



**CITY OF BUNBURY
SURF LIFE SAVING CLUB INC.
PROCEDURE STATEMENT
TENDER PROCEDURE**

**PROCEDURE
NUMBER
1.8B
Oct 2021
Version: 0**

1. INTRODUCTION

This procedure supports the Club's Procurement Policy and outlines the process for the procurement of all goods and services for the City of Bunbury Surf Life Saving Club for operational expenditure, capital and equipment or any procurement which are assessed as presenting a significant risk, regardless of the source of funding. This includes capital works for the construction and improvement of facilities, IT projects and infrastructure as well as professional services and independent contractors. This procedure should be read in conjunction with the Club's Procurement Policy and Quotation Procedure.

2. TENDERING

A competitive tender process will be conducted for the procurement of all goods and services valued at over \$25,000 (GST inclusive) for operational expenditure, capital and equipment or any procurement which is assessed as presenting a significant risk to the Club. Procurement of goods and services cannot be split into parts or instalments to fall below the tender threshold value.

3. TENDER PLANNING

- 3.1 The tender process will be planned and administered by the Director responsible for the area the expenditure relates to ensuring that the tenders meet the criteria and are able to be assessed based on the stages of definition, measurement, analysis, implementation and control (DMAIC).
- 3.2 A procurement strategy will be developed by the responsible Director to ensure that the Club acts with intent to proceed, clear tender specifications and available funding in accordance with the Procurement Policy.
- 3.3 The Club uses a variety of approaches to tendering, sometimes in a staged process, and the most appropriate will be determined as part of the procurement strategy according to the nature of the specific procurement. Consideration will be given to the following:



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- a. Expression of Interest (EOI) - is used primarily to determine the market's ability or desire to meet the Club's procurement need following which the Club may need to collect additional information to make procurement decisions. An EOI is not an invitation to bid, is not binding on either party and is usually followed by a selective Request for Tender based on a more detailed specification.
- b. Request for Information (RFI) - is commonly used on major procurements particularly if the Club's requirements could potentially be met through several alternate means. A RFI is not an invitation to bid, is not binding on either party, and in some circumstances may be followed by a selective RFT, RFP or RFQ.
- c. Request for Quotation (RFQ) - is used when detailed specifications of a good or service are known and competitive bids are to be evaluated mainly on price.
- d. Request for Proposal (RFP) - is used to directly purchase goods or services when the Club clearly understands its needs but does not have defined details of the solution. This approach is often used for the procurement of professional services or as part of information and communication technology projects.
- e. Request for Tender (RFT) - is used when the Club is seeking potential suppliers for a scope of work which has been designed and specified in detail. A RFT is often used for building and construction works and evaluation is based on price and a range of technical factors.

4. EXEMPTIONS TO TENDER

- 4.1 Certain circumstances may justify or necessitate an exemption to the Club's tender procedures such as:
 - a. existing contractual arrangements for the same or similar goods and services;
 - b. functional, technical, logistic and/or geographic requirements;



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- c. alternative procurement methods offer better value for money and/or lower cost, risk and complexity; and/or
 - d. there is a sole supplier in the market.
- 4.2 An exemption to tender may be approved by the Board of Management provided that there is adequate documentation to support the request.
- 4.3 Retrospective exemption requests will not be approved.

5. TENDER DOCUMENTATION

- 5.1 Tender documentation will be prepared by the responsible Director to clearly and accurately specify the:
- a. evaluation criteria to be used in the assessment and comparison of potential suppliers - commercial, technical, quality and cost/price including both mandatory and desirable criteria;
 - b. structure/format of responses from potential suppliers/sponsors;
 - c. draft contract to be executed (wherever possible); and
 - d. conditions of tendering including details of submission.
- 5.2 The Director responsible for the relevant club operational area will prepare the statement of work in relation to the goods or services - based on performance, design or quality according to the nature of the procurement.
- 5.3 The weighting of evaluation criteria will be determined using supply positioning methodology that considers strategic risk and value to the Club. Tender documentation must clearly indicate the relative importance of each of the evaluation criteria and similarly, the overall importance of commercial, technical and cost/price should also be weighted (totalling 100%). Although weightings must be agreed before tender documents are issued, they do not need to be shared with potential suppliers.



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- 5.4 All tender documentation must be completed prior to advertising or issuing the tender unless otherwise approved by Board of Management.

6. ISSUE OF TENDERS

- 6.1 All tender documents must be issued by the responsible Director to potential suppliers on request and record details of potential suppliers to whom documents are issued.
- 6.2 For some tenders, the Club may wish to separately advertise the tender in the most appropriate media for the goods or services being procured. In such cases the tender advertisements must be approved by the responsible Director.
- 6.3 Potential suppliers will be given the same tender documentation including any background, supplementary or amendment material given out to any other potential supplier at any time during the tender process.

7. COMMUNICATION DURING THE TENDER PROCESS

- 7.1 Communications during the tender process, including any pre - tender briefings/ presentations and site inspections, will be handled with due regard for probity. Potential suppliers will receive the same information and no single supplier will be given a potentially unfair advantage. This includes clarifications on any aspect of the tender unless there are reasons relating to confidentiality or intellectual property.
- 7.2 Enquiries about any tenders will be taken and recorded by Club Administration Staff. Phone enquiries will be received but wherever possible all enquiries should be directed in writing via the Club's email.



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8. SUBMISSION OF TENDERS

- 8.1 Tenders must be submitted in accordance with the Club's conditions of tendering which will generally include the following principles:
- a. tenders must be submitted at the specified location by the specified closing date and time;
 - b. tender documents submitted will become the property of the Club;
 - c. the Club is not bound to accept the lowest or any tender; and
 - d. acceptance of a tender may be whole or in part and is conditional upon execution of a contract or purchase order acceptable to the Club.
- 8.2 Tenders must be submitted to the club via mail, hand delivered or emailed.
- 8.3 The Board of Management may in exceptional circumstances approve the extension of the tender closing date in which case all potential suppliers will be notified in writing.

9. RECEIPT AND REGISTRATION OF TENDER RESPONSES

Tender responses will be signed in by two administration staff members as soon as practical after the stated closing date and time for the submission of tenders. Each tender response will be date stamped and initialled by the two staff members and a register of all tender submissions will be established.

10. ASSESSMENT OF TENDER RESPONSES

- 10.1 All aspects of tender responses will be assessed by a Tender Evaluation Panel. The Tender Evaluation Panel will consist of:
- a. A subject matter expert
 - b. At least 2 BOM Members
 - c. And at least 1 key stakeholder



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- 10.2 The Tender Evaluation Panel will be chaired by the Director of Finance. The Chair will facilitate the proceedings of the Tender Evaluation Panel however does not complete a technical assessment.
- 10.3 The Tender Evaluation Panel will be convened by the Director of Finance to assess all the tender responses in accordance with the Tender Evaluation Plan and evaluation criteria as specified in the approved procurement strategy. The Director of Finance supports this part of the process by managing probity requirements, providing the Club's tender evaluation tools, providing advice as needed, coordinating the assessment, developing and implementing negotiation strategies, and preparing reports and recommendations for approval.
- 10.4 All members of the Tender Evaluation Panel, as well as any staff involved in the tender assessment, are required to maintain confidentiality and to disclose any conflict of interest - perceived, potential or actual.
- 10.5 The tender responses will be assessed using the evaluation criteria and will be weighted as identified in the approved procurement strategy.
- 10.6 In the event that two tender responses are assessed as being equal after negotiations have been completed in accordance with Club guidelines, the successful one will be selected by following the processes in the order listed:
- a. the first of the two tenders received;
 - b. local contractor in preference to contractor from outside the region.
- 10.7 For engagements that:
- a. are long - term or recurring;
 - b. are construction contracts valued at more than \$25,000; and/or
 - c. present a significant risk to the Club



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- 10.8 The financial viability and stability of the potential supplier(s) will be assessed. This financial check may be completed by Club staff or by an external agent at the request of the Club.
- 10.9 The Tender Evaluation Panel's recommendation about the potential supplier will be clearly established and documented with reference to the agreed evaluation criteria.
- 10.10 The Tender Evaluation Panel's recommendation should be unanimous however, in the event that there is a material and unreasonable difference between the rankings and evaluation by the members, the matter will be referred to the Board of Management

11. NEGOTIATIONS WITH TENDERERS

- 11.1 Negotiations with shortlisted or recommended suppliers regarding the commercial terms and conditions of their engagements may be undertaken by the responsible Director or their authorised nominee only at the end of the assessment of tenders.
- 11.2 Negotiations will be undertaken to achieve an agreement that is fair, durable, meets the needs of both parties and maintains or improves the relationship between the parties. The Club will not attempt to lower the price by negotiating or trading between shortlisted or recommended suppliers. The Club will not engage in the practice of bid shopping.

12. ASSURANCE OF PROBITY OF TENDER PROCESS

- 12.1 The Tender Evaluation Panel's recommendation will be reviewed by the Director of Finance to ensure that the tender process has been conducted in accordance with the approved procurement strategy as well as the Club's policies and procedures.
- 12.2 The Director of Finance will provide an assurance regarding the probity of the tender process and will forward the recommendation to the Board of Management for approval.



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- 12.3 In the event that the Director of Finance has concerns or identifies issues in relation to the probity of the process, the matter will be referred to the Board of Management for advice and action.

13. RESCISSION OF A TENDER

At any point in the tender process, the Club may wish to rescind a tender that has been put to market - particularly if the scope of work has significantly changed or the approved procurement strategy is no longer considered appropriate. The Director of Finance may approve the rescission of a Club tender.

14. APPROVAL OF RECOMMENDED TENDERER

- 14.1 The recommendation of the Tender Evaluation Panel and the Director of Finance will be forwarded to the Board of Management for approval to award the contract
- 14.2 Any tender contract will only be awarded if the value of the engagement is within an approved budget or source of funds. If the value of the engagement exceeds the approved budget or source of funds, the funding will be reviewed. This will be done in a timely manner to ensure that the tender process is not unduly delayed.
- 14.3 In the event that the recommendation of the Tender Evaluation Panel and the Director of Finance is not accepted by the Board of Management. The Board of Management must provide to the Director of Finance the details for non - acceptance.

15. ADVISING TENDERERS OF THE OUTCOME

- 15.1 The responsible Director will advise the approved tenderer in writing that their tender has been accepted conditional upon execution of a contract which is satisfactory to the Club.



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15.2 All other tenderers will be notified in writing by the responsible Director they have been unsuccessful.

15.3 The Club will not be required to provide any information to the unsuccessful tenderers other than the name of the successful tenderer. However, if an unsuccessful tenderer requests a debriefing, the Director of Finance has the discretion to provide more detailed feedback in terms of their performance against the evaluation criteria (but not in comparison to the successful tenderer or any other tenderer).

16. EXECUTION OF CONTRACT

16.1 In most cases, the tender process will require the execution of a contract between the Club and the successful tenderer. Wherever possible the Club will provide the draft contract as part of the tender documentation.

16.2 The Director of Finance and responsible Director will be responsible for ensuring that the contract to be executed reflects the negotiated terms and conditions.

17. PERFORMANCE OF SUPPLIERS

Poor performance on the part of a supplier or contractor should be reported to the Board of Management.

18. COMPLAINTS RESOLUTION

Any complaints arising from the Club's procurement activities will be addressed in accordance with the Club's Grievance Policy .

19. AUDIT, COMPLIANCE AND REVIEW

19.1 The implementation of and compliance with this procedure will be periodically audited as part of the Club's internal audit cycle.



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- 19.2 Failure to comply with the provisions of this procedure and the relevant delegations will be taken very seriously.
- 19.3 This procedure will be reviewed by the Director of Finance least once every three years with input from the Board of Management.