



The Complete Fundraiser
'How to' guide to:-

Tendering for Public Sector Contracts

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Understanding Tender Documentation

Document	Purpose	Examples of content
Conditions of Tender	Sets out the terms under which a tender will be accepted for evaluation	<ul style="list-style-type: none"> • Evaluation criteria and any weightings to be applied • Closing date, time and place to lodge tenders • Agency contact details • Notification of pre-tender briefing sessions • Pricing requirements (eg whether prices should include or exclude the VAT) • Relevant policies and principles
Specification	Provides a comprehensive description of what is required	<ul style="list-style-type: none"> • Functional requirements • Technical requirements • Performance requirements
Conditions of Contract	Sets out the contractual terms that will be used	<ul style="list-style-type: none"> • Information on your rights and obligations • Information on the contractors rights and obligations
Tenderer Response Schedules	To be completed by tenderers to provide the information specified	<ul style="list-style-type: none"> • Information from suppliers to indicate their compliance with functional, technical, quality and contractual requirements, including a summary of costs where appropriate

Understanding how Tenders are Evaluated

The criteria that will be used to assess your tender will be specified in the tender documents. They are used by the contracting agency to assess the relative strengths and weaknesses of each tender.

Knowing how your tender will be evaluated will enable you to focus your efforts on those areas, which are considered important by the contracting agency.

First and foremost, your tender will be assessed to see if it complies with **mandatory tender (conditions for participation) and contract conditions**. If it doesn't, it may be considered to be invalid and eliminated from further evaluation.

An assessment is then undertaken against each of the **non-cost evaluation criteria**. These will be specified in the tender documents and may include:

- the technical merit of your proposal;
- the capability of your business to fulfil the requirement including: technical and management competence, financial viability and relevant experience;
- the relevant skills, experience and availability of key personnel;
- quality assurance requirements; and
- the risks or constraints associated with your offer.

A value for money assessment of each tender is then undertaken. **This does not necessarily mean choosing the cheapest price.**

When assessing value for money the contracting agency will weigh up the benefits of your tender against the whole-of-life costs of your tender. The value for money assessment may include consideration of wider benefits to the State, such as providing local employment opportunities.

Planning To Tender

How do you plan a response to a request for tender?

1. Start early. Get a copy of the tender documents as soon as you can, seek clarification in plenty of time and plan to get your response in one day before the closing time.
2. If you get a copy of the tender documents through a third party, make sure that you register your interest with the contracting agency. This will ensure that you are notified of any amendments and that you are provided with any additional information issued, for example, answers to questions asked at pre-tender briefing sessions.
3. Make sure you understand what is required:
 - read the tender documentation thoroughly. See chapter 1 for a general explanation of the tender documentation;
 - attend any pre-tender briefing sessions and be prepared to ask questions;
 - if you are still uncertain and require assistance, seek clarification from the agency contact; and
 - note that any new or additional information provided during pre-tender briefing sessions, or in response to suppliers seeking clarification, will be provided in writing to all potential tenderers.
4. Determine if you can complete the contract in-house or if you will need to sub-contract or form a consortium. If you need to sub-contract or form a consortium make sure you give others enough time to provide input into the tender.
5. Determine the criteria against which your tender will be evaluated and note any weighting placed on each of the criteria. You must satisfy each of the criteria and you should focus particularly on those criteria that carry the most weight. For more information refer to [understanding how tenders are evaluated](#).
6. Note the closing date, time and address for lodging your tender. Late tenders will not be accepted, except where there are exceptional circumstances, if approved by the contracting agency.
7. For high value tenders you may wish to prepare a tender response strategy. This will help you determine at an early stage if you can provide a competitive solution. Things you may consider include:
 - the budget and resources required to prepare your tender;
 - the resources you will require to fulfil the contract;

- identifying your competition; and
 - analysing your prospects of winning the tender.
8. Read the contract terms and conditions and make sure that you can comply. Non-compliant tenders may not be considered.
 9. Identify how to respond. Check to see if there are any standard forms to be completed and make sure you answer the questions asked.
 10. Complete a checklist to ensure everything required has been included.

For more information on tender preparation see understanding tender documentation, submitting a tender and the tender checklist.

Preparing Tender Documentation

What are some guidelines for preparing my response?

- **Present your response in a simple format**

Your tender will be evaluated on content, not on extravagant presentation. If tenderer's response schedules have been provided, use them. If no set response format has been specified, follow the general format and numbering of the tender specification. Use simple, straightforward language and keep to the point.

- **Know how your tender will be evaluated**

Provide a clear and concise response to each of the evaluation criteria. Make sure you address any mandatory criteria and give particular attention to criteria that carry the most weight.

For more information refer to understanding how tenders are evaluated.

- **Maximise Compliance**

Your tender will be assessed to see if it complies with mandatory tender and contract conditions. If it doesn't it may be considered to be invalid and eliminated from further evaluation.

Make sure you address in detail the requirements of the tender specifications as well as the conditions of contract and tender.

- **Demonstrate your ability**

Make sure you demonstrate (not just assert) your ability to fulfill each criterion.

Draw on previous experiences to provide examples, and offer certificates, samples, references and referees to further justify statements.

- **Complete the price or cost schedule**

Ensure you have completed the price or cost schedule for all items you are tendering. Clearly indicate how all costs are calculated and check whether prices should include or exclude VAT. Either way, be clear that your tender prices are VAT inclusive or exclusive.

- **Pitch competitively**

Are you offering value for money? Value for money is based on a broad assessment of all cost and benefits of each proposal. For example, have you built

"fat" into your pricing to account for unexpected expenses or risk in undertaking the project - providing this information may assist in any negotiation phase.

- **Provide Additional Information**

To further demonstrate your ability to undertake a tender it may be appropriate to include background information on your company's history, your employees, services you offer and any prior experience with Public Sector purchasing. This information may be included in the covering letter, as appendices or when addressing criterion.

Remember, you will be providing a good or service to a government agency. Within your submission demonstrate an understanding of the particular agency's business and how your company's skills may compliment them.

What information should be included in my response?

Your response should provide all the information requested in the tender documents. If a format has not been specified, your response should include:

1. Covering letter
2. Cover page

Match the title of your response to the Request for Tender title.

3. Table of contents
4. Executive summary

This is usually only required for large or complex tenders.

5. Statement of compliance

Address all criteria in detail giving particular attention to mandatory conditions and criteria that carry the most weight.

6. Price or cost schedule
7. Capability details

Detail the knowledge, experience, and availability of your proposed team for this project, including sub-contractors.

8. Past performance

Include details of previous work of a similar nature to the tender. Provide a list of referees and their contact details.

9. Quality assurance achievements

Attach any necessary documentation to demonstrate your compliance.

10. Appendices

Attach any relevant, but not critical items, as appendices, for example your company profile and staff resumes.

For more information on tender preparation see planning to tender, submitting a tender and the tender checklist .

Submitting a Tender

What do I need to know about delivering my response?

Before submitting your tender ensure that you have correctly signed all appropriate tender forms.

Make sure you submit your tender response at the right location and before the closing time. Late tenders may not be accepted. Plan ahead and get it in a day early.

In most cases, a response to tender must be submitted in a sealed envelope. Make sure you check to see if specific information is required to be on the tender envelope. In some cases facsimile and electronic tenders will be accepted, but you must confirm this from the tender documentation. Facsimile and electronic tenders must be received, in full, before the tender closing time. If your tender has not fully transmitted by the close of tender, even if this is because the machine has been engaged or is faulty, your submission may not be accepted.

For more information see [understanding how tenders are evaluated](#), [planning to tender](#), [understanding tender documentation](#) or [tender checklist](#).

Tender Checklist

It is always a good idea to use a checklist when tendering, to make sure you cover all the aspects required. This is a typical checklist, but you should develop your own checklist based on the requirements of each tender.

	Item	Description
	Have you registered your interest in this tender?	If you receive your copy of the tender document from a third party, register your interest with the contracting agency so that you receive any amendments.
	Do you understand all the requirements?	Make sure you have read the tender document and highlighted important points.
	Do you need clarification?	If you do not understand something, talk to the agency contact.
	When is the closing date?	When does the tender close and where should it be lodged? Late tenders will not usually be accepted.
	Are you fully informed?	Make sure you attend any pre-tender briefing sessions.
	Can you complete the entire contract in-house?	Can you complete the contract in-house or will you need to sub-contract or form a consortium? If you need outside help make sure you give others enough time to provide input into the tender.
	What are the evaluation criteria?	Determine the criteria against which your tender will be evaluated and note any weighting placed on each of the criteria.
	Do you need a tender response strategy?	For high value tenders you may wish to determine at an early stage if you can provide a competitive solution.
	What are the contract terms and conditions?	Read the contract terms and conditions and make sure you can comply.
	Have you identified how to respond?	How does your response need to be submitted - in a paper format or have electronic copies also been requested? How many copies are required?
	What format do you respond in?	Are there any mandatory tender forms to be completed? If there are, and they have not been included, your tender will be considered incomplete and will be

		eliminated.
Is your response in a simple format?		Your tender will be evaluated on content not on an elaborate presentation.
Are there tenderers response schedules?		If tenderers response schedules have been provided, use them.
What numbering has been used in the tender document?		If no set format for responding has been specified, follow the general format and numbering of the tender specification.
Have you answered all the specified requirements?		Prepare a checklist and tick each of them off as you answer them.
Have you provided all the information requested?		Have you been requested to supply other information and documents?
Have you indicated whether you comply with the conditions of contract?		If you exceed the requirements, or only partially comply, have you provided a detailed explanation?
Are there Quality Assurance requirements?		Are any supporting documents required? Are they attached?
Have you demonstrated your ability to meet all of the selection criteria?		Make sure you have clearly demonstrated (not just asserted) your ability to fulfill all the mandatory criteria.
Have you completed the price or cost schedule for all items you are tendering?		Have you included your costing for all items and followed the VAT requirements?
Are you offering value for money?		Have you pitched competitively?
Have you contacted your referees to confirm they are willing to be a referee?		Are referee contact details correct?
Have there been any amendments?		Have there been any tender amendments issued and have you addressed these?
Is this an alternative tender?		Have you clearly identified that this is an "Alternative Tender"? Check with the agency first to confirm that an alternative proposal will be considered.
Have you signed all the appropriate forms?		Have you correctly signed all appropriate tender forms?

	How can you send your response?	Can a fax or electronic lodgement be sent or is a hard copy required? How many copies are required?
	What needs to be on the tender envelope?	Check to see if specific information is requested to be on the tender envelope - back and front - and how this is to be presented.

For more information on tenders see [planning your tender response](#), [preparing your response](#) or [submitting your response](#).

Quick Tips

The following are common mistakes made when tendering:

1. Always *provide all of the information* requested by in the tender application.
2. It is important that the calculations of tender prices is correct. *Check and DOUBLE-CHECK* this!
3. Often, tenderers misinterpret the scope of the work. If you are unsure of anything in the tender *ASK!*
4. Always *SIGN* your bid document. Unsigned documents are unresponsive and will therefore be disqualified.
5. Make sure that you drop the tender into the right box, before the closing time. *Late bids will not be accepted*, not even 1 second past the closing time.
6. If *samples* are requested, sufficient amounts must be supplied to enable the item to be evaluated under the appropriate technical or clinical conditions.

Tips from procurement officials:

1. Always read through the bid documents carefully.
2. Complete the document in full.
3. Do a proper cost analysis when calculating your bid prices. Bids calculated too high or too low are considered unresponsive.
4. Enquire about the bid and obtain all the relevant information before completing the tender document.
5. Feel free to ask why you were unsuccessful so that you may learn from mistakes made.
6. Make sure that you are able to meet all the requirements within the specified time and are able to honour your offer in the event that your bid is successful.
7. Do not make any misrepresentations or false statements in your bid documentation. It is a legal document and therefore enforceable by law.
8. Quality services and products will improve your track record and good standing with the department. Poor delivery creates a negative impression not only for your business but for all small businesses in general.

Summary

Plan

Start early. Once you have got the tender documents ensure you have registered your interest with the contracting agency and have noted the closing date and time.

The following points should assist you in planning your response:

- Develop a checklist to ensure you cover all aspects required.
- Read the contract terms and conditions and make sure you comply.
- Make sure you understand what is required - do you need to ask more questions? Are you required to attend a pre-tender briefing session?
- Determine if you can complete the contract-in-house.
- Identify how to respond.

Prepare

A contracting agency is looking for a tenderer who distinguishes itself from the competition, is innovative, customer focused and provides value-added services.

Keep the following points in mind when preparing your tender response:

- Present your response in a simple format.
- Know how your tender will be evaluated and maximise your compliance - give particular attention to mandatory conditions and criteria with the most weighting.
- Demonstrate (not just assert) your ability.
- Complete the price or cost schedule - include all the items you are tendering and check whether prices should include or exclude VAT. Ensure you pitch competitively.
- Provide additional information.

Submit

Late tenders will not be accepted, except where there are exceptional circumstances, if approved by the contracting officer.

- Identify the method by which you need to submit your tender.
- Sign all appropriate forms.
- Submit at the right location and before closing time.