

## QUESTION TAKEN ON NOTICE

**ADDITIONAL ESTIMATES HEARING: 13 February 2006**

IMMIGRATION AND MULTICULTURAL AFFAIRS PORTFOLIO

### **(66) Output 2.1: Settlement Services**

Senator Hurley (L&C 76) asked:

In relation to the IHSS, can you give me a list of the criteria that were used for assessing the tender?

*Answer:*

Tenders for delivery of Integrated Humanitarian Settlement Strategy (IHSS) services were evaluated using a process fully compliant with Commonwealth Procurement Guidelines.

Those guidelines require that any decision to award a contract be based on an evaluation of which tender provides the best value for money.

In the case of the IHSS, the determination of best value for money involved an assessment of the Technical Worth of each Tender and a separate Financial Evaluation.

Technical Worth was assessed using the following criteria (not listed in any particular order of importance):

- the extent to which the Tender demonstrates that the Tenderer has the technical capability, capacity and resources to provide the Required Services in a timely way;
- the Tenderer's experience in delivering similar services to the Required Services;
- the extent to which the Tender complies with and demonstrates an understanding of the Statement of Requirement (SOR);
- the extent to which the Tenderer proposes an efficient and effective approach to managing and delivering the Services to the required standards;
- the extent to which the Tender demonstrates the Tenderer's understanding of IHSS Principles and observes them in the proposed approach to the delivery of the Services to Entrants;
- the Tenderer's ability to effect a smooth implementation and transition of the Required Services by the proposed Commencement Date of 1 October 2005; and
- comments from the Tenderer's referees.

The Financial Evaluation:

- identified all life cycle costs associated with each Tenderer's provision of the Required Services (for the period of the contract) and to ensure that all such costs were included in the Tender Evaluation process;

- identified risks associated with proposed pricing and payment arrangements;
- ensured that like-with-like price comparisons were made between Tenders; and
- presented a price for each Tender for comparison, for the proposed period of the contract in Net Present Value (NPV) Australian dollars.

Value for money was determined by combining the Technical Worth score with the Tendered price for each Tender. The highest score represented the best value for money.