

# TENDERING MADE EASY

YOUR A-Z GUIDE ON COUNCIL TENDERING



PORT MACQUARIE  
HASTINGS



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## Tendering in Local Government

Tendering in Local Government is regulated under Section 55 of the Local Government Act 1993 (NSW) and Part 7 of the Local Government (General) Regulation 2005 (NSW). On top of this, Port Macquarie-Hastings Council (PMHC) has its own Tendering Procedures that supports the above mentioned tendering regulation.

### What is Tendering?

Tendering is the selling of goods and services to Council through the request of formal bids – otherwise known as tenders.

### When does Council Tender?

In accordance with Part 7 of the Local Government (General) Regulation 2005 (NSW), tenders are to be called where it is anticipated that expenditure will be greater than \$150,000 (including GST) for the life of the contract. Council may choose to formally tender for amounts below this value at their discretion, but for expenditure over \$150,000 formal tenders must be called.

All tenders over \$150,000 are formally reported to Council for adoption and approval. (Please note that there are circumstances where Council is not required to formally tender where expenditure is over \$150,000. For an explanation of these specific circumstances, please contact relevant Council staff.)



## **Request for Quote**

Council will publically advertise a Request for Quotation (RFQ) for goods or services below \$150,000 where it is deemed that an advantageous result may be achieved by doing so. RFQ documents and schedules will generally be a shortened version of a tender document, however the same level of care should be taken to complete all requirements to ensure a conforming submission is considered. Requests for quotes can be accepted by Council officers under delegation and do not require a resolution of Council.

## **NOTIFICATION & SUBMISSION OF TENDERS**

### **Advertising of Tenders**

Council advertises its tenders in newspapers and on the Internet. Council advertise in one Sydney daily newspaper (as per the Tendering Regulations) and in local papers or other media as required. Advertisements for Council tenders will appear under the Council Notices section in each local paper when advertised. You will also find information relating to current Council tenders on our tendering website at [www.tenderlink.com/pmhc](http://www.tenderlink.com/pmhc)

All tenders and Expressions of Interest (EOI) are required to have a closing date at least 21 days from the date of the first published advertisement. Many tenders are open longer than this depending on the complexity of what is being tendered.


### **Closing of Tenders**

Council closes all tenders at 11:00am on any given Thursday. An official tender opening, at which the public are invited, immediately follows the closing of a tender. This tender opening takes place at 11:00am in the foyer of Council's main building in Burrawan St. Port Macquarie.

### **Late Tenders**

To ensure that the tendering process remains transparent and equitable for all suppliers, Council does not accept late tenders.

The closing date and time of tenders is one of the most important milestones in the entire tendering process. If you want your submission to be considered and evaluated, then the first step is to ensure that your official tender submission is received in Council's Tender Box (or electronic Tender Box) by the closing date and time as specified in the tender documents. These details will appear several times throughout the tender documents and **they are not to be ignored.**



Council can only receive a late tender if evidence can be provided by the tenderer that all the essential information was posted or lodged at a Post Office or other recognised delivery agency, before the deadline of the tenders. This would usually take the form of a Post Office receipt or some other relevant information that is time and date stamped.

## **Format of Tenders**

Please also take note of which format Council wishes to receive your tender submission. In most instances tender submissions need to be either physically placed in the official tender box in Council's foyer, or uploaded electronically onto Council's tendering website.

Do not presume that you can lodge your submissions to Council just prior to the closing time and date. Under no circumstances are standard emailed tender submissions acceptable. If you wish to submit an electronic tender, this must be done via Council's tendering website only. This is done to ensure submissions are received in a consistent, secure and encrypted manner.

(Encryption is a way to enhance the security of a message or file by scrambling the contents so that it can be read only by someone who has the right encryption key to unscramble it.)

- \* Please note that it is the tenderers responsibility to ensure that all tender documents are lodged following the instructions included in the tender documents.
- \* Please also ensure that you do not leave compiling your submission until the last moment. If you are late delivering your tender, then it will not be considered for evaluation. Council's tendering website automatically closes at 11:00 am. Any submission that has not been fully uploaded will not be received. It is critical that any submission that is uploaded must be done so in a timely manner so as to be fully received before the closing time.

## **UNDERSTANDING THE TENDER DOCUMENT**

### **What is a Conforming Tender?**

To submit a conforming tender, you must ensure that you have signed and completed all the relevant forms and supplied Council with all the information required as part of the tender document.

You must ensure that you have addressed the formal evaluation / selection criteria that are listed in the tender document. Failure to do so will result in your submission being considered non-conforming and this means that your tender submission may not be evaluated. Each evaluation / selection criteria





needs to be addressed separately in your submission. It is important to carefully check if any further information is required to address the selection criteria beyond that requested in the schedules or forms provided. On occasion, a company overview, Gantt chart or extra information may be required.

Following is a guide to some of the information that you may be required to provide Council. However, it is important to remember that all tenders are different; therefore the information you may be required to provide may also be different or additional to that listed below:

### **Pricing Requirements**

Always ensure you are aware of and understand the requirements for pricing in any particular tender. Sometimes a lump sum may be required, sometimes a schedule of rates.

Pricing is often an important criterion in the evaluation of tenders so it is critical that you consider any of the conditions that are attached to the pricing request i.e. is there a period where Council requires the pricing to be fixed; what are the mechanisms within the tender agreement to request a price increase etc?

It is important not to amend or vary the format of any pricing schedule included in the tender documents. Prices should be provided as requested in the tender document. If circumstances arise where prices are unable to be provided as requested, clarification may be provided by the contact person for that tender. Where additional information is to be provided, it should be listed as a separate attachment.

Generally all pricing requirements should be provided as Excluding GST however it is important to note this provision within the tender document.

### **Insurance Requirements**

Generally all tenders will be very specific about the type and level of insurance cover you will require in order to successfully fulfil your obligations under the tender. The most common insurances are Public Liability, Professional Indemnity, Workers Compensation & Motor Vehicle etc. The type and level of cover may vary from tender to tender.

You may be required to submit copies of your Certificates of Currency for whichever insurances are required.

### **Confidentiality**

Tenders are treated as Commercial in Confidence; therefore you must not disclose information about your offer to any third parties during the tender



process. Council will also ensure that there is no disclosure of confidential information to parties other than those involved in the evaluation of or adoption of the final tender recommendation other than as required by legislation.

### **Ordering Solutions**

If you are tendering for a general goods and services tender, you may be required to submit information relating to the methods of order placement that are available. Council will be looking to gain as much efficiency as possible throughout the life of the tender; therefore the more flexible and streamlined that order placement can be, the more beneficial it can be for both parties.

### **Reporting Requirements**

Some tenders may be very specific in the type of reporting required throughout the life of the tender agreement. Ensure that you are aware of these particular requests and address them in your submission.

### **Intellectual Property**

If your submission contains specific intellectual property information that might be contained in the way you are suggesting fulfilling the obligations under the tender, then you must ensure that you are entitled to use this intellectual property and indemnify Council against any future claims that might be related to the use of such intellectual property.

### **Warranties**

The requirement and scope for warranties will vary with each individual tender and depends entirely on the particular goods and services being tendered. Always ensure that you have read and understand these requirements, as you may incur costs associated with the provision of the warranties as contained in the tender document.

### **Tenderers Resources**

In most cases, tender documents will request information about your business and its resources, which may include financial resources and human resources (meaning personnel). You may also be required to submit an organisational chart and a brief history of your business and may be asked to provide references and referees that can attest to your capabilities in your particular field.

### **Safety, Risk & Environmental Management**

All tenders will include various requirements in relation to WH&S, risk





and environmental management. Depending on the tender, some of these requirements may be more stringent than others. It is critical that you address these requirements in your submission. Often there are evaluation criterions developed around these issues, which will require a more formal response.

## **Evaluation / Selection Criteria**

All tenders will include specific evaluation criteria. Responses to these criteria are critical as these are how Council evaluates all tenders. All criteria will have a percentage weighting applied to them, which are never disclosed to the tenderers. How a tenderer scores against these criteria determines whom the tender will be awarded to.

Council are looking for a tenderer who distinguishes itself from the competition, is innovative, customer focused and provides a value-for-money offer to Council. When addressing the criteria you should:

- a)** Always ensure that you read the criterion carefully and understand what is being asked of you;
- b)** List each criterion as a heading in your response in order to draw the evaluation panel to your responses;
- c)** Provide examples of how and when you have previously been able to meet this criterion in your business. Discuss how well you can do this and what previous results have been like – you need to sell yourself and your business’s capability;
- d)** Ensure your responses to the criteria are clear and concise. You only need to provide information that has been requested to help demonstrate your ability to meet the criteria. A large submission does not mean it is a comprehensive or quality submission;
- e)** Set yourself apart from your competitors by emphasising areas within the tender criteria that you feel your business excels at and where you feel this can add value to Council.

Always be aware that Council is not bound to accept the lowest or any tender. Often price is not the only major determining factor in the evaluation of tenders. Council is looking to award the tender to someone who is able to offer best value to Council; this will be determined by considering experience, quality, reliability, timeliness, service and initial & ongoing costs and potentially a range of other criteria.



You must ensure that you have addressed the formal evaluation / selection criteria that are listed in the tender document. Failure to do so will result in your submission being considered non-conforming. This will result in your submission not being evaluated.

## **Specifications**

All tenders will include a specification or brief of some form for the goods or services that are required under the tender. It is critical that all tenderers ensure that whatever goods or services they are providing meet the stated specifications or brief as listed.

If you do not address the requirements of the specifications, your tender will be considered non-conforming and it may be excluded from evaluation. If you are awarded a tender and the goods or services you are providing do not meet the specification or brief that Council originally tendered for, then this may be grounds to terminate the contract, unless there is formal agreement to vary the specification.

## **Alternate Offers**

If a tenderer wishes to recommend through their submission an alternate method or process of fulfilling their obligations under the tender, then Council will only consider this alternate offer if a fully conforming tender is also submitted. Ensure that you highlight any aspect of your submission that includes an alternate proposal for Council to consider.

## **No Reservation of Rights**

Tenderers must be careful to ensure that they do not include any statement in their submission that reserves any right to future negotiations with Council. The inclusion of such a statement would mean that Council could not accept the tender.

## **Tender Forms**

Tender forms are the essential forms that need to be signed by all tenderers as part of their submission. These generally include a standard Tenderers Acknowledgement and business details and insurance details, as well as several declarations that relate to non-collusive practices and ethical standards. Failure to sign these forms may result in your submission being considered non-conforming.

On occasions tender forms may be required to be completed on-line via Council's tendering website. It is important to provide your submission in the format requested to ensure a conforming bid is considered.





## **Tenderers Responsibility**

It is your responsibility as tenderers to ensure that you have all the information you require to develop your submission. If you are unclear about any aspects of the tender documentation, then clarify the requirements by contacting Council's official contact person whose details will be listed in the tender documents.

## **STATEMENT OF BUSINESS ETHICS**

Included in all Council's tender documents is a formal Statement of Business Ethics. This document sets out the ethical standards for all business dealings between Council and the supplier community.

Importantly you will be asked to sign a declaration that you have read and understood the intent of the Statement of Business Ethics. This signed declaration then becomes part of the formal tender forms that you submit with your tender.

## **TENDERERS CHECKLIST**

Use this checklist to ensure that you have covered all aspects of the tendering process. Please note that this checklist may not be comprehensive – it is your responsibility to ensure you have completed all tender requirements as documented in the formal tender agreement.

### **Planning Your Response**

When is the closing date?	When does the tender close and where should it be lodged? (Late tenders will not be accepted.) Ensure you give yourself plenty of time to respond.
Do you understand all the requirements?	Make sure you have read the tender document and that you highlight the important points.
Do you need clarification?	If you do not understand something, talk to the formal contact person.
What are the evaluation criteria?	Determine the criteria against which the tender will be evaluated. Ensure you are clear as to what these requirements are.
What are the terms & conditions of the tender agreement?	Read the terms and conditions and make sure you are able to comply.
How do you respond?	How does your response need to be submitted - in a paper format, (and if so how many copies are required?) or is electronic lodgment available.



<p>What are the mandatory requirements?</p>	<p>Are there any mandatory requirements or tender forms to be completed? If there are, and they have not been included, your tender will be considered non-conforming and it will not be evaluated.</p>
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## Preparing Your Response

<p>Are there tenderers response schedules to complete?</p>	<p>If tenderers response schedules have been provided, use them.</p>
<p>What numbering has been used in the tender document?</p>	<p>If no set format for responding has been specified, follow the general format and numbering of the tender specification.</p>
<p>Is your response in a simple format?</p>	<p>Your tender will be evaluated on content not on an elaborate presentation.</p>
<p>Have you answered all the specified requirements?</p>	<p>Prepare a checklist and tick each of them off as you answer them.</p>
<p>Have you provided all the information requested?</p>	<p>Have you been requested to supply other information and documents? If so, have you?</p>
<p>Have you demonstrated your ability to meet all of the selection criteria?</p>	<p>Make sure you have clearly demonstrated (not just asserted) your ability to fulfill all the evaluation criteria.</p>
<p>Have you completed the pricing or cost schedule for all items you are tendering?</p>	<p>Have you included your costing for all items and followed the GST requirements?</p>
<p>Have you contacted your referees to confirm they are willing to be a referee?</p>	<p>Are referee contact details correct?</p>
<p>Is this an alternative tender?</p>	<p>Have you clearly identified that this is an “Alternative Tender”? Check with Council first, or the tender documents to confirm that an alternative proposal will be considered and the conditions under which it will be considered.</p>





Have there been any tender addendums issued and have you addressed these?	Ensure you address and acknowledge any addendum that have been issued?
Are you offering Council value for money?	Are you being competitive?

### **Submitting Your Response**

How is your response to be lodged?	Can a fax or electronic lodgment be sent or is a hard copy required? How many copies are required?
Have you signed all the tender forms?	Ensure you have correctly signed all appropriate tender forms?
What needs to be on the tender envelope?	Check to see if specific information is requested to be on the tender envelope and how this is to be presented.
What is the closing time & date of tenders?	Ensure you allow yourself plenty of time to get your document deposited into the Council tender box prior to the closing date and time of the tender.

## **THINGS TO REMEMBER**

- Confirm the closing time & date of the tender;
- Confirm in what format the tender is to be submitted;
- Ensure you specifically address all the evaluation criteria in your submission;
- Ensure all tender forms are signed & dated as instructed;
- And remember to always check local papers and Tenderlink on a weekly basis for tendering opportunities with Council.
- It is recommended that you register with Tenderlink as every opportunity is advertised via this site.

**[www.tenderlink.com/pmhc](http://www.tenderlink.com/pmhc)**



**Port Macquarie** - Corner of Lord & Burrawan Streets  
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