
APPENDIX L NON-PRICE ATTRIBUTE GRADING

Attribute and Sub-attribute Grades

(as defined by Transit New Zealand in their CPP Tender Evaluation Manual 1994)

A scale of 0 to 100 is used, with steps of 5. The groupings are defined below:

35 or less	Poor:	unacceptable in this attribute and ruled out of further consideration.
40 or 45	Below Average:	barely adequate and would need considerable improvement in this attribute if selected.
50 or 55	Average:	adequate with some deficiencies which are not likely to have any adverse effect.
60, 65 or 70	Above Average:	requirements are adequately covered.
75, 80 or 85	Good:	requirements are fully covered in all material aspects.
90, 95 or 100	Excellent:	only awarded when all requirements are met in an outstanding manner.

E1 List of Attributes

The following attributes are specified in these CPPs:

- Relevant Experience
- Track Record
- Technical Skills (personnel)
- Resources (plant, equipment, material)
- Management Skills
- Methodology
- Price

The following table provides definitions and accompanying comment for each of these attributes.

TABLE E1 ATTRIBUTE DEFINITION AND COMMENTS

Relevant Experience	<p>Definition The tenderer's previous experience in technical areas comparable to this project.</p> <p>Comment This relates more to the tendering company than to the individuals within that company. However, in the case of newly formed firms or consortia consideration may be given to the relevant experience held by named personnel who are proffered for the project.⁽¹⁾</p> <p>It is necessary to determine whether the tenderer has done the type of work before and how recently. Where the project requires a high level of technology, the experience should be recent and in an area directly comparable with the project. Where a lower level of technology will be adequate, other relevant experience may be considered. Where subcontractors are proposed for a significant part of the work, their relevant experience should also be considered.</p>
Track Record	<p>Definition The tenderer's record of completing projects to the quality standards required, on schedule and within budget.</p> <p>Comment This relates to the experience of the tendering company. However, in the case of newly formed firms or consortia, consideration may be given to the track record of named personnel who are proffered for the project.⁽¹⁾</p> <p>This attribute relates to the level of client satisfaction with the tenderer's performance on relevant projects.⁽²⁾ It is reasonable to differentiate between companies who frequently achieve the required standards without undue client enforcement and those who only achieve the standards after intensive supervision and rework. Where the commission is undertaken in phases (eg investigation and report; design and documentation; contract management and supervision) then completion on time applies to each of the phases undertaken.</p> <p>A tendering authority's assessment need not be limited to its own experience with a tenderer. However, before a tendering authority takes into account the experience(s) of other tendering authorities with a particular contractor/consultant they should assure themselves as to the validity/accuracy of the information. They should also refer to the contractor's/consultant's comments on the matter (as referred to in Note 2 below).</p>
Technical Skills	<p>Definition The competence of the personnel that the tenderer proposes to use with particular regard to their skills and experience in technical areas comparable to the project.</p> <p>Comment It is necessary to determine the technical skills required for the project and to assess whether the qualifications and experience of the personnel proposed can provide it. This applies to personnel rather than to the tendering company. Tendering authorities should be cautious not to "double-count" company related and personnel related features.</p> <p>Having proposed personnel with certain skills as an attribute of their tender, tenderers should be compelled to employ these people on the contract and only replace them with mutually acceptable alternative personnel. The same policy should be applied in respect of the management skills attribute.</p> <p>In assessing the technical skills of the tenderer, due cognisance should be taken of the extent to which the tenderer uses a formalised competency and training methodology to determine the skills of the contract works personnel. In particular, qualifications and training completed to the relevant Industry Training Organisation (ITO) standards (such as the New Zealand Contracting ITO) should be recognised.</p>

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TABLE E1 ATTRIBUTE DEFINITION AND COMMENTS	
Resources	<p>Definition The equipment, including facilities and intellectual property, which the tenderer proposes to use in a Physical Works project.</p> <p>Comment Note that this attribute does not apply in respect of Professional Services. This requires the tendering authority to assess the tenderer's ability to call upon sufficient plant and labour to carry out the work within the time specified. The tenderer does not need to own all the plant and equipment but should demonstrate that sufficient, of the right type, can be provided.</p>
Management Skills	<p>Definition The availability within the tenderer's organisation of personnel with appropriate management skills together with effective management systems and methods appropriate to the successful management of the project.</p> <p>Comment Tendering authorities need to differentiate between Relevant Experience, Technical Skills and Management Skills to avoid double counting in areas of possible overlap.</p> <p>Two factors should be examined. Firstly, the relevance of the management skills and experience of the management personnel offered. Secondly, the tenderer's management systems for properly controlling the project, particularly its quality and cost and timing, and whether the company has a formal QA system.</p> <p>In assessing the management skills of the tenderer, due cognisance should be taken of the extent to which the tenderer uses a formalised competency and training methodology to determine the skills of the contract works personnel. In particular, qualifications and training completed to the relevant Industry Training Organisation (ITO) standards (such as the New Zealand Contracting ITO) should be recognised.</p>
Methodology	<p>Definition The procedures the tenderer proposes to use to achieve the specified end result.</p> <p>Comment Under this heading a tenderer is expected to demonstrate their understanding of the project and the client's needs, and the means and methods whereby the desired results can be achieved in a practicable and efficient manner. When the Target Price Method is used, tendering authorities may consider requesting a more detailed presentation than normal of the proposed inputs and outputs.</p>
Price	<p>Definition The payment(s) that the tendering authority would have to make in respect of each tender.</p>

Notes

- (1) *In the case of newly formed firms, it is permissible to examine the work of named individuals when examining relevant experience and track record. This is to ensure that newly formed firms are not precluded from further consideration in the CPP process.*

The relevant experience and track record attributes normally relate to the firm in question rather than the individual personnel involved. The reason for differentiating between attributes for the firm and attributes for the individual personnel involved is that a proportion of a person's skills will be attributable to the company(s) they worked for and may not be transferable. Therefore, when examining the relevant experience and track record of an individual in a newly

formed firm, it is important to bear in mind that some of their record in these areas may be due to characteristics (eg management and quality assurance systems) of the firm they used to work for rather than being skills they possess themselves.

- (2) *Tendering authorities should have a procedure for evaluating the performance of contractors and consultants at the conclusion of contracts. The performance report should be sent to the contractor or consultant for comment before being included in the tendering authority's records. Any comments by the contractor or consultant should be included in the file. This would provide a systematic basis for assessment of track record for future contracts, and such record assessment could be shared with other tendering authorities.*

The successful tenderer for a contract should be advised about the form of performance reporting that will ultimately be conducted, before they commence work on that contract.

The grade for track record should take into account all of a tenderer's recent past performances and not unduly emphasise individual good or poor performances