Commercial Document

The commercial element of the evaluation will be carried out after Tenderers have been selected using the Selection Criteria. Only those Tenderers satisfying the Selection Criteria’s requirements will have their commercial submission evaluated.

This Commercial Document contains the details and requirements relating to the price element of this ITT. This may include, but is not limited to, the inclusion of specific instructions, documents, templates, pricing structures, etc, for the Tenderers to return as part of their Tender submission.

The Tenderer’s prices will be scored on a comparative basis.

This will be done by recording the lowest price submitted by any of the Tenderers, then for each Tenderer, dividing this lowest price by the Tenderers’ price and then multiplying it by the allocated weighting (e.g. 30% if that is the percentage chosen by the Council). The equation set out below explains this in a simpler way:

(Lowest Price ÷ Tenderer’s price) x Weighting = Score

To accompany the above there is a worked example below to help explain this. The example assumes only 2 prices were submitted and that price was awarded 50% of the overall marks (i.e. quality was awarded 50%):

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **L** | **W** | **Tenderer 1** | **Tenderer 2** |
| Evaluation Elements | Lowest Submitted price (£) | Weighting % | Tendered Price  | Score \*  | Tendered Price | Score \*\*  |
| Total Contract Sum | £655,000 | 50 | £680,000 | 48.2 | £655,000 | 50 |
| **Total Score** |  | **50** |  | **48.2** |  | **50** |

The example above shows that Tenderer 2 scored maximum points because they submitted the lowest Quote price.

\* For Tenderer 1, score = (655,000/680,000) x 50 = 48.2

\*\* For Tenderer 2, score = (655,000/655,000) x 50 = 50