender documents generally;
2. conformity of the list of prospective subcontractors with the tender documents including those listed for Selected Subcontract Work;
3. submitted construction program;
4. other commitments affecting capacity to carry out the contract through review of current and pending Departmental contracts and, where relevant, contracts as advised by the tenderer;
5. schedules of technical data;
6. Schedule of Rates;
7. estimated monthly cash flow schedule;
8. other matters as determined by the tender evaluation panel.

Notwithstanding any other requirement the tender evaluation panel may consider information submitted by the preferred tenderer in regard to the following:

* experience in performing work of a similar nature or comparable value;
* proposed construction methodology and resources and current capacity;
* proposed environmental site management practices to minimise construction waste, avoid contamination of surroundings, encourage recycling and resource conservation.

While acknowledging that value for money is the core principle underpinning decisions on Government procurement, tenderers should note that when assessing tenders, preference may be given to Tenders that demonstrate a commitment to:

* adding and/or retaining trainees and apprentices;
* increasing the participation of women in all aspects of the industry; or
* promoting employment and training opportunities for Indigenous Australians in regions where significant indigenous populations exist.

At the conclusion of the evaluation the tender evaluation panel will recommend the preferred tender for acceptance.

### Alternative Proposals Evaluation

The acceptance of any alternative proposal may change the relativity of tenders, therefore all alternative proposals submitted by tenderers will be evaluated as part of the tender evaluation process to determine the preferred tenderer.

The tender evaluation panel will evaluate alternative proposals submitted with a conforming tender and agree those that will be considered further. Generally the alternative proposals listed below will not be considered further by the tender evaluation panel.

1. Alternatives that are inconsistent with the lead agency brief and objectives for the project.
2. Alternatives that delete scope only.
3. Alternatives with insufficient detail resulting in the tender evaluation panel being unable to make an assessment without further reference to the tenderer.
4. Alternatives that are not priced.
5. Alternatives priced with qualification.

The tender evaluation panel will evaluate the remaining alternative proposals and agree those that will be considered further because they represent alternative construction detailing and/or materials, equipment, plant and finishes selection and have acceptable impact on the tendered design in regard to:

1. function;
2. aesthetics;
3. ESD initiatives;
4. life cycle costs.

At the conclusion of the assessment, the tender evaluation panel will agree those alternatives that represent value to the State and are acceptable. The price adjustment for acceptable alternatives will be factored into the relevant tender price to produce an alternative tender price, which will be used in the process of tender evaluation to determine the preferred tenderer.

The above is only a summary of the evaluation process and other factors may be taken into account in the selection of the successful Tenderer.

\_\_\_\_\_\_\_\_\_\_\_\_