

## Legislation

### Background

The Scottish Model of Procurement is based on the triangle approach and emphasises the requirement for public bodies to gain the best value for public money through considering cost, quality and sustainability in delivery of public services.



There are three “layers” of Public Procurement legislation within Scotland, as follows;

1. Public Contracts (Scotland) Regulations 2015, which apply to contracts placed with an estimated value in excess of the thresholds set by Europe and updated annually.
2. Procurement (Scotland) Regulations 2016, which apply to contracts placed in excess of £50,000 excl VAT and under the EU threshold at the time of approaching the market.
3. Procurement Reform (Scotland) Act 2014, which allows Ministers to implement regulations and put in place Statutory Obligations on contracting authorities on various aspects of procurement, and all in line with and the support of the principles of the Scottish Model of Procurement.

Regardless of the value of the contract being sought, key to spending public money are the principles of fairness, openness and transparency.

### SDS Central Procurement Team Qualitative Evaluation

SDS award contracts on the basis of the Most Economically Advantageous Tender, which aims to secure the best value for money offer based on not just price but quality as well; i.e., price and qualitative aspects will be evaluated.

It is recognised that different contracts can be placed in different ways depending on the value and route to market chosen; this guidance is based on a procurement exercise with a value in excess of £5,000 where SDS CPT are in control of setting how the evaluation process will be conducted, and the method of calculating supplier scores is via the average of the panel member scores attributed. *(Please note that through agreement between the client department and procurement lead that the decision may be taken to utilise consensus scoring if it is deemed appropriate. This agreement and justification should be detailed in the Contract Strategy.)*

1. A qualitative evaluation panel will be established as part of the engagement with procurement (via the compilation of the Contract Strategy if the estimated value is in excess of £50,000). The evaluation panel for a procurement should consist of appropriate technical representatives and ideally be three of five individuals, however it is recognised that the panel requirements may vary depending on the nature, scale and complexity of the goods or service being procured.
2. The panel should be appropriate personnel identified in relation to the requirement, be consistent throughout the process and **be aware of the time required from their diary to participate/commit; evaluation panel members have a key role to play in the process and must be able to fully justify and scores and comments provided in relation to a supplier's bid.**
3. All panel members should be requested to complete a Non-Disclosure Agreement and submit back to the procurement representative prior to the submission of quotes or tenders. Should a panel member become aware of any conflicts of interest following receipt of bids, they must notify the procurement representative immediately.
4. A short period time prior to submission of bids (although scheduled in the diaries prior to issue of Invitation to Quote or Tender), the procurement representative will, in conjunction with the client lead, hold a meeting (in person or using technology) to take the evaluation panel through;
  - the evaluation matrix they will have to complete as an individual panel member;
  - the questions they will be scoring;
  - details to where to access the bids, when they will become available;
  - confirmation of timelines for completion;
  - explain the average scoring methodology used by SDS
  - the consensus meeting arrangements, and;
  - any other details as appropriate to that procurement.

5. Upon receipt of bids, the procurement representative will conduct any due diligence required to ensure that the bids received are compliant and meet any minimum requirement set out in the invitation, in order to proceed to evaluation. Procurement will also remove the price element to allow the qualitative aspect only to be evaluated by the panel.
6. The procurement representative will then issue a communication to the evaluation panel advising that the bids are available.
7. The evaluation panel must review each supplier's response to each question in its own merit and must not take into consideration any prior knowledge of that supplier when assessing responses.
8. SDS utilise the Scottish Governments' Procurement Journey's suggested scoring methodology, as follows;

<b>0</b> <b>Unacceptable</b>	Nil or inadequate response. Fails to demonstrate an ability to meet the requirement.
<b>1</b> <b>Poor</b>	Response is partially relevant but generally poor. The response addresses some elements of the requirement but contains insufficient/limited detail or explanation to demonstrate how the requirement will be fulfilled.
<b>2</b> <b>Acceptable</b>	Response is relevant and acceptable. The response addresses a broad understanding of the requirement but may lack details on how the requirement will be fulfilled in certain areas.
<b>3</b> <b>Good</b>	Response is relevant and good. The response is sufficiently detailed to demonstrate a good understanding and provides details on how the requirements will be fulfilled.
<b>4</b> <b>Excellent</b>	Response is completely relevant and excellent overall. The response is comprehensive, unambiguous and demonstrates a thorough understanding of the requirement and provides details of how the requirement will be met in full.

9. Evaluation panel members must review and assess the responses to the questions and record the score which they feel represents the supplier's response to each. Justifying notes and comments must also be recorded on the scoring matrix to act as audit trail and also be utilised in the debriefing of suppliers.
10. Any points of clarification which the panel member would like issued to the supplier must also be recorded for the point to be noted by procurement and issued to the supplier for clarification.
11. Following evaluation of all suppliers' responses and completion of the scoring matrix, the panel member should send this to the procurement representative.
12. Following receipt of all completed scoring matrices, the procurement representative will collate the scores for each supplier to identify whether there has been a significant difference in score allocated by panel members and these will be the points discussed at the consensus meeting.
13. The consensus meeting will take place with areas of significant difference being discussed. Panel members may choose to amend scores following discussion, although this is not mandatory. Any changes to scores requested by panel members will be recorded for audit trail purposes, and appropriate notes of any justification held. (If consensus scoring is identified, scores will be agreed by panel members).
14. Following conclusion of consensus, the procurement representative shall take the average score of the panel members for each suppliers' response to each question. The average score shall be input to the final evaluation scoring matrix, with the overall score (quality and price) ranking the supplier(s) which shall be recommended for award to be by procurement. (as above if consensus is identified, the agreed scores shall be input in the evaluation matrix).

#### Dos and Don'ts of Tender Evaluation

Do	Don't
Make note of areas that are unclear for clarification with the bidder	'Read between the lines' or make assumptions
Read the submission at face value and score on the basis of the information provided	Collude with other panel members to agree scoring collectively
Score tenders independently and discuss any irregularities at a Tender Evaluation Meeting	Make changes to the evaluation criteria during the process - the criteria MUST be the same as that published in the ITT
Ensure full justification for scoring is provided for each question to assist with debriefing	

Taken from;

<https://www.procurementjourney.scot/route-3/route-3-open-evaluate-tender-technical-evaluation>.

Please see the Procurement Journey for further guidance.

If you require any further information, please get in touch with Stacy Simpson, Procurement Business Partner.