

Use Of Tender Assessment Matrices

A tender assessment matrix is used in situations where bids are assessed on more than price. This would include the concept of bids being assessed on best value. The criteria by which the tenders are to be assessed should be included within the tender documentation but the relevant weightings are not have to be provided to the tenderers.

In our sample matrix all criteria are marked out of 10 and is then multiplied by the weighting to give him a mark out of a total, in the example provided it is marked out 1000. Although the market will give an indication of which tenderer should be selected. It may well be the case that if the marks are close the client's team decide to award the work to a tenderer who did not a have the highest score but was attractive for some other reason. The reasons for the decision should be identified in writing and recorded within the process, this is particularly important in the public sector.

The areas on which tenders might be assessed include the following:

- Tender
- Production
- Health and Safety
- Contractual
- Financial

Tender

The areas that might be assessed could include :

- Tender price
- Level of daywork rates
- Level of preliminary costs.

The tender value will be of major importance to most clients obtaining tenders, this is therefore weighted heavily in the assessment matrix: in this instance the weighting is 40 out of 100 marks. This is because the tender price is still very important even when the bid is assessed on best value.

The level of daywork charges are important to establish what costs might be incurred if they design was changed and work carried out on a time and materials basis. Similarly the level of preliminary charges will indicate the possible costs should the client's team cause a delay for which the employer is responsible and the contractors submit a claim for additional costs.

Production

Production the areas that might be assessed for production could be as follows:

- Site Personnel
- Tender Programme
- There Sites Set Up
- Proposed Subcontractors
- Quality Plan

The personnel would normally be interviewed and their experience assessed together with the design team's opinion as to how easy they might be to work with and if they will be effective in controlling the Works.

The proposed programme by the tendering contractor would be assessed to check that it was realistic.

The site equipment proposed by the contractor would be of importance as the design team would assess whether it was sufficient and of the right type to correctly constructed works. It should be noted that in the area of productivity the contractor specialism and expertise is of great importance.

Proposed subcontractors would be of importance as the client team would want to ensure that sufficiently experienced and capable subcontractors were taking on major parts of the construction project.

Quality plan: the quality plan is important to assure the client's team that the right level of care will be taken to deliver a quality building.

Health and safety

The three areas that might be accessed for health and safety could be:

- Method Statements
- Staff Qualifications
- Prohibition Notices

The method statements would indicate that the contractor has fully understood the implications of the pre-tender health and safety plan. It should they should address all the issues and risks identified within that document.

The level of staff qualifications and expertise would indicate to the client's team that the contractor is employing suitably experienced staff to discharge the employer's responsibility to carry out the works safely.

Prohibition notices under this section is the number of prosecutions and prohibition notices issued to the contractor by the health and safety executive would be investigated. Poor performance in this area in particular might be a reason to not take the tenderers tender forward. This would be an acceptable reason to reject a tender which otherwise gives best value.

Contractual

The contractual matters which the client's team investigate might be:

- Qualifications
- Reputation

The qualifications that the tenderer has included within its tender would be of importance to ensure that a qualified tender was not considered further. If any of the qualifications included by the contractor were totally unacceptable to the client's team then he should be asked to withdraw the qualifications and if he is unwilling again this would be a reason to not take the tender forward as it is non-compliant.

Reputation many contractors have a reputation for being very contractually aware and submitting claims for extra funds which will lead to a souring of relationships on the project. A poor reputation in this area would be a reason that the contractor may be scored badly.

Financial

the contractor's financial standing should have been assessed at the time the tender documents were sent out. However a tenderers financial standing may change in the period between the initial enquiry and of the tender, therefore it is of use to check his current financial standing on

Areas that might be checked include:

- Submission of accounts
- Turnover
- Assets

Failure to submit the accounts on time may indicate that the tenderer is having difficulty in having them approved by its auditors. Any accounts should be checked for the basic accounting ratios and qualifications inserted by their company auditors.

The ability of contractor in the market can be gauged by his turnover; this will give an indication of his abilities to successfully fund the project.

The contractor's level of assets again is an indication that he has the financial wherewithal to complete the works.

Tender Assessment Matrix		Contractor A			Contractor B			Contractor C			
		Weighting	Score	Weighted Score	Comments	Score	Weighted Score	Comments	Score	Weighted Score	Comments
Tender Submission		50									
	Tender Sum	40	6	240		8	320		5	200	
	Daywork Rates	5	8	40		10	50		4	20	
	Preliminaries	5	5	25		4	20		2	10	
Production		20									
	Proposed Site Management Team	5	10	50		6	30	Poor Agent	10	50	
	Tender Programme	2	6	12	Unrealistic	6	12		6	12	
	Proposed Site Set up	4	4	16		4	16		4	16	
	Proposed Sub-contractors	3	8	24		9	27		8	24	
	Quality Plan	3	10	30		10	30		10	30	
Health & Safety		10									
	Method Statements	5	10	50		10	50		10	50	
	Personnel Qualifications	3	5	15		5	15		5	15	
	Prohibitions	2	10	20		0	0	Recent Stop Noti	10	20	
Contractual		10									
	Contractual Qualifications	5	10	50		4	20	Remove qualifica	10	50	
	Reputations	5	2	10		2	10		2	10	
Financial Standing		10									
	Availability of Accounts	2	10	20		10	20		10	20	
	Turnover	4	5	20		8	32		5	20	
	Assets	2	10	20		10	20		10	20	
	Judgements	2	10	20		10	20		10	20	
Total		97		662			692			587	

