



Borough of Queenscliffe

Competitive Quotation & Tendering Procedures

March 2010



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FOREWORD

These procedures have been developed to assist the Borough of Queenscliffe Council and its staff in complying with Best Value and Competitive Neutrality Principles, MAV Best Practice Guide for Tendering and Contract Management, and other relevant legislative requirements such as but not limited to the Local Government Act, Trade Practices Act, Goods Act and the Environmental Protection Act. They are to be complied with when specifying, advertising, evaluating, awarding and administering competitive processes. In so far as can be relevant, these procedures shall apply to all competitive processes such as quotations or contracts.

BACKGROUND

Council adopted its Procurement Policy in November 2009. The purpose was to provide clear procedures and actions to be undertaken when Council calls for tenders for the provisions of goods and/or services.

The Borough of Queenscliffe recognises that:

- Developing a procurement strategy and adopting appropriate best practice contracting and procurement principles, policies, processes and procedures for all goods, services and works by council, will enhance achievement of council objectives such as sustainable and socially responsible procurement; bottom-line cost savings, supporting local economies; achieving innovation; and better services for communities.
- The elements of best practice applicable to local government procurement incorporate:
 - broad principles covering ethics, value for money, responsibilities and accountabilities;
 - guidelines giving effect to those principles;
 - a system of delegations (i.e. the authorisation of officers to approve and undertake a range of functions in the procurement process);
 - procurement processes, with appropriate procedures covering minor, simple procurement to high value, more complex procurement; and
 - a professional approach.
- Requires that council's contracting, purchasing and contract management activities:
 - support the council's corporate strategies, aims and objectives including, but not limited to those related to sustainability, protection of the environment, and corporate social responsibility;
 - span the whole life cycle of an acquisition from initial concept to the end of the useful life of an asset, including its disposal, or the end of a service contract;
 - achieve value for money and quality in the acquisition of goods, services and works by the council;
 - can demonstrate that public money has been well spent;
 - are conducted, and are seen to be conducted, in an impartial, fair and ethical manner;
 - seek continual improvement including the embrace of innovative and technological initiatives such as electronic tendering processes to reduce activity cost; and

-
- generate and support business in the local community.
 - Each of the features needs to be reviewed as part of every tender to ensure that they are being met, where appropriate.

SCOPE DEVELOPMENT AND IMPLEMENTATION

All tenders and quotations developed whether for works or services must be fully scoped and defined prior to any further documentation being developed. A scope document is useful to determine the nature and direction of a project and provides guidance throughout the entire project. A scope must not be altered once approved without completing a scope change investigation to ensure further risks are not introduced.

The scope must contain and examine the following:

- Project Objectives
- Inclusions and exclusions
- Assumptions
- Project Budget
- Stakeholders
- Constraints
- Quality requirements
- Preliminary risk factors
- Alternatives
- Proposed investigation and design methods
- Project delivery options

The scope must be approved by the relevant General Manager, either General Manager Planning and Places (GMPP) or General Manager Governance & Community (GMGC). Any alterations to the scope can only be completed by conducting a scope change investigation and receiving approval of the the relevant General Manager.

ORGANISATIONAL ARRANGEMENTS/STRUCTURE

Where in-house bids are considered Council will ensure that there exists a clear separation of roles and responsibilities between the **service planning and co-ordination function** (purchaser / client / Management Team) and the **service provision function** (provider / contractor / service unit or work team).

- Staff who are to be involved in preparing tender bids will not participate in the development of documents that specify the service or works to be tendered. However, they may be interviewed as necessary, along

with any other potential service provider, to assist in defining the task(s), quality/performance measures and the like.

- The **“Principal” (i.e. Council) and “Superintendent”** will be identified for each contract/agreement. The Chief Executive Officer represents the Principal and the Superintendent will generally be the appropriate General Manager. The Superintendent has two roles - to act for the Principal and to act as a Certifier with a duty of fairness to *both sides*. The Superintendent may delegate general administrative duties to another member of staff not involved in the provider side of the tender process who will be termed the Superintendent’s Representative. The role of the superintendent and superintendent’s representative will be directed by the General Conditions of Contract.
- Staff from business units/work teams may also be involved in the development of procedural statements and tools such as flow charts in order that these can be used as the basis of attaining quality assurance and developing the specifications by Management.

Commercial confidentiality will be maintained by Management to ensure that there is no conflict of interest issues raised in relation to bids prepared by in-house business units/work teams.

SPECIFYING THE SERVICE AND/OR WORKS TO BE TENDERED

Plain English specifications must be developed. They must be, concise and realistic, capable of interpretation with certainty and identify objectives rather than methodology. They must clearly and precisely communicate to suppliers (Service provider) all the details of the services and works required in order that they can prepare detailed costings which will enable them to bid for the tender.

It is suggested that an appropriate specification (particularly for service provision) has the following elements:

- Preliminaries and Proforma statements about the nature of the Contract itself.
- Objectives/Requirement
- A description of the purpose/objective of the service and/or works shall be spelt out by reference to target people, geographic area, term of contract etc
- Services to be provided by/Responsibility of the Contractor

A description of the scope of the service and/or works to be provided shall include location, category/type of service, days/times of operation/service provision.

Details of the particular materials and/or staff to be used or other requirements such as the vehicles/equipment required, staffing levels, specialist skills/knowledge and any training required.

Details of particular finishes, requirements or standards to be attained may be related to quality and would include industry specifications, Australian Standards, compliance with relevant legislation (equal opportunity, accident compensation and occupational health and safety), industrial awards, codes of practice and council policy.

Services to be provided by/Responsibilities of the Principal

Any plant, equipment, materials and/or services to be provided by the Principal shall be clearly defined as will the terms and conditions under which they are offered and whether or not the Contractor is obliged to use them. Items

such as maintenance responsibility and running costs of a Council facility which the Contractor is using shall also be clarified here.

PERFORMANCE INDICATORS AND STANDARDS

Both qualitative and quantitative performance measures must be identified and measured (eg: number of assessments completed without complaint, % of cases/work to be completed within a certain time frame, % of Maternal & Child Health service users, number of injuries related to play equipment etc.) This may be termed as a Statement of Requirement. Any specific Customer Satisfaction measures must be stated or the documents can request that Tenderers provide their own proposals on this important aspect.

ESTIMATE OF EXTENT OF SERVICES

The Specification will provide as much detail as possible to assist Tenderers to provide their best bids in response to the specifics of the task in hand. The Principal must nominate quantities, volumes, income, expenses/costs, patronage etc. Based on previous figures - noting that those figures are for the guidance of Tenderers and at best are informed estimates.

SERVICE PROCEDURES/ADMINISTRATION

The Principal must nominate any controls that exist in organisational or administrative matters - such as the necessary involvement of third parties in approval/consultation during the period of works/services provision. Co-ordination issues with third parties (other Contractors etc.) must also be clearly spelt out.

FINANCIAL ISSUES

Details of any specific/preferred payment schedule shall be provided. Any historic / estimated income figures relating the works/services must be noted. Any rise and fall provisions over the term of the Contract shall be listed along with the procedure and timing of Councils payment cycles. If relevant, reference should also be made to any stand-down or closure payments if services cease due to no fault of the Contractor. Rates/prices shall be requested in Lump sum Contracts to facilitate valuation of any variations undertaken during the Contract Term.

The Manager responsible for specifying a service and/or works to be exposed to the market will ensure relevant work teams, community agencies, government and non government organisations with reasonable interest in the provision of the services and/or works are informed, consulted or encouraged to participate to an appropriate level and within an appropriate time frame in development of specifications.

All specifications will be viewed by the Superintendent or Superintendent's representative, prior to advertisement, to ensure that they have been developed using the standard format and have all elements of a specification.

TENDER DOCUMENTATION

Tender Documentation will be approved by the Superintendent or Superintendent's representative to ensure that the information provided to Tenderers is accurate and complete, it will include a range of documents which together:

- describe in detail the service and/or works to be performed as part of the contract/ agreement.
- define the rights and obligations of the parties to the contract/agreement
- constitute the formal contract/agreement.

The number of documents to be included in the tender documentation will depend on the type of service and/or works to be performed under the terms of the contract/agreement. A standard tender will include most if not all of the following elements:

- Conditions of Tendering which include details of the evaluation criteria and separation of price from non-price attributes of the tender bid (not part of final Contract documents)
- Specification including drawings or plans
- Tender Form including a Schedule or Bill of quantities
- General conditions of contract plus any special conditions of contract or Annexures
- A sample of the contract agreement
- Any addendum to tender documents issued during tender period

Once a decision has been made the following further items become part of the Contract documents:-

- Letter of acceptance of tender
- Formal instrument of agreement (not used for Quotations)
- Any other supplementary documents

The type of service/work, its value, ability to be clearly specified, contract term, effect of default etc will determine the form of Contract Conditions to be used.

In addition a relevant Australian Standard generally from the 4000 range of Conditions of Contract shall be used where appropriate.

The Chief Executive Officer and/or relevant General Manager will determine the Contract Term(s) considering the need to enhance competition and the specific requirements of the works/services.

Lump Sum Contracts are preferred but some works Contracts will naturally be Schedule of Rates. In Lump Sum Contracts the Specification/Tender Form should request a schedule of rates/prices for valuing any variations necessary during the Contract Term.

Where Schedule of Rates Contracts are used or in Contracts for Professional Services where the extent if any of the services to be used is unknown, a deed of agreement needs to be prepared, signed and sealed by both parties.

ADVERTISING AND PROVIDING DOCUMENTS/INFORMATION TO PROSPECTIVE TENDERERS

All tenders will be advertised at least once in a newspaper(s) that has/have been selected to further promote openness, fairness and competition.

For the purposes of advertising tenders (March 2010) the following is a list of local papers that are “circulating in the Queenscliffe area”:

- Queenscliffe Herald
- The Rip
- The Bellarine Times
- The Echo
- Geelong News
- Geelong Independent

Where it is considered appropriate to advertise at a Regional level the “Geelong Advertiser” should be used.

For those times when a daily paper circulation in Victoria is required or considered advantageous for competition, the Age and/or Herald Sun and/or an appropriate websites such as “Tender Search” shall be used.

All advertisements for tenders and expressions of interest will comply with Council’s Advertising Guidelines and will include the following information:

- Contract No. (If appropriate)
- summary of the services and/or works to be provided
- contact name and telephone number for requesting documents
- where and when tender documents will be available
- the cost of tender documents, deposits and securities (if applicable)
- advice whether an in-house bid will/will not be made
- details of any pre-tender briefing
- the closing date, time and place for tenders
- a statement that “the lowest or any tender not necessarily be accepted”
- advise if the tender period is less than 21 days

.The relevant Manager will determine in which newspaper(s) to place an advertisement with consideration being given to the availability of service providers, specialist needs and the size and value of the services or works to be provided.

Council will also advertise all tenders on its website.

All tenders will be open for a minimum period of three weeks prior to closing, unless approved by the relevant Manager with approval of the Chief Executive Officer required for periods of less than two weeks.

The officer responsible for the contract will advise as appropriate Reception, Secretarial, Administration and Records Management staff of the tender being advertised to assist in the answering of any enquiries.

A record will be kept of all contractors to whom tender documents have been provided. This proforma is automatically generated when the contractor is provided with tender documents after the contractor has entered their details on the web based tender administration system.

Where non-refundable deposits are required, tender documents will not be provided without payment.

Where a **Pre Tender Briefing** is held, to provide an overview of the contract and clarify any queries, a record of the key matters raised and those in attendance will be kept. Pre-tender briefings will be particularly useful where the type of services and/or works to be tendered have not been subjected to a competitive process previously.

Copies of the Pre-Tender Briefing Record will be provided to all contractors to whom tender documents have been provided.

The nominated contact person will be the only person who will clarify information about the tender documents. All these discussions will be recorded on the contract file by the contact person.

LIMITS

The following limits apply to the purchase of goods and services. These limits shown relate to the approved level in the purchasing delegation for goods and services.

Items with a value \$5,001 to \$15,000 – Request for Quotation.

- Council will receive a minimum of three email or written quotations.
- The quotation offering the best value for money must be confirmed by the supplier on company letterhead and the order placed with that firm.
- Details of the suppliers contacted and their quotations must be recorded on at least a simple spreadsheet or similar document in the councils' Records system.

Items with a value \$15,001 to \$149,000/\$199,000 – Request for Quotation.

- Council will receive up to five written quotations by issuing a written Request for Quotation. Public advertising is not required.
- Quotations returned by the nominated closing date must be evaluated and a recommendation made in favour of the supplier offering the best value for money outcome.
- The original supplier's quotations must be maintained in council's record system.

The situation may arise where insufficient quotations are received to satisfy the above requirements. This may occasionally occur where there are few suppliers for the goods, services or works being sought or the work is highly specialised. In this case, the details of the contacted suppliers must be recorded on the spreadsheet or recommendation and an appropriate comment recorded.

Purchase of all goods and services for which the estimated expenditure exceeds \$150,000, and building and construction works for which the estimated expenditure exceeds \$200,000, must be undertaken by public tender as per the thresholds contained in the Local Government Act.

However, should the CEO consider that the nature of the requirement and the characteristics of the market are such that the public tender process would lead to a better result for the council, public tenders may be called for purchase of goods, services and works for which the estimated expenditure is below these thresholds.

LODGEMENT AND OPENING TENDERS

Tenders in sealed envelopes will be accepted by mail and in-person up to the nominated close of tender date and time. In order to assist in maintaining the integrity of the process, **tenders will not be accepted directly by facsimile or email.**

Where a tender has been forwarded by mail and is opened in error the envelope will be resealed. The names of those present and the date that the envelope was opened will be marked clearly on the outside of the envelope prior to insertion in the tender box.

Tenders lodged after the closing date or time must remain sealed (where possible) and be clearly marked with the date and time received.

The tender box is located at the reception counter of Council.

Keys to the tender box will be restricted to authorised officers (generally Chief Executive Officer, Superintendent or Superintendent's Representative).

At the expiration of the time for lodgement of tenders the tender box will be opened by the Superintendent or Superintendent's Representative and one other person. If the Superintendent or Superintendent's Representative unavailable to open the tender box, two Council officers authorised by the Superintendent or Superintendent's Representative will record the details of the Tender envelopes received on the **"Tender Box Opening"** Proforma (**Appendix I**) and place the list and Tenders in a secure location.

If the Superintendent or Superintendent's Representative or two Council officers authorised by the Superintendent or Superintendent's Representative are unavailable to open the tender box then the most senior Council officer and one other Council officer present shall place the tender box in a secure location and separately secure the keys until such time as the appropriately authorised officers are available to open the tender box. They must then complete, sign, date and add a file note detailing the time and reason for their action to the relevant tender file.

Tenders will be opened by the Superintendent or Superintendent's Representative in the presence of at least one person or in his/her absence the Chief Executive Officer and a second officer who is not a member of a business unit/work team that has prepared any in-house bid.

Tenders will be opened as soon as practicable after the closing of Tenders.

The date, time and signature of the Superintendent or Superintendent's Representative, second officer or Chief Executive Officer will be placed on the front page of each tender opened and each other page shall be initialled by the Superintendent or Superintendent's Representative, second officer or the Chief Executive Officer.

Each tender opened will be recorded on the proforma **"Tender Opening"** (**Appendix II**), in the space provided for the organisation and address along with a record of the staff responsible for and present at the opening the tenders.

EVALUATION OF TENDERS

VALUATION TEAM AND TIME FRAME

The "Conditions of Tender" will have indicated the general composition of the Evaluation Panel i.e.: how many members.

The **Evaluation Panel** for any competitive process will comprise of an appropriate number of staff with relevant skills and abilities relating to contract evaluation and the scope and size of the service or works being tendered. The Evaluation Panel will ensure tenders are evaluated in accordance with the evaluation criteria and priorities as detailed in the tender documentation.

Where there is no in-house bid, the Evaluation Panel will consist of the Superintendent or Superintendent's Representative, relevant manager and other staff members as appropriate.

Where it is expected that an in-house bid will be lodged, the Evaluation Panel will consist of the Superintendent or Superintendent's Representative, a Manager from who's Department the in-house bid is not being prepared and an independent person who shall be selected on relevant qualifications and/or experience.

The evaluation of tenders and selection process will be carried out expeditiously.

EVALUATION CRITERIA

The evaluation criteria and their priority (if any) will be disclosed in the "Conditions of Tender" and these shall be used by the Panel. Evaluation procedures must comply with the Code of Tendering and under no circumstances shall a Tenderer be informally advised that they are the preferred Tenderer.

In evaluating tender bids Council will aim to maximise efficiency in a manner that yields financially positive returns to the Shire in the form of savings and reduces the unit cost to service users.

The Evaluation Panel will be responsible for short listing tenders, contacting Tenderers to follow-up information required or clarify statements, calculations etc and interviewing Tenderers where appropriate.

Any advice of an advantageous nature provided to a Tenderer at this stage will immediately be provided to all Tenderers via "Tender Notice" (eg: specifications have been misinterpreted)

In the case of an in-house bid being submitted the Evaluation Panel will prepare a written report for the CEO detailing the evaluation and assessment process and the tender to be accepted or to be recommended for acceptance.

This report will:

- include a summary of the services and/or works to be provided
- be in conforming price order lowest to highest bid
- indicate total number of tenders, the number received in accordance with Council's specification, the number of non-conforming tenders and the number of late submissions.
- provide details of those participating in the evaluation of Tenderers.

- where appropriate provide a matrix detailing assessment of each tender against the evaluation criteria used including a weighting or ranking depending on the method of evaluation. Comments will be provided where necessary based on factual information obtained from the tender submission, referees or other industry sources. This document (matrix) will be exempted from disclosure by Freedom of Information requests as it contains information of a “business, commercial or financial nature”
- state the name, address and tender price of all who submitted a tender bid
- indicate those who submitted non-conforming tenders and the significance of this if they are the recommended Tenderer
- detail the members of the evaluation panel.

When initially developing evaluation criteria and subsequently evaluating tenders the following factors must be considered:

Company Information	<i>Information required includes:</i> Name of company, registered office address, type of company, Parent or Subsidiary Companies, full names and addresses of directors, brief description of the company’s primary business, contact name.
Basic Compliance with Tender	<p><i>Key issues to be considered in debate include</i></p> <p>Does the tender comply with the requirements of the conditions of tender? (i.e.: non-price attributes of the tender)</p> <p>Is the bid realistic? (i.e.: pricing attributes of the tender) The internal bid may be used as a bench-mark.??</p> <p>Should it proceed to the next stage? <i>If not</i> record the reasons for rejection.</p>
Alternative and qualified tenders	<p>The Evaluation Panel must assess whether they are</p> <ul style="list-style-type: none"> * not the same * Alternative (a different method of providing service) * Qualified (attempt to restrict contract obligations) <p>Should it proceed to the next stage? <i>If not</i> record the reasons for rejection of unacceptable proposals.</p>
Technical Capability (<i>experience and performance history</i>)	<i>Information required includes:</i> Organisation and management structure, Location of offices, depots or outlets, current size and experience of workforce, staff recruitment and training policy, staff cover arrangements, use of sub-contractors, material and

equipment proposals, Quality Assurance Systems, Trade Associations, ability to deliver including previous default or terminations, references for current contracts, initiative and adaptability, list of recent or current contract for this type of service, customer care, .*Key issues to be considered in debate include:*

Are all critical areas addressed?

What are the implications regarding assets? (accommodation, equipment etc)

Are they offering cost effective solutions?

Are their proposals practical?

What is the impact of alternative proposals?

What is their general attitude?

Can you work with them?

Financial
Information/History

Information required may include: Capital structure, annual turn over and audited accounts for the past three years, performance guarantee from the parent organisation if appropriate, value of all current contract including contract periods.

Key factors to be considered include:

ensuring that there is not an unreasonable commercial risk of service failure. Tenderers will need to demonstrate that they have a sound reputation for service provision and are unlikely to withdraw unexpectedly from the marketplace

Financial Assessment
of Tenders with a
Realistic Bid

Key factors to be considered include:

Overall cost comparison

Comparison will be based on the development of an understanding of the components of the bid and not a single line comparison.

All calculations will be checked to ensure no aspects have been left out or miscalculated.

The costs of acceptable “alternative” or “qualified” tenders will be taken into account to ensure all tenders are considered on a “like with like” basis

Assessment of extraneous/transfer costs (eg: negotiation of the

transfer of council equipment or staff to the external Tenderer)

Where an in-house bid is not competitive, assessment of the cost of redundancy where redeployment, transfer or the use of reserves is not available. These costs will need to be calculated over a period of not less than five years (this process is termed “amortisation”) and should only be used the first time a competitive process is entered into for a service.

REPORT TO CHIEF EXECUTIVE OFFICER

The Superintendent or Superintendent’s Representative via the Evaluation Panel will prepare a report for the Chief Executive Officer which recommends the Tenderer the Contract is to be awarded to and reasons for this when the lowest tender is not recommended. Where the tender is for less than \$250,000 the Chief Executive Officer can, at their discretion, award the contract or alternatively direct that a ‘confidential’ report be presented to Council for determination. The report to the Chief Executive Officer will:

- include a summary of the services and/or works to be provided
- be in conforming price order lowest to highest bid
- indicate total number of tenders, the number received in accordance with Council’s specification, the number of non-conforming tenders and the number of late submissions.
- provide details of those participating in the evaluation of Tenderers.
- list the evaluation criteria used.
- state the name, address and tender price of Contractors who submitted a tender bid.
- indicate those who submitted non-conforming tenders and the significance if they are the recommended Tenderer
- detail the name, address and tender price of all who submitted a tender bid after the closing date.
- Detail the members of the evaluation panel.

REPORT TO COUNCIL

Where a contract tender is for more than \$250,000, and has been advertised, or where the CEO directs a tender worth less than \$250,000 to Council, the Superintendent or Superintendent’s Representative via the Evaluation Panel will prepare a ‘confidential’ report for Council which recommends the Tenderer the Contract is to be awarded to and reasons for this when the lowest tender is not recommended. The report to Council will:

- Include a summary of the services and/or works to be provided

- Indicate total number of tenders, the number received in accordance with Council's specification, the number of non-conforming tenders and the number of late submissions
- List the evaluation criteria used
- State the name, address Contractors who submitted a tender bid
- Indicate those who submitted non-conforming tenders and the significance if they are the recommended Tenderer

RECOMMENDATIONS TO THE CEO OR COUNCIL

All recommendations for the approval of tenders above \$25,000 are to be worded to include:

- The full name and number of the contract
- The full registered company name of successful tenderer
- The total sum of the contract including the GST component, stating that it is GST inclusive
- That the tender is either a lump sum not subject to rise and fall, lump sum that is subject to rise and fall, or schedule of rates.

Eg. It is recommended that contract CP??? for the Construction / Supply of ?????? be awarded to ????? for the lump sum not subject to rise and fall at the amount of \$123 inclusive of GST.

All other references within the discussion / financial components of a report are to list contract amounts as GST exclusive.

ACCESS TO INFORMATION – SUBMISSIONS AND ASSESSMENTS

A file will be established immediately when work commences on the preparation of the specification.

Contents of all tenders will be kept secure and confidential.

Only Councillors, the Chief Executive Officer and the Evaluation Panel will have access to tenders prior to awarding the contract/agreement.

Only the Chief Executive Officer, the Superintendent or Superintendent's Representative and the Project officer will have access to the Tender after it has been awarded.

Documents and information which will be publicly available will include:

- documents provided to prospective Tenderers for the purpose of submitting written tenders are to be accessible for public inspection until tender close;
- the report to Council;

The legislation specifically states that the requirement for public disclosure does not apply where Council has successfully tendered for an external contract (i.e. with another: council, other government agencies, private companies or non-government agencies).

AWARDING THE TENDER

Following Council resolution the successful Tenderer will be advised in writing of the acceptance of their tender by Council. This must contain the following details:

- *state the date of the Council Meeting that accepted the tender*
- *the accepted tender amount inclusive of GST and stating inclusive of GST*
- *state whether the amount is a lump sum, subject or not to rise and fall, or schedule of rates*
- name of Superintendent
- amount of any security deposit required (normally 5% of contract sum)
- request for evidence of insurance
- date of acceptance of tender
- time for practical completion
- date tender agreements are to be returned (normally 14 days)
- request for details of contractors representative (if not known)
- advised in writing of any terms of the contract that differs from the terms of the tender initially submitted.
- provided with two sets of the appropriate contract documents/ [agreement if an in-house bid has been accepted]. Contracts must comply with the Act

Following Council resolution written advice will be given to all unsuccessful Tenderers, advising of the successful Tenderer (and their price) as well as the number of tenders received. Any late tenders will be returned at this time with an appropriate covering letter.

Prior to signing the tender documents, a pre-tender meeting may be held with the successful Tenderer to ensure that they are aware of the terms and conditions of contract. A record of this meeting will be kept on file and a copy forwarded to the Tenderer.

The successful Tenderer will return two sets of signed tender documents to be counter signed and sealed prior to work commencing. A copy of the signed and sealed contract agreement will be forwarded to the contractor within 14 days of action.

If tender documents have not been received by the date specified in the letter accepting the tender, generally being 14 days, follow up action will be required.

The Superintendent will check, the returned tender documents, actions taken by the successful Tenderer and actions taken by Council, prior to commencement of works to ensure that:

- Public Liability insurance complies with requirements
- Professional Indemnity insurance complies with requirements
- the contractor is registered with Work Cover
- the appropriate amount of security has been lodged
- quality plan has been submitted (if required)
- construction and/or work plans have been submitted (if required)
- site possession given (if required)
- no changes have been made to the tender documentation without consultation and agreement by the Superintendent.
- the contract/agreement is signed appropriately
- an initial site meeting has been held (if required)

A copy of the letter of acceptance must be given to Council's finance department. When accounts receive any security deposit in the mail they will advise the Superintendent that it has been received.

MONITORING OF CONTRACTS & CONTRACT PAYMENTS

The Superintendent is responsible for contract administration/management including:

- monitoring performance and conformity with Quality Assurance plans
- negotiating variations (eg: scope of work, methods used or completion date to be completed)
- approving sub-contractors, contract payments (eg: progress payments, retention sums, final payment)
- determining contract completion
- maintaining effective liaison with the contractor/business unit
- resolving disputes (including ensuring there is a mechanism for mutual notification and acknowledgment of difficulties and having known means for taking prompt action to address difficulties)
- identifying damages
- maintaining accurate records.

MONITORING PERFORMANCE

Performance measurement procedures and techniques are documented in the contract/agreement specification.

Council may undertake additional monitoring procedures depending on the type of contract/agreement.

Effective monitoring will be best achieved by combining and co-ordinating a number of methods such as meetings with the contractor, contractor reports, inspection procedures, complaint procedures and customer surveys. All meetings / site inspections will be documented - date, people present, discussion, agreements made etc.

Managers responsible for a contract will utilise information gained in monitoring contracts/agreements to identify improvements that can be made to future specifications of the same or similar services and/or works.

As a result of the various methods of performance monitoring the Superintendent or Superintendent's Representative may become aware of a range of issues that will need resolution and/or action, these could include the use and performance of sub-contractors, need for an extension of time in which to provide the service, requests for variations to the contracted services or works, entitlements with progress and final payment claims, determination of completion dates (practical and final), determining liquidated damages, resolution of on-going disputes.

CONTRACT ADMINISTRATION

Contract administration throughout the life of the contract is to be governed by the General Conditions of Contract assigned to the contract. It will deal with issues such as but not limited to Sub-contractors, extensions of time, variations, progress claims and contract completion.

RECORDS MANAGEMENT

A record is made or received by Council in the conduct of its affairs or by officers in their official duties.

Official records include registers, books, maps, drawings, photographs, computer records and sound recordings, letters, memorandums, faxes, reports and emails which reflect activities and business processes.


Legislation requires Council to be accountable for that business and, as such, all official records should be documented in Council's Records management System. This provides an official record of business activities and shall be contained within Council's paper based central files, in such a way, as to enable effective and efficient information retrieval.

Documents filed in individual filing systems are to be copies only and are not the responsibility of the Records Department. No original documents are to be filed on individual filing systems.

The majority of documentation produced during a tendering or purchasing task will generally be classified as an official record. It will be the responsibility of the officer involved in the generation of these records that they follow all required procedures, in particular the Records Management Policy and Procedure.

FILE GENERATION

At the commencement of all purchasing a central file is to be created in consultation with the Records Management and Customer Service Coordinator. The value or type of transaction will determine the required level of documentation and thus the location of the central file.



APPENDIX I

Tender Box Opening

PROCEDURE:

1. Empty the Tender Box at ____PM
2. Mark all envelopes - say 1, 2, 3 etc.
3. Initial all envelopes but **DO NOT OPEN** them.

Reference no:	_____	Date:	____/____/____	Time:	_____
Description:	_____				
Tender Box opened by:	_____				
Tenders received:	A total _____ of Envelopes were received and marked _____ .				
Signed:	_____ _____				

APPENDIX II

Tender Box AND Tender Opening

Reference no:	_____	Date:	____/____/____	Time:	_____
Contract Description:	_____				
Tender Box opened by:	_____				
Tenders received:	A total _____ of Envelopes were received.				
Tenders opened by:	_____				
Tenderers:	Mark	Envelope Mark AND / OR		Tenderer	
	1	_____			
	2	_____			
	3	_____			
	4	_____			
	5	_____			
	6	_____			
Signed:	_____				