

COSBEDMO15

Obtain and select tenders in built environment design management



Overview

This unit is concerned with obtaining tenders from contractors and subcontractors, selecting the ones that you wish to accept, and negotiating contracts. The words estimate, bid and tender are all used in the industry, and are taken here to be synonymous. It is about selecting those whom you seek tenders and confirming that they will be bidding.

You must know about the bidders and their capabilities; and you must be able to decide on the selection criteria, evaluate the bids when they come in, and make recommendations accordingly.

It is about preparing the tender documents and sending them out to the bidders. You must have a deep knowledge of what they will be bidding for, and you must be able to deal with any queries, problems and drop-outs during the tender period.

It is about evaluating the bids received, choosing the one that you wish to accept, and negotiating the details so that a contract can be signed. You must be able to spot the key aspects of the bids, evaluate them against your selection criteria, choose the bid which is in the client's or your best interest, and finalise all the details, subject to contract.

Performance criteria

Evaluate and select potential tenderers

- You must be able to:*
- P1 identify the roles and responsibilities for project procurement in consultation with stakeholders
 - P2 select an appropriate type of tender and deciding which potential tenderers could meet the contract specification
 - P3 decide how many tenderers to invite, taking into account the value, size, type and requirements of the contract
 - P4 send tender enquiries to potential tenderers, in accordance with contract requirements, and invite them to provide evidence about their experience, capability and resources
 - P5 choose selection criteria which are suitable to weight and rate performance for the type of work described in the tender
 - P6 evaluate potential tenderers, who respond to the invitation, against the selection criteria, place them in rank order and choose the number needed
 - P7 offer advice and information to decision makers about potential tenderers and the selection criteria and modify the tender list to reflect any changes which are agreed
 - P8 confirm that the selected tenderers are willing to tender and add more potential tenderers from the evaluation list where necessary

Obtain estimates, bids and tenders

- You must be able to:*
- P9 prepare tender documents which meet statutory regulations, codes of practice and the organisations policies
 - P10 issue tender documents to all the tenderers on the agreed list, following the agreed procedures
 - P11 respond to queries from tenderers promptly and pass on any additional information which they need
 - P12 investigate any errors, omissions and ambiguities which are reported by tenderers and amend the tender documents to correct them
 - P13 pass on to all the tenderers the information given to an individual tenderer, and amendments to tender documents
 - P14 keep accurate records of tender documents issued, feedback, queries and information from tenderers
 - P15 agree and implement action when tenderers withdraw from the process

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Assess and select successful tenders and negotiate changes

You must be able to:

- P16 store the tenders received in a secure place and opening them at the agreed date and time in line with the organisation's procedures and legal requirements
- P17 review the tenders against the criteria for acceptance, including checking for discrepancies, omissions and errors, and taking appropriate action
- P18 evaluate the tenders which are accepted against the agreed criteria and choose the tender which best meets the criteria
- P19 check that the project team can meet the obligations of the contract and recommend a preferred tender to the client
- P20 negotiate and agree any variations, adjustments and corrections with the successful tenderer and confirm them in writing, subject to contract
- P21 accept the successful tender formally and notify tenderers who have been unsuccessful about the result
- P22 modify and repeat the tendering process if it has been unsuccessful

Knowledge and understanding

You need to know and understand:

Evaluate and select potential tenderers

- K1 what to identify as the roles and responsibilities for project procurement in consultation with stakeholders (understanding)
- K2 how and why to select an appropriate type of tender and decide which potential tenderers could meet the contract specification (evaluation)
- K3 how and why to decide how many tenderers to invite (evaluation)
- K4 how to send tender enquiries to potential tenderers and invite them to provide evidence about their experience and capability (application)
- K5 how and why to choose selection criteria which are suitable to weight and rate performance for the type of work described in the tender (evaluation)
- K6 how and why to rank potential tenderers, place them in rank order (analysis)
- K7 how and why to choose the number of tenderers needed (evaluation)
- K8 how and why to offer advice and information to decision makers about potential tenderers and the selection criteria (synthesis)
- K9 how to modify the tender list to reflect any changes which are agreed (application)
- K10 how to confirm that the selected tenderers are willing to tender (application)
- K11 how to add more potential tenderers from the evaluation list where necessary (application)

Obtain estimates, bids and tenders

You need to know and understand:

- K12 how and why to prepare tender documents which meet statutory regulations, codes of practice and the organisations policies (application)
- K13 how to issue tender documents to all the tenderers on the agreed list, following the agreed procedures (application)
- K14 how to respond to queries from tenderers promptly and pass on any additional information which they need (application)
- K15 how and why to investigate any errors, omissions and ambiguities which are reported by tenderers (analysis)

- K16 how to amend the tender documents to correct any errors, omissions and ambiguities (application)
- K17 how to pass on to all the tenderers the information given to an individual tenderer, and amendments to tender documents (application)
- K18 keep accurate records of tender documents issued, feedback, queries and information from tenderers (application)
- K19 how and why to agree action when tenderers withdraw from the process (evaluation)
- K20 how to implement action when tenderers withdraw from the process (application)

Assess and select successful tenders and negotiate changes

You need to know and understand:

- K21 how to store and open the tenders received (application)
- K22 how and why to review the tenders against the criteria for acceptance (analysis)
- K23 how to check for discrepancies, omissions and errors and take appropriate action (application)
- K24 how and why to evaluate the tenders which are accepted and choose the tender which best meets the criteria (evaluation)
- K25 how to check that the project team client can meet the obligations of the contract (application)
- K26 how and why to recommend a preferred tender to the client (synthesis)
- K27 how and why to negotiate any variations, adjustments and corrections with the successful tenderer (synthesis)
- K28 how and why to agree any variations, adjustments and corrections with the successful tenderer (evaluation)
- K29 how and why to accept the successful tender formally (evaluation)
- K30 how to modify and repeat the tendering process if it has been unsuccessful (application)

Additional Information

Scope/range

Evaluate and select potential tenderers

1. Type of tender:

- 1.1. open competitive
- 1.2. two stage
- 1.3. selected list
- 1.4. negotiated
- 1.5. partnering

2. Tenderers:

- 2.1. contractors
- 2.2. sub/works/trade contractors
- 2.3. suppliers
- 2.4. consultants

3. Requirements:

- 3.1. competitive tendering
- 3.2. international (including European Union)
- 3.3. in house
- 3.4. national
- 3.5. local
- 3.6. statutory
- 3.7. client

4. Evidence:

- 4.1. documentary
- 4.2. references
- 4.3. interview

5. Selection criteria:

- 5.1. quality and delivery record
- 5.2. perceived added value (including reputation of potential contractors)
- 5.3. acceptability of known sub-contracting arrangements
- 5.4. acceptability to client
- 5.5. financial resources
- 5.6. references from previous clients and bankers
- 5.7. health and safety
- 5.8. competence of people

- 5.9. community benefits
- 5.10. BIM capability
- 5.11. resources (human, materials, facilities)
- 5.12. insurance
- 5.13. environmental policy and management
- 5.14. design quality and costing
- 5.15. inter-disciplinary working
- 5.16. information management
- 5.17. external assessment e.g. Considerate Constructors

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6. Tender:

- 6.1. open competitive
- 6.2. two stage
- 6.3. selected list
- 6.4. negotiated
- 6.5. partnering

7. Tender documents:

- 7.1. invitation to tender
- 7.2. form of tender
- 7.3. returns procedure
- 7.4. evaluation criteria
- 7.5. surveys
- 7.6. specifications
- 7.7. drawings
- 7.8. schedules
- 7.9. electronic models, graphical and non-graphical electronic data files
- 7.10. bills of quantities
- 7.11. health and safety plans
- 7.12. scope of services
- 7.13. terms and conditions
- 7.14. schedules of rates

8. Tenderers:

- 8.1. contractors
- 8.2. sub/works/trade contractors
- 8.3. suppliers
- 8.4. consultants

9. Queries and information about:

- 9.1. price
- 9.2. quantity
- 9.3. quality
- 9.4. standards
- 9.5. value engineering
- 9.6. carriage and delivery
- 9.7. completion
- 9.8. maintenance
- 9.9. after sales service
- 9.10. method of payment
- 9.11. terms of payment
- 9.12. contract conditions
- 9.13. survey information
- 9.14. time
- 9.15. contractual
- 9.16. administrative
- 9.17. technical
- 9.18. design

10. Amendments:

- 10.1. client amendment
- 10.2. change to tender period
- 10.3. changes resulting from queries

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11. Legal requirements:

- 11.1. statutes
- 11.2. regulations, including EU regulations
- 11.3. codes of practice and procedure

12. Criteria:

- 12.1. quality
- 12.2. technical viability
- 12.3. programme
- 12.4. cost (budgets, rates)
- 12.5. loading and cash flow
- 12.6. policies which offer added value

12.7. comparative criteria (eg price indices, databases, trade journals, pre-tender estimates)

12.8. organisational policies

12.9. legal requirements

12.10. competence of people

12.11. BIM capability

12.12. design quality and costing

12.13. community benefits

12.14. best whole life value

12.15. inter-disciplinary working

12.16. information management

12.17. external assessment e.g. Considerate Constructors

13. Appropriate action:

13.1. accept for evaluation

13.2. invite clarification or amendment

13.3. reject

14. Variations, adjustments and corrections:

14.1. price

14.2. quantity

14.3. quality

14.4. standards

14.5. carriage and delivery

14.6. completion

14.7. maintenance

14.8. after sales service

14.9. method of payment

14.10. terms of payment

14.11. contract conditions

14.12. scope of service

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