

Business Tasmania

Tasmanian Government ICT Tenders – common mistakes and reasons for failure

Assessment of responses to Tasmanian Government ICT Tenders is undertaken by departmental Evaluation Committees which take a very structured approach in assessing compliant tender responses against the evaluation criteria and any weightings specified in the request for tender (RFT) or request for quotation (RFQ) documentation. The Committee produces a report documenting the evaluation process, factors considered in making their decision and to confirm compliance with the Government's purchasing principles, policies and procedures throughout the evaluation process.

The Evaluation Committee will not consider information or documentation that is not submitted in, or as part, of a respondent's quotation/tender submission.

Anecdotal evidence suggests that the main reason that some potential providers are unsuccessful in winning ICT tenders is that the Evaluation Committees reject the bids because they fail to meet part, or all of the requirements specified in the RFT or RFQ documentation. Key areas of concern can include any of or a combination of the following.

- Failure to comply with the mandatory criteria including:
 - a properly completed Quotation Form signed by appropriately authorised persons (for example in accordance with section 127(1) of the *Corporations Act 2001 (Cwlth)*)
 - provision of Certificates of Currency to confirm the required insurances (as specified in the RFQ or RFT) are valid
 - names and contact details for the prescribed number of referees.
- Failure to address each of the qualitative criteria separately.
- Failure to adequately demonstrate a deep understanding of the Department's requirements (without regurgitating it) and how the proposed approach will provide value.
- Poor alignment of the offer to the qualitative (non-cost) evaluation criteria.
- Unsubstantiated claims of experience and/or capability.
- Questions that arise in relation to:
 - the suitability, adequacy and attractiveness of the company's relevant skills and previous experience including the nominated personnel (such as number to be involved with delivering the contract, their relevant experience, skills and knowledge)
 - the company's financial viability, qualifications, referee reports and/or past performance
 - the suitability, adequacy and attractiveness of the company's administrative, management systems and/or quality assurance processes

- the control mechanisms to be applied to manage sub-contracting.
- Cost/price/value for money in comparison to other bids (noting that value for money does not necessarily mean the cheapest price will win the tender).
- Failure to fully identify and/or adequately address the potential risks or constraints identified in the proposal.
- The impact of the proposal on local SME industry (for procurements with a value of over \$50 000 and up to \$2 million, or up to \$5 million at the discretion of the agency).
- Poorly-written proposals that are poorly structured, inconsistent and lack supporting information.

Contract value	Direct appoint from ICT Professional Services panel	Tender process required
Less than \$50 000	Yes – Agencies can engage any provider (whether on the panel or not) for procurements valued less than \$50 000 without the requirement to obtain three quotes. The requirement for suppliers to enter into a GITC Head Agreement still applies.	No
Between \$50 000 and \$250 000	Yes – but if a potential contractor is not on the panel, three (3) written quotes are required. The selected supplier(s) must have entered into a GITC Head Agreement with the Tasmanian Department of Treasury and Finance. A specification that clearly, accurately and completely describes the essential requirements of the goods or service being purchased is required to seek quotes. It is the basis of all offers and is the foundation for the contract.	No
Over \$250 000	No	Yes

Recommended reading:

<https://www.business.tas.gov.au/growing-and-improving-your-business/accessing-government-tenders> and particularly the Government's Tendering Handbook (see https://www.business.tas.gov.au/__data/assets/pdf_file/0015/151440/Tendering_Handbook_June_2017_.pdf)

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