

**LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY**

**WRITTEN QUESTION**

Mr Higgins to the Minister for Infrastructure, Planning and Logistics:

**Infrastructure tenders**

- 1. From Estimates, we're aware the Territory procurement rules provides that "price is a maximum of 30% of any assessment and local content and value...is a minimum of 30%". Would you please advise how variance in the weightings are determined for each tender advertised under DIPL. As in, who or how is it determined that, for example, price should have a 20% weighting and capability should have a 30% weighting in a tender?**

The weightings are determined during the planning stage of each procurement. The procurement activity plan describes the methodology, the scope of the requirement, the approach to market, the conditions of contract, the assessment criteria and the allocated weightings. This plan is reviewed by the Chief Procurement Officer to ensure compliance with the Procurement Framework, and then approved by the delegate with the authority to approve the described methodology.

The current framework requires that price has a maximum weighting of 30 percent and local content has a minimum weighting of 30 percent. This ensures that price can never be more important in an assessment than local benefit to the Territory. It also means that the cheapest price will not necessarily be the highest ranked offer.

**2. When tenderers are judged, how is it determined that the tenderer has met the necessary weighted requirements? For example, is it a point scoring system or is it a sit down meeting of a committee of some sort?**

Tender responses are assessed against a prescribed scoring scale and a defined list of assessment criteria which is approved by the delegate during the planning stage in the procurement activity plan. Any changes to these components during the tender process must be approved by the Chief Executive. After a tender closes, the admissible offers are provided to the panel members individually to undertake their own review and assessment. They identify questions or issues specifically through the lens of their individual expertise. The panel convenes to discuss their assessments and their questions. Procurement Operations facilitate these meetings, collate questions, and issue clarification requests to individual tenderers as required. Responses from tenderers are provided to the panel and may result in changes to their comments and/or their allocated score.

Panel members individually allocate a score to the assessment criteria questions for each tenderer and provide these scores with their supporting comments to the Procurement Operations facilitator.

The facilitator collates the scores and the commentary provided into the scoring template that applies the allocated weighting and calculates the weighted score for each criteria. This then determines the highest score for each criteria and the final rankings. A tenderer can score the highest for one or two criteria and not be the highest ranked overall. Likewise, a tenderer can be the cheapest price (which is only one criteria) and not be the highest ranked. The panel then reconvenes to review and approve the final commentary that is provided to the delegate supporting the recommendation for approval.