



# Local Supplier Workshop 2024

## We're with you

Providing our Local Suppliers and Contractors with insights into how procurement works in Local Government with potential opportunities.

# House Keeping



**Emergency**



**Questions**



**Restrooms**



**Timing**



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# Agenda

Introductions and Overview of the Session

Opportunities and Notifications

To Bid or NOT Bid?

A Successful Response

Scenario

The Evaluation Process

Unsuccessful Responses

Q&A Session



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# Introductions

**Pav Kuzmanovski** - Acting Director Corporate Strategy and Resourcing

**Michael Robinson** - Managing Director - SHOP Consulting

# Introductions

## **Welcome and Opening Remarks**

We will provide an overview of the workshop's goals, which focus on educating and empowering local businesses to better understand and navigate local government procurement.

## **Understanding Local Government Procurement**

We will cover the fundamental aspects of procurement within the local government context. Attendees will learn about the critical role procurement plays in council operations, including the guiding principles of transparency, fairness, and achieving value for money. The aim is to demystify the procurement process, making it more accessible and understandable for local suppliers.

## **Benefits for Local Suppliers**

We will discuss the numerous opportunities available for local suppliers to engage with the council. This includes insights into upcoming projects and procurement needs. Additionally, we will share success stories of local suppliers who have successfully navigated the procurement process, providing practical examples for attendees. The focus is on illustrating the tangible benefits of understanding and participating in local government procurement.



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# Opportunities and Notifications

# Opportunities and Notifications - Platforms

 **WSC Council website** [Tenders & Expressions of Interest | Wingecarribee Shire Council \(nsw.gov.au\)](#)

 **VendorPanel** [Access Public, Private Sector Contracts for Free | VendorPanel](#)

 **Tenderlink** [illion TenderLink | Join Australasia's largest tender marketplace](#)

 **State Government contracts** [Welcome to the Supplier Hub | buy.nsw](#)

 **LGP - Contracts and Tenders** [Local Government Procurement \(lgp.org.au\)](#)

 **Procurement Australia** [Suppliers - Procurement Australia \(paltd.com.au\)](#)

 **NSW e-Tendering website** [eTendering - Local Councils \(nsw.gov.au\)](#)



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# To Bid or NOT Bid



# Bid or NO Bid?

## Importance of Bid or No Bid Questions

Before deciding to bid on a project, it's crucial to ask key questions to ensure informed decision-making.

These questions help determine if your organisation is eligible, capable, and strategically aligned to take on the project.

They also assess risks, financial viability, competitive positioning, and compliance requirements.

Ultimately, bid or no bid questions safeguard your organisation's interests and enhance decision-making quality.

- 1. Eligibility and Capability**
  - Are we eligible to bid?
  - Do we have the capacity to deliver?
- 2. Understanding the Requirement**
  - Do we fully understand the scope of work?
  - Are there any ambiguities or uncertainties?
- 3. Risk Assessment**
  - What are the risks involved?
- 4. Competitive Position**
  - Who are our competitors?
  - How do we compare against them?
- 5. Financial Considerations**
  - Is the project financially viable?
  - What are the payment terms?
- 6. Compliance and Obligations**
  - What are the compliance requirements?
  - What are the contractual obligations?
- 7. Strategic Fit**
  - Does this project align with our strategic goals?
- 8. Past Performance**
  - Have we reviewed our past performance?
- 9. Bid Preparation**
  - Do we have the resources to prepare a strong bid?
- 10. Clarifications and Communication**
  - Have we planned for pre-bid clarifications?
- 11. Post-Submission**
  - What is the evaluation process?



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# Legislative Requirements

## Resources:

[LOCAL GOVERNMENT ACT 1993 - SECT 55 Requirements for tendering \(austlii.edu.au\)](#)

[Local Government \(General\) Regulation 2021 - NSW Legislation](#)



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# The Evaluation Process

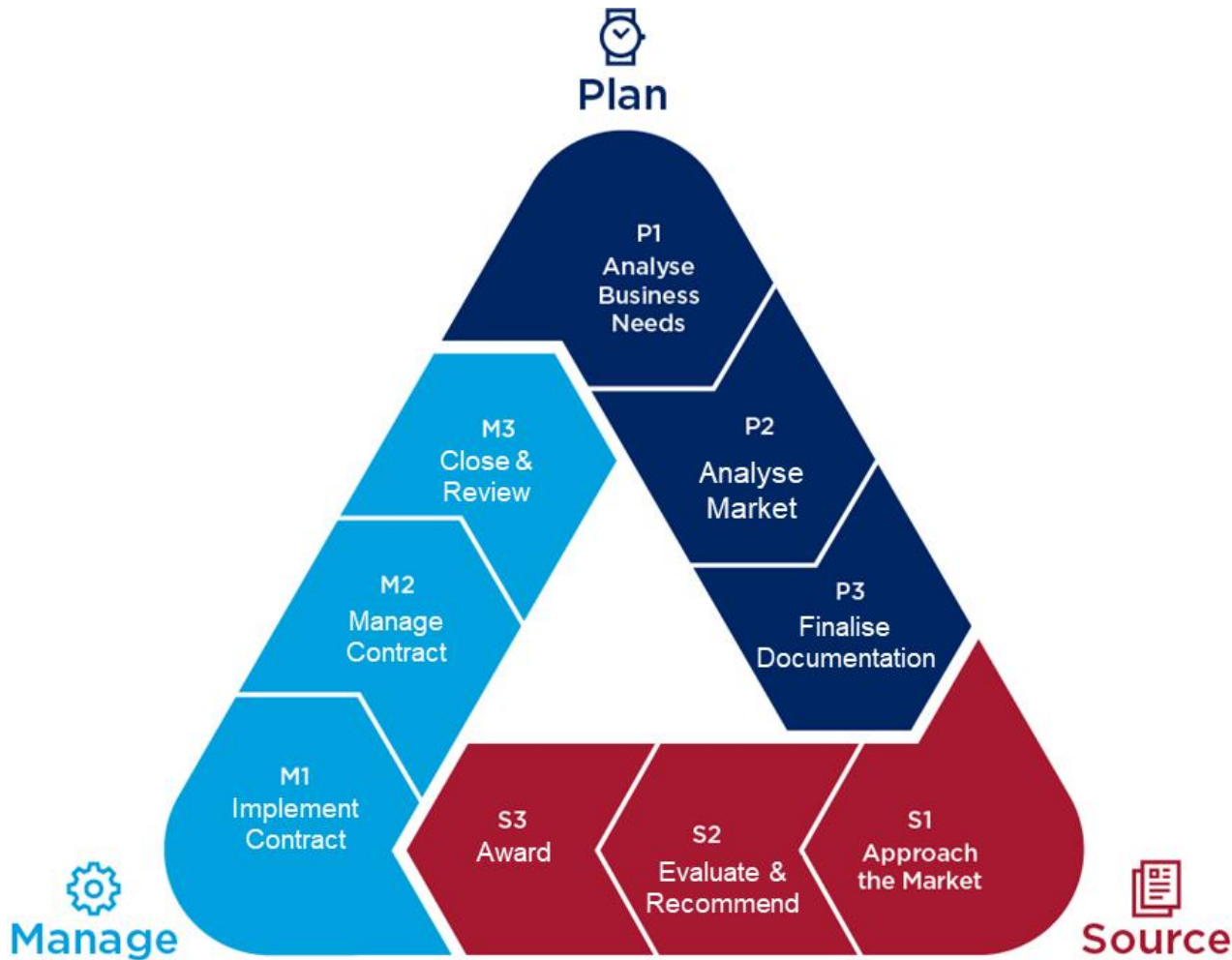
# Key Stages

## Procure in 3 stages and 9 steps

Our best practice methodology consists of 3 broad stages: **Plan, Source and Manage**. Each stage comprises 3 steps. The buyer guidance on this site is largely set out using this approach.

While every step is important, you don't have to spend the same time and resources on each one. Instead, you should make your own assessment based on the size of your procurement, your situation and needs.

When you use this approach and its supporting tools, you'll be following best practice. This, in turn, should give you the best chance of reaching a successful procurement outcome.



[Best practice procurement | info.buy.nsw](https://info.buy.nsw.gov.au)



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# Evaluation Planning

Considerations	Details
<b>Establish Probity</b>	Probity, or integrity, in the evaluation process is essential. Ensure transparency, fairness, and accountability at all stages.
<b>Engage Team</b>	Involve all relevant stakeholders in the process. Their diverse perspectives and skills can enhance the quality of the evaluation.
<b>Refer to the Specification</b>	Always align the evaluation plan with the technical and functional specifications of the product or service. This ensures that the evaluation is relevant and effective.
<b>Set High Level Weightings</b>	Assign weightings to different aspects of the evaluation based on their importance. This helps prioritise key factors in the evaluation process.
<b>Establish Questions and Weighting</b>	Develop specific evaluation questions and assign weights to them based on their relevance to the overall objectives.
<b>Evaluation Score Sheets and Guide to Evaluators</b>	Create standardised score sheets to evaluate responses. Provide a guide to evaluators explaining the scoring system and evaluation criteria.
<b>Tender Response Schedules</b>	Plan a schedule for receiving and evaluating tender responses. This helps manage time effectively and ensures that all responses are evaluated fairly.
<b>Q.A and Sense Checking</b>	Regularly review the evaluation process to ensure it is running smoothly and making sense. Quality assurance is key to a successful evaluation.
<b>Finalise the Plan</b>	Once all elements have been considered and the process reviewed, finalise the plan. This should be a comprehensive document detailing all steps of the evaluation process.



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# Example Mandatory Criteria



Submitted **Required Schedules** in electronic format by Tender Close Time.



Valid and current **Certificates of Currency** for Insurance or a declaration to obtain the required insurances prior to the contract award, with coverage levels appropriate to the category being tendered for.



Recognition as an **Acceptable Legal Entity** capable of entering into a contractual agreement with the council.



Commitment to **comply with Compliance system** requirements before the contract award for alignment with Council's contractor management systems.



**Appropriate Licenses and Certifications** relevant to the category being tendered for, such as trade licenses or confined space certifications.

## Note:

A response which does not meet any one of the mandatory requirements is deemed to be non-compliant or ineligible to be considered any further in the evaluation process.



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# Example Qualitative Criteria



**Price Component** The tender's overall cost-effectiveness, as demonstrated by a detailed pricing schedule, which will be evaluated to ensure Council receives the best value for money.



**Capability and Capacity** Evaluating the tenderer's ability to meet Council's service delivery needs.



**Risk Management** Assessing the tenderer's identification and mitigation strategies for potential risks.



**Community Benefit / Sustainability** Considering the tenderer's commitment to local economic and social sustainability.



**Environmental Practices** Reviewing the tenderer's adherence to environmental standards and sustainable practices.



**Quality Assurance** Judging the quality of the tenderer's previous work and their proposed approach to maintaining high standards.

## LOCAL SUPPLIER CRITERIA

The evaluation criteria weightings vary across the different categories. This variation allows Council to focus on what's most important for each specific service area, ensuring value for money services that also align with Council's commitment to quality, sustainability, and community well-being.



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# Example Weightings

## Wingecarribee Standard Selection Criteria Guide

Non-Cost Selection Criteria	Weighting
Capability & Experience	30%
Methodology	10%
Timeline and project management	10%
Proposed project team	10%
Sustainability	5%
Local Supplier	5%
	<b>70%</b>
Cost Selection Criteria	
Price	<b>30%</b>
<b>TOTAL</b>	<b>100%</b>



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# A Successful Response

# A Successful Response



**Understanding the Requirements** Understanding the tender requirements is crucial. Take the time to read and comprehend all aspects of the tender document. Ensure you grasp what the client needs and expects from the successful bidder. Pay close attention to the scope of work, timelines, and any special conditions.



**Addressing Evaluation Criteria** Directly address the evaluation criteria outlined in the tender document. This section is where you align your response with the client's priorities. Ensure each criterion is fully met and provide evidence or examples to support your claims. Clearly demonstrate how your proposal stands out against the evaluation metrics.



**Showcasing Unique Selling Points** Highlight what makes your business and proposal unique. This could include innovative solutions, past successes, specialised skills, or unique technologies. Emphasise the benefits these unique points bring to the client and how they differentiate you from competitors.



**Collaboration** Show how your team collaborates both internally and with external stakeholders. Demonstrating a strong, cohesive team effort can instil confidence in your capability to deliver on the project. Mention any strategic partnerships or collaborations that enhance your proposal.



**Demonstrating Financial Stability** Provide evidence of your financial stability and capacity to undertake the project. This could include financial statements, references from financial institutions, or examples of successfully completed projects of a similar scale. Financial stability assures the client that you can sustain the project through to completion.



**Complying with Formatting and Submission Requirements** Follow all formatting and submission guidelines to the letter. This includes adhering to page limits, using specified templates, and submitting by the deadline. Non-compliance can lead to immediate disqualification, regardless of the quality of your proposal.



**Ensuring All Addenda Have Been Understood** Make sure to review and incorporate all addenda issued during the tender process. These documents often contain critical updates or clarifications that can affect your response. Demonstrating that you have acknowledged and addressed all addenda shows thoroughness and attention to detail.



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# Scenario

# What Time Does the Tender Close?

## Scenario

SHOP Haven Council has advertised a tender for a major capital works project, stating that all tenders must be received before 2:00 pm next Thursday. Fifteen minutes after the deadline, the council's procurement team receives a phone call from a supplier. The supplier asks if they can still submit their tender via email, explaining they had some technical issues with the e-tendering portal.

**What are the issues?**

**What options does Council have?**

**What would you recommend?**



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# Unsuccessful Responses

# Components of an Unsuccessful Tender Response

**Errors in returning documentation** Failure to return all mandatory attachments and documents, such as pricing schedules, non-pricing schedules, certificates.

**Incomplete documentation** Not completing documents correctly, such as failing to respond to every mandatory question or missing addenda.

**Late or day-of submissions** Missing the deadline due to unforeseen circumstances, such as workloads, technical issues, or significant storms. Waiting until the last moment can lead to rushed responses, errors, and missing critical details. Any submission received after the deadline is typically disqualified.

**Price too high or too low** Bids that are significantly higher or lower than the market standard can raise concerns about value for money or feasibility.

**Not completing all schedules** Failure to fill out all required schedules and forms in the tender documentation.

**Not following submission format** Ignoring specified submission formats or guidelines, such as document layout and file naming conventions.

**Not addressing each criteria** Failing to respond to each evaluation criterion as outlined in the tender documents.



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# Debrief with Council

Debrief meetings with the council after an unsuccessful bid are structured discussions aimed at providing feedback on your proposal. These meetings help understand the evaluation process and highlight areas for improvement, ensuring better alignment with future council requirements.

## Why Debrief Meetings are Useful

**Gain Insight:** Understand the evaluation criteria and how your proposal measured up

**Identify Strengths and Weaknesses:** Receive detailed feedback on what worked well and what needs improvement

**Improve Future Submissions:** Use the feedback to refine and enhance your future proposals

**Build Relationships:** Demonstrate your commitment to professional development and maintain positive relationships with council representatives

**Clarify Misunderstandings:** Address any uncertainties or misinterpretations regarding your proposal

## What These Meetings Are For

**Understanding Evaluation:** Learning how your proposal was evaluated and why it was not selected

**Receiving Constructive Feedback:** Gaining specific feedback to improve future bids

**Professional Development:** Enhancing your proposal writing and submission strategies based on council feedback

**Relationship Building:** Maintaining a professional and cooperative relationship with the council

## What These Meetings Are NOT For

**Challenging the Decision:** It is not a platform to dispute the council's decision or argue about the outcome

**Seeking Immediate Rectification:** The aim is not to seek a reversal of the decision or immediate correction

**Pressuring Council Representatives:** The meeting should not be used to exert pressure or influence future decisions in your favour

**Proposing New Solutions:** It is not the time to pitch new ideas or solutions outside the scope of the feedback discussion



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# Overview of Council Panels of Suppliers

## Why Councils Create Panels of Suppliers

Councils create panels of suppliers to streamline their procurement processes. These panels save time and resources by having a list of pre-approved suppliers ready to engage. They ensure compliance with legal, safety, and quality standards. Panels also guarantee that suppliers are well-vetted for their credentials, experience, and capability. By having pre-negotiated rates, councils can achieve cost certainty and value for money.

## How Panels Work

Selection involves councils advertising for suppliers to apply to join the panel. Suppliers are evaluated and approved based on their qualifications. Approved suppliers form a pool that the council can draw from for future projects.

For engagement, councils can use schedules of rates to directly hire suppliers for routine work at pre-agreed rates. For larger or unique projects, councils can issue Request for Quotes (RFQs) to panel suppliers, who then compete for the work.

## Benefits

The main benefits include faster procurement processes since suppliers are already approved. There is reliability in accessing a trusted pool of suppliers, and cost control is achieved through consistent and competitive pricing.



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# Example: Council's Works and Services Panel

Imagine a council needs regular maintenance work for roads, parks, and public buildings. They establish a works and services panel by inviting suppliers to apply. After evaluating their credentials and experience, the council approves a list of suppliers.

For routine tasks like road repairs or park maintenance, the council can directly engage these suppliers based on pre-agreed schedules of rates. This means they know the cost upfront and can quickly get the work done. For larger projects like constructing a new community centre, the council issues an RFQ to the panel suppliers, who then submit their quotes. The council selects the best quote based on cost, quality, and other criteria.

This system ensures that the council always has access to reliable, compliant suppliers and can efficiently manage both routine and special projects.



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# Q&A Session