



COUNCIL POLICY

Purchasing and Procurement Policy

Policy Number:	PO058		
Strategic Plan Objective	Effective Risk Management		
Policy Owner:	Chief Executive Officer	File Number:	SC16/1482
Responsible Officer:	Governance Officer	Minute Reference:	249/2016 (14.12.2016)
Date Adopted:	14.12.2016	Next Review Date:	January 2019

1. POLICY OBJECTIVES

Yorke Peninsula Council (YPC) is fully committed to the principles of:

- Value for money
- Ethical and fair treatment of all involved
- Probity, accountability and transparency in all operations
- Competitive tendering and other measures to ensure that services are delivered cost-effectively
- Using local goods and services wherever possible

This policy governs how YPC can and will contract out services, competitively tender and use other procurement practices to ensure that the above principles and Section 49 of the Local Government Act 1999 (**the Act**) are complied with.

This policy aims to:

- Define how YPC can acquire goods and services
- Demonstrate accountability and responsibility to ratepayers
- Be fair and equitable to all parties involved
- Ensure that all processes are monitored and recorded
- Ensure that the best possible procurement outcome is achieved for the YPC through:
 - (1) Fair, competitive, non-discriminatory procurement
 - (2) The efficient, effective and ethical use of resources
 - (3) Decisions that are made with probity, accountability and transparency
 - (4) Working within YPC's strategic management plans
 - (5) Providing reasonable opportunity for competitive local businesses to supply to YPC
 - (6) Appropriate risk management
 - (7) Legislative compliance

However, this policy does not cover:

- Non-procurement expenditure such as sponsorships, grants, funding arrangements, donations and employment contracts; or
- The disposal of land and other assets owned by the YPC (see PO072); or
- The purchase of land by the YPC.

2. SCOPE

This policy applies to:

- (1) All YPC procurement and purchasing activities relating to goods and/or services, including tendering and contracting, irrespective of the value or complexity
- (2) YPC and all persons authorised, through appropriate delegations, to acquire goods and/or services for/on behalf of YPC.

3. DEFINITIONS

Definitions are provided in Attachment 1.

4. POLICY STATEMENT

4.1 Purchasing and Procurement Principles

Council apply the following principles in acquiring goods and/or services:

- Encouraging open and effective competition
- Value for Money

Value for Money is not restricted to price alone and must include consideration of:

- (1) How the goods/services meet the requirements of Council's strategic plans/ direction
 - (2) Any relevant direct/indirect benefits to Council, both physical and non-physical
 - (3) Efficiency and effectiveness of the proposed procurement activity
 - (4) The performance history and quality, scope of services and support capabilities of each prospective supplier
 - (5) Suitability of the proposed goods/services for the intended purpose
 - (6) Whole of life costs
 - (7) Internal administration costs
 - (8) Technical compliance issues
 - (9) Risk exposure
 - (10) The value/impact of any associated environmental benefits/disadvantages
- Impartial, fair, independent and open behaviour that demonstrates probity (ethical behaviour), integrity and fair dealing in all discussions and negotiations
 - All potential suppliers will have the same opportunities to compete for Council's business and will be treated equitably based on their legal, commercial, technical, physical financial abilities and past performance.
 - Accountability and Transparency
 - Legislative compliance
 - Encouraging competitive local business and industry development. When evaluating suppliers, the following will be considered:
 - (1) Opportunities to encourage local employment
 - (2) Increased availability of local servicing support
 - (3) How convenient communications with the supplier will be for contract management
 - (4) Local economic growth
 - (5) Additional benefits to Council resulting from local business

(6) The short and long term impact of the procurement on local business

- Environmental protection
Council will ensure:
 - (1) Natural resources are conserved
 - (2) Environmentally sustainable practices are employed
 - (3) Recycled and environmentally friendly products are purchased wherever possible
 - (4) Waste and energy use is minimised
 - (5) The development of products and services that have a low environmental impact is promoted
 - (6) Industry and the community are lead and encouraged in the use of environmentally sensitive goods and services

4.2 Purchasing Methods and Limits

The way goods and services are purchased will also be determined in consideration of:

- Purchase value
- Potential benefits of a particular approach
- Specific circumstances and/or objectives
- Size of the market
- Availability of local suppliers
- Number of competent suppliers
- Previous experience with suppliers
- Council's leverage in the market
- Organisational capacity/capability
- Time constraints
- Associated risks

Purchasing limits (limits exclude GST)

Only persons with appropriate financial delegations can purchase goods and/or services for/on behalf of Council.

Purchase Method	Specific Requirements	Purchase Value	Authority to Approve Exceptions
Direct purchase	Purchase from a single supplier.	Up to \$5,000*	N/A
Quotations	A minimum of two written quotes must be obtained.	\$5,001 to \$20,000*	Director**
Quotations	A minimum of three written quotes must be obtained.	\$20,001 to \$50,000*	Chief Executive Officer (CEO)***
Selective Tendering	A minimum of three independent suppliers are invited to tender. Approved suppliers should be given equal opportunity to submit a tender.	\$50,001 to \$100,000*	Chief Executive Officer (CEO)***
Open Tendering	An open invitation is issued inviting suppliers to submit a tender.	Greater than \$100,001*	Council resolution required

- * Purchasing must be within the approved budget, where funds have already been allocated. Any request to purchase outside of the approved budget must be made in accordance with Council's Budget Reporting & Amendment Policy.

SF125 Purchasing Exceptions Authority Form must be completed by the relevant supervisor/manager and approved by a director.

SF125 Purchasing Exceptions Authority Form must be completed by the relevant director and approved by the CEO.

Where more than one purchase is to be made from a single supplier, the purchase value is calculated on the total of annual value of the purchases and not individual purchases. Purchases must not be split to bring the value of the purchase within a lower purchase value for any purpose. For example, spending \$4,000 per month with the same supplier means a total of \$48,000 per annum is spent with this single supplier and a minimum of three quotes is required along with a contract.

All requests for exception approval must be recorded into the RO050 Purchasing Exceptions Approval Register, regardless of whether or not the exception is approved.

The Director Corporate and Community Services is responsible for the RO050 Purchasing Exceptions Approval Register and will provide a quarterly report to the Corporate Management Team.

Purchase Orders

Official Council purchase orders, generated by Council's On Line Requisitioning (OLR) system, must be used for all goods and services purchased and must be issued prior to an invoice being received, unless otherwise approved by a Director, with the exception of:

- Purchases made using corporate purchase cards, fuel cards and petty cash. Receipts must be obtained and submitted to Council's Financial Accountant in accordance with the relevant process for each type of purchase.
- Reimbursement of approved, work related general expenses incurred by individuals i.e. parking costs, meals, taxi fares, Elected Member travel expenses etc.
- Vehicle registrations
- Bank service fees
- Statutory Government charges
- Postal service fees
- Utilities charges e.g. SA Water, telephone service suppliers, electricity supplier charges
- Taxes
- Legal advice under retainer arrangements
- Salary/wages expenses
- Lease fees

Standing Purchase Orders

A Standing Purchase Order means raising a single purchase order once (generally at the beginning of each financial year) and used multiple times throughout the year to purchase small value **goods** (e.g. hardware and office supplies that are less than \$200 per transaction). Standing Purchase Orders can only be raised if the business is listed as an "Approved Supplier" (refer Sec 4.6 of this Policy for further information).

Staff using a Standing Purchase Order must ensure that the business (e.g. the specific hardware store) completes the Monthly Hardware Standing Order Record (**refer SF127**) and the staff member signs for each purchase at the time of taking possession of the goods.

Contracts for supply that involve standing purchase orders must be approved by the CEO. All purchases made under this standing order must be made in strict adherence with the terms as set out in the “Contract for Supply”. Any purchase outside these terms must be approved individually in accordance with this policy.

4.3 Expressions of Interest

Suppliers may be invited to **register** an interest for the supply of goods and services in order to be short listed for a selective tender process.

4.4 Tender Evaluation Panel

All tender submissions (selective and open) will be evaluated by the Tender Evaluation Panel utilising the YPC Tender Matrix SF212, Attachment 2.

The Tender Evaluation Panel shall comprise the relevant Director and Manager, a Worker, (as determined by the Director) Contract Owner (if the contract owner is not the Director or Manager) Governance Officer (or in the absence of the Governance Officer, a member of the Executive Services Business Unit as determined by the CEO), the Manager Financial Services or the Director Corporate and Community Services and any additional workers/relevant stakeholders or experts, to a maximum of six, as deemed necessary by the CEO.

The Tender Evaluation Panel will submit the completed YPC Tender Matrix to the CEO for consideration of the recommended supplier. In the case that two suppliers are equally evaluated as the leading suppliers by the Tender Evaluation Panel, the YPC Tender Matrix will be submitted to the CEO showing this.

The CEO will select a supplier to be recommended to Council for selection, which may or may not be the supplier(s) recommended by the Tender Evaluation Panel.

The relevant department director will submit a confidential report to Council recommending the supplier, as determined by the CEO, for selection and include the YPC Tender Matrix along with any other relevant information/justification in support of the decision.

Open Tendering

The Tender Evaluation Panel for the Open Tender Process shall comprise two Elected Members (as determined by Council resolution at any point in time), the relevant Director and Manager, a Worker, as determined by the Director, Contract Owner (if the contract

owner is not the Director or Manager) Governance Officer (or in the absence of the Governance Officer, a member of the Executive Services Business Unit as determined by the CEO), the Manager Financial Services or the Director Corporate and Community Services and any additional workers/relevant stakeholders or experts, to a maximum of eight, as deemed necessary by the CEO.

4.5 Late Tenders

Late tenders will not be accepted.

4.6 Approved Suppliers

Council will select suppliers from its Approved Suppliers Register, except for a single, direct purchase of goods up to \$5,000. Suppliers are subject to prequalification in order to become an “Approved Supplier” and must be able to meet the associated obligations including:

- Legislative requirements
- WHS requirements
- WorkCover registration requirements
- Public liability Insurance requirements
- Other insurance requirements (i.e. Professional indemnity, contract works, document

insurance)

- Risk management requirements
- Participating in Council induction
- Providing appropriate qualification and licence requirements before a contract can be entered into or any supply/work commences.

4.7 Contracts/Agreements

Council purchases goods and services using various types of contracts/agreements recommended by the Local Government Association (LGA).

Appropriate contracts/agreements must be put in place with all suppliers as detailed in the table below, utilising standard Council templates, prior to supply/work commencing. These contract/agreements set out exactly what Council and the supplier expect from each other and:

- Formalise obligations and rights
- Control and allocate risk
- Secure the supply of goods and services
- Specify how exceptions will be handled

Details of all signed contracts are recorded into Council's Contract Register and then sent to Records Management to be stored.

Purchase Method	Specific Requirements	Goods	Contract Agreement Type	Authority to Approve Exceptions
Direct purchase	Purchase from a single supplier up to \$5,000	Purchase order	Purchase order Approved supplier Contract for service	CEO
Direct purchase	Purchase from a single supplier greater than \$5,000	Purchase order & Approved supplier Contract for supply	Purchase order & Approved supplier Contract for service	CEO

4.8 Strategic Alliance Suppliers

Council may also select suppliers through contract arrangements put in place by collective Local Government groups including:

- LGA
- Local Government Corporate Services
- Yorke Peninsula Council's Alliance
- Legatus (former Central Local Government Region)

4.9 WHS Contracting Principles (WHS)

YPC is committed to ensuring, so far as is reasonably practicable, that workers are provided with safe workplace environments, systems of work, plant and substances through a systematic approach to planning and implementation of WHS. Supplier.

WHS requirements are set out in Council tender and contract documents/ agreements.

Council's WHS and Injury Management Policy and supporting procedures and processes specifically address these requirements.

YPC is committed to a contractor management system that ensures both contractors and Council have a clear understanding and commitment to their WHS roles and responsibilities.

Only contractors who can demonstrate appropriate WHS Management Systems and a capability to put these systems in place prior to commencing work will be utilised.

Council's WHS Contractor Management Policy and supporting procedures and processes specifically address these requirements.

4.10 Contracting for Services

Council will provide services to the community in the most effective and efficient manner possible, utilising an appropriate mixture of contractors and Council employees based on capability, the need for specialist short term skills and equipment against the need to maintain a strong skill base of Council employees in each circumstance.

4.11 Risk Management

Risk management is integral in ensuring value for money and that procurement activities do not expose Council to increased/unnecessary risk.

Council's Risk Management Policy and supporting procedures and processes specifically address these requirements.

4.12 Exemptions

General

In certain circumstances, Council may, after approval from its Elected Members, waive application of this Policy and pursue a method which will bring the best outcome for the Council. The Council must record its reasons in writing for waiving application of this policy.

Emergency Purchases

In emergency situations variations to this policy may be approved by the CEO (or delegate). Purchases must be within the purchaser's financial delegation and be limited only to what is required to alleviate the emergency situation.

A written report providing details of the purchase, including purpose and rationale, must be prepared by the purchaser and provided to the CEO within fourteen days of the purchase occurring. The CEO will prepare a report to Council as deemed necessary.

Funding Agreements

In the case that a funding agreement specifies that Council must follow a prescribed tendering process which differs from the requirements under this policy the CEO may determine that the project funded under that agreement is exempt.

The CEO will prepare a report to Council as deemed necessary.

4.13 Delegations

Council is able to delegate some of its purchasing powers and functions under the Local Government Act and accordingly, delegation has been made to the CEO. The CEO has then sub-delegated some of those powers and functions to certain Council employees so that they can purchase goods/services, subject to pre-determined conditions/limitations, as part of their duties.

Only employees with the appropriate delegated authority can authorise payments and sign contracts.

Purchasing can only be made within the delegated authority. Details of the delegated powers and functions are available within [Council's Delegations Register](#), Policy PO084 and PR027.

4.14 Records

Section 49(2)(c) of the Act provides for the recording of reasons for entering into contracts other than those resulting from a tender process. The Council must record written reasons for utilising a specific procurement method in each activity and whether it uses a procurement method other than tendering.

Records relating to procurement are maintained in accordance with Council's Records Management Policy PO063 including:

- Contract documents
- Correspondence between the supplier and Council
- Details of variation
- Evidence of appropriate insurances
- Invitations to tender
- Letters to un/successful suppliers
- Purchase orders
- Risk assessments
- Tender award documents
- Tender documents
- Tender evaluation
- WHS documents
- Written quotations

4.15 Confidentiality

Council will discuss and consider tenders for supply in confidence to ensure that the commercial position of the suppliers is not prejudiced and that no other party can gain a commercial benefit by knowing the information.

Once the tender has been awarded the identity of a successful tenderer, the reasons why the successful tenderer was selected and the amount payable are no longer confidential and must be made publicly available.

Information provided between a supplier and Council will be treated as confidential to the extent provided by Law but may be subject to the provisions of the Freedom of Information Act.

4.16 Public Consultation

Where procurement activities will significantly affect members of the public or their properties,

Council will ensure that adequate information and the opportunity to contribute to the decision making process is made available to them in accordance with its Public Consultation Policy.

4.17 Conflict of Interest

Where a procurement activity potentially creates a conflict of interest or a perceived conflict of interest, the relevant interest must be disclosed and managed in accordance with the Mandatory Code of Conduct for Council Employees and the Mandatory Code of Conduct for Elected Members before proceeding.

5. **RESPONSIBILITIES**

5.1 Corporate Management Team (CMT) CMT

are responsible for:

- Meeting legislative duties for procurement
- Ensuring expenditure is within the approved budget
- Setting and monitoring objectives, targets and performance indicators for procurement
- Ensuring that Managers/Supervisors are provided with adequate training to enable them to comply with legislative requirements and this policy
- Ensuring that workers have been provided with adequate information, training, instruction and supervision to enable them to comply with legislative requirements and this policy
- Ensuring all persons with financial delegation are competent persons
- Monitoring and reviewing the effectiveness of this policy
- Consulting with workers
- Directing/enforcing action as required

5.2 Managers and Supervisors

Managers and Supervisors are responsible for:

- Meeting legislative duties for procurement
- Ensuring expenditure is within the approved budget
- Ensuring that expenditure is within delegated limits or otherwise approved by a person with appropriate delegations
- Ensuring that only Approved and Competent Suppliers are utilised
- Ensuring appropriate, Council approved contracts/agreements are in place with all suppliers
- Supervising, monitoring and reviewing procurement activities undertaken by persons for whom they are responsible
- Ensuring appropriate records are created and retained
- Highlighting any matters of concern to the CMT
- Providing relevant reports and information to the CMT as required
- Ensuring that workers have been provided with adequate information, training, instruction and supervision to enable them to comply with legislative requirements and this policy
- Ensuring all persons with financial delegation are competent
- Consulting with workers
- Directing/enforcing action as required

5.3 All persons with financial delegation

All persons with financial delegations are responsible for:

- Legislative compliance
- Complying with the requirements of this policy
- Ensuring expenditure is within the approved budget
- Ensuring that expenditure is within delegation limits or otherwise approved by a person with appropriate delegation
- Using only Approved and Competent Suppliers
- Ensuring appropriate Council approved contracts/agreements are utilised
- Participating in consultation processes relating to this policy and providing comment/feedback when requested and within the specified timeframe
- Participating in training as required

6. INTERNAL CONTROLS

This policy is subject to Council's Internal Control processes.

7. POLICY AVAILABILITY

This policy is available for public inspection on Council's website and at any Council office.

Copies will also be provided to members of the community upon request and may be subject to a fee, pursuant to Council's Fees and Charges Register.

8. COMPLAINTS

Complaints about this policy can be made in writing to YPC's Governance Officer. Complaints will be managed in accordance with Council's Complaints Policy.

9. REVIEW

This policy will be reviewed every four years and as deemed necessary in consideration of any changes to legislation and relevant standards, codes and guidelines. Elected Members and employees will have the opportunity to actively participate in the review processes.

10. TRAINING

This policy will be explained to all workers during induction. Training needs will be identified through induction, performance reviews, audits and training needs analysis processes. Training will also occur as necessary, in response to any changes to legislation, relevant standards, codes and guidelines, audit findings, any corrective actions/controls arising from risk assessment and stakeholder feedback.

Council will ensure that persons required to undertake procurement and/or administer agreements for/on behalf of Council are adequately trained and competent.

11. RELATED COUNCIL POLICIES AND DOCUMENTS

PO001 WHS&IM Policy

PO006 Contractor Management Policy V1.1

PO007 Consultation and Communication Policy

PO015 Code of Practice for Access to Council and Committee Meetings and Documents

PO057 Public Consultation Policy

PO063 Records Management Policy

PO072 Sale and Disposal of Land & Other Assets Policy

PO084 Corporate Purchase Card Policy

PO089 Elected Member Facilities, Services and Expenses Policy

PO091 Risk Management Policy

PO138 Caretaker Policy

PO139 Treasury Management Policy
PO142 Budget Reporting & Amendment Policy
PO146 Disciplinary and Performance Management Policy
PO147 Complaints Policy
PO148 Fraud and Corruption Prevention Policy
PO150 Gifts and Benefits Policy
R007 Delegations Register
R011 Fees and Charges Register
PFC014 Process for Managing Complaints and Breaches under the Employee Code of Conduct
PFC123 Process for Managing Complaints and Breaches under the Code of Conduct for Elected Members

12. REFERENCES AND LEGISLATION

Competition and Consumer Act 2010
Competition Policy Reform (South Australia) Act 1996
Criminal Law Consolidation Act 1935
Environmental Protection Act 1993 Fair Trading Act 1987
Freedom of Information Act 1991
ICAC Act 2012
Local Government Act 1999
Local Government Elections Act 1999
Trade Practice Act 1974
Work Health and Safety Act 2012 Code of Code of Conduct for Council Members
Code of Conduct for Council Employees
Local Government Association (LGA) Guide Procurement Policy LGA Procurement Handbook
National Competition Policy (Commonwealth)

13. COUNCIL DELEGATION

Delegate:	Chief Executive Officer
Sub Delegate:	Refer PO084 & PR027

14. VERSION HISTORY

Archived Policy Name	Policy Number	Date Adopted	Last Reviewed
Purchase of Goods & Services Policy	PO058	07/04/2003	08/06/2010
Tender and Quotation Policy	PO080	07/04/2003	08/06/2010
Purchasing and Procurement Policy	PO058	21/01/2015	14/12/2016
Purchasing and Procurement Policy	PO058	14/12/2016	

Definitions

ATTACHMENT 1

Approved Supplier	A supplier who has agreed and demonstrated the ability to meet the supply conditions set by Council for a stated period
Competent Supplier	An Approved supplier who has acquired through training, qualification or experience the knowledge and skills to carry out a task
Competent Person	A person who has acquired through training, qualification or experience the knowledge and skills to carry out a task
Contract/Agreement	A legally binding agreement between two or more parties, enforceable by law
Contract Owner	The person determined by a Yorke Peninsula Council Director, responsible for a contract/agreement with a supplier, as having responsibility for the direct management of a contract/agreement between Council and a supplier. The contract owner may also be a Director/Manager
Emergency	Any event that arises internally or from external sources, which may adversely affect persons, assets or the community generally, and which requires an immediate response and includes: <ul style="list-style-type: none"> • Activation of the Business Continuity Plan • Activation of emergency procedures • Genuine concerns for safety • Avoiding major expense • Genuine concerns about significant asset damage • Security risks • Genuine concerns for breach of statutory obligations
Open tender	Tenders are invited by public advertisement
Probity	Strong moral principles; honesty and decency
Procurement	The whole process of acquiring goods and/or services. <ul style="list-style-type: none"> • It begins when a need is identified and continues through the processes of: • Risk assessment • Seeking and evaluating alternative solutions • Contract award • Payment • The ongoing management of a contract and the consideration of options related to the contract • Disposal of goods at the end of useful life

	<ul style="list-style-type: none"> Ongoing monitoring and assessment of the procurement <p>For the purposes of this policy, it does not include:</p> <ul style="list-style-type: none"> Non-procurement expenditure (i.e. sponsorships, grants, funding arrangements, donations and employment contracts The disposal of land and other assets owned by the Council The acquisition of land by the Council
Select tender	The process of inviting selected suppliers to submit offers or proposals for goods/services
Tender	A proposal, bid or offer submitted in response to request for tender
Value for money	The best outcome achievable when taking into account all costs and benefits in respect of goods/services over their lifespan, such as installation, training, maintenance, disposal, resources and technology etc
Whole of life cost	The total net cost of acquiring goods/services including initial purchasing costs, operating and maintenance costs, disposal costs and termination costs
Workers	<p>A person who carries out work in any capacity for the Yorke Peninsula Council including:</p> <ul style="list-style-type: none"> (a) an employee (b) a contractor or subcontractor (c) an employee of a contractor or subcontractor (d) an employee of a labour hire company (e) an outworker (f) an apprentice or trainee (g) a student gaining work experience (h) a volunteer
Workplace	<p>A workplace is a place where work is carried out for/on behalf of Council and Includes:</p> <ul style="list-style-type: none"> (a) any place where a worker goes, or is likely to be, while at work (b) a vehicle, vessel, aircraft or other mobile structure (c) any waters (d) any installation on land, on the bed of any waters or floating on any waters

Yorke Peninsula Council Tender Matrix

Evaluation Date: Evaluation Panel:

100																							
INSERT TENDER NUMBER AND TITLE	Business Capacity			Specifications			WHS			Economy			Environment			Experience			Price			Total	
	<i>Ability to supply required services and deliver on time, adequate resources (including physical, financial and human), management skills, technical experience and financial stability/credit rating.</i>			<i>Provision of required tender data, value for money and evidence of ability to deliver goods/services to specification provided, ability to value-add</i>			<i>Commitment, Programmes & Procedures.</i>			<i>Contribution to the local economy (Council's commitment to support local businesses)</i>			<i>Environmental Management Principles</i>			<i>Past experience, quality of work, customer satisfaction and references.</i>			<i>Enter the overall tender price in the green section</i>				
Criteria Weighting (%)	19			50			2			2			2			10			15			100	
	Point Score	Weighting	Weighted Score	Point Score	Weighting	Weighted Score	Point Score	Weighting	Weighted Score	Point Score	Weighting	Weighted Score	Point Score	Weighting	Weighted Score	Point Score	Weighting	Weighted Score	Price	Point Score	Weighting	Weighted Score	Higher score is better
Tenderer																							
Tenderer 1:	4																						
Tenderer 2:	3																						
Tenderer 3:	2																						
Tenderer 4:	1																						

Comments:

The Tender Selection System is a weighted point score system which allows both price and non-price attributes to be taken into account in the selection of the preferred tender. During the evaluation process, each tender will be evaluated on the criteria nominated in the Tender. Point scores will be allocated in the range 0 to 5 on the following basis:

Points	Description
5	Excellent
4	Very Good
3	Good or better than average
2	Acceptable
1	Marginally adequate; or success likely but not assured
0	Will fail to satisfy required standards

After the allocation of point scores to criteria, they will be automatically multiplied by the relevant nominated weights and summed to determine an overall score.

For the assessment of price, the following point score formula will be used:

$$P = 2.5 + 5 (\$M - \$T) / \$M$$

where: \$T = tender price, \$M = mean price

Abnormally low or high tenders, of more than 30% from the mean may be rejected.