

## 8. EXAMPLE OF TENDER EVALUATION CRITERIA (based on 70%/30% ratio)

*Note: the following is an example, and does not necessarily reflect the weightings indicated for the project. The process, for evaluation, is the same.*

Tender submissions will be evaluated using the following weightings:

Price: (tendered costs as calculated from Schedule of Rates) **60%**  
and Matrix)

Added Value: (details supplied by tenderers) **40%**

### PRICE

60 points will be allocated to the lowest tender and then other tenders will be evaluated as a percentage of the lowest price. This is then converted to a point score to reflect that this area carries 60% of the total score. An example of this procedure is shown in the example below.

Tender	Price £	Calculation	Convert to 60%	Points
1	500	$(425 \div 500) \times 100 = 85$	$(60 \times 85) \div 100$	51.0
2	622	$(425 \div 622) \times 100 = 68.3$	$(60 \times 68.3) \div 100$	41.0
3	425			60.0
4	440	$(425 \div 440) \times 100 = 96.5$	$(60 \times 96.5) \div 100$	57.9
5	625	$(425 \div 625) \times 100 = 68$	$(60 \times 68) \div 100$	40.8

### ADDED VALUE

This section will be evaluated using the following criteria and points will be allocated for each section. The tender with the highest point score will be used as the base line to calculate the relative scores for the other tenderers. This is then converted to a point score (out of 10) to reflect that this area carries 40% of the total score.

- The tenderer's proposed management, supervision structure and personnel; 20%
- Proposed working methods; 10%
- Labour resources that would be deployed; 5%
- Value Engineering proposals included within; 5%

Tender	Quality score	Calculation	Convert to 40%	Points
1	2	$(2 \div 7) \times 100 = 28.6$	$(40 \times 28.6) \div 100$	11.4
2	5	$(5 \div 7) \times 100 = 71.4$	$(40 \times 71.4) \div 100$	28.6
3	4	$(4 \div 7) \times 100 = 57.1$	$(40 \times 57.1) \div 100$	22.8
4	5	$(5 \div 7) \times 100 = 71.4$	$(40 \times 71.4) \div 100$	28.6
5	7			40.0

The winning tender is the one which scores the greatest overall mark once Price and Quality have been combined. The results from the above examples would be as follows:

Tender	Points awarded for Price	Points awarded for Added Value	Points Total	
1	51.0	11.4	62.4	
2	41.0	28.6	69.6	
3	60.0	22.8	82.8	
4	57.9	28.6	86.5	<b>Winning Bidder</b>
5	40.8	40.0	80.8	