

TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER

CC: MANAGER ASSET MAINTENANCE
COORDINATOR FLEET MAINTENANCE

FROM: DIRECTOR ASSETS

FILE REF: 23/259613

DATE: 8 SEPTEMBER 2023

TENDER 23102 PROVISION OF LIGHT FLEET TYRE MANAGEMENT SERVICES

Issue

To consider Tender No: 23102 for the Provision of Light Fleet Tyre Management Services for a 3-year period with two 12-month options to extend.

Background

The current Supply Delivery and Fitting of Light Fleet Tyres Contract 19017 with Bridgestone Australia Limited expired on 1 September 2023 with no further contract extensions available.

The City owns 136 light fleet vehicles that require tyre inspections, wheel rotations, alignment and balances, puncture repairs and tyre replacements. Tyre management activities require specialised tyre fitting and the holding of a broad range of tyre product stock, and therefore term contract arrangements are used as the most cost-effective procurement arrangement.

Detail

Tender 23102 for the Provision of Light Fleet Tyre Management Services was advertised on 8 July 2023 and closed on 1 August 2023.

Addendum 1 was issued to extend the closing date from 25 July 2023 to 1 August 2023.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Goods and Services
Contract Type	Schedule of Rates
Contract Duration	3 years
Commencement Date	18 September 2023
Expiry Date	17 September 2026
Extension Permitted	Yes, two periods of 12months or part thereof

Only one tender submission was received from the following company:

Legal Name	Business Name	Abbreviation
Bridgestone Australia Ltd	Bridgestone Select Tyre & Auto	Bridgestone

The Tender was deemed conforming.

The Tender Evaluation Panel (**Panel**) comprised:

- Coordinator Fleet Maintenance
- Coordinator Preventative Engineering Maintenance
- Workshop Supervisor
- OHS Officer

Probity Oversight

Oversight to the tender assessment process was undertaken by the City's Strategic Contracts & Procurement Advisor. The tender submission was evaluated in accordance with the Procurement and Evaluation Plan (**PEP**) which included the following selection criteria:

Item No	Description	Weighting
1	Sustainable (Corporate Social Responsibility) Procurement a. Environmental Considerations 5% b. Buy Local 20% c. Reconciliation Action Plan 2.5% d. Disability Access and Inclusion 2.5%	30%
2	*Work Health & Safety (WHS)	25%
3	*Experience	25%
4	*Resources and Proposed Methodology	20%

All tenderers must meet the City's minimum requirements (as determined by the City) for each of the qualitative criteria detailed above (*) in order to be considered for further evaluation.

Pricing is not included in the qualitative criteria and is considered as part of the overall value for money assessment.

The sole tender received was deemed to be conforming and was included in the evaluation process.

Evaluation Criteria 1 – Sustainable Procurement (30%)

Evidence of Sustainable (Corporate Social Responsibility) Procurement was assessed based on the Tenderer's responses provided to the Questionnaires within Schedules 3A, 3B, 3C and 3D which formed part of the tender documentation.

Sub Criteria a) Environmental Considerations (5%)

The City is committed to procuring goods and services that provide positive environmental, social and economic impacts over the entire life cycle of a product or service. Respondents are encouraged to provide credentials of any environmental claims of the goods and/or services submitted in this tender.

Bridgestone provided details of their environmental considerations with strong actions evident.

Sub Criteria b) Buy Local (20%)

An assessment was made based on the response provided, detailing the following information:

- Location of tenderer's offices and workshops;
- Residential addresses of staff and company addresses of subcontractors;
- Purchasing arrangements through local businesses;
- Requirement for new employees arising from award of the contract.

Bridgestone provided details of their "Buy Local" considerations within Schedule 3B with strong actions evident.

Sub Criteria c) Reconciliation Action Plan (RAP) (2.5%)

An assessment was made based on the responses provided that relate to:

- RELATIONSHIPS - building positive relationships between indigenous and non-indigenous people;
- RESPECT – recognising the contribution of Indigenous people to Australia and learning more about the history, culture and diversity in a two-way communication process;
- OPPORTUNITIES – attracting, developing and retaining organisational talent to build opportunities for aboriginal employment, training, and development and mentoring.

Bridgestone provided details of their RAP considerations with some actions evident.

Sub Criteria d) Access & Inclusion Plan (AIP) (2.5%)

An assessment was made to determine the ranking based on the responses provided that relate to:

- People with disabilities having the same buildings and facilities access opportunities as other people;
- People with disabilities receiving information in a format that will enable them to access information as readily as other people are able to access it;
- People with disabilities receiving the same level and quality of service from staff as other people receive;
- People with disabilities having the same opportunities as other people to make complaints;
- People with disabilities having the same opportunities as other people to participate in any employment opportunities.

Bridgestone provided information specifying considerations for access and inclusion provisions with good actions evident.

Evaluation Criteria 2 - Tenderer's Work, Health and Safety (WHS) (25%)

Evidence of WHS management policies and practices was assessed from the tender submission. The assessment for safety management was based on the tenderer's responses to a specific Questionnaire included within the tender documentation.

Bridgestone was assessed to have satisfied the City's minimum requirements for this evaluation criterion and to have strong policies and practices in place.

Evaluation Criteria 3 - Tenderer's Experience (25%)

Bridgestone's relevant experience in providing similar goods and services as presented in their tender submission was assessed to evaluate their capability to meet the requirements of the contract.

Bridgestone was assessed to have satisfied the City's minimum requirements for this evaluation criterion with strong relevant experience.

Evaluation Criteria 4 - Tenderer's Resources and Proposed Methodology (20%)

The tenderer's relevant resources and methodology as presented in their tender submission was assessed to evaluate their overall capability to meet the requirements of the contract.

Bridgestone was assessed to have satisfied the City's minimum requirements for this evaluation criterion.

Overall Qualitative Weighted Assessment

Bridgestone's submissions were reviewed in accordance with assessment criteria and weightings as detailed in the Procurement and Evaluation Plan with the following key observations:

- Based on the information supplied for assessment, Bridgestone met the City's minimum requirements for the mandatory qualitative criteria.
- Bridgestone's tender submission was assessed against sustainable procurement as well as the necessary experience, resources, methodology and safety management systems required to undertake the contract requirements.
- Bridgestone provided a sound submission with the final assessment result determining that there is strong evidence that the company has the necessary resources, previous experience, ability and adequate management systems to undertake the contract.

Pricing for the Goods/Services/Works Offered

The typical historical utilisation of this type of supply forms the basis of the matrix to formulate the price assessment scenario of the likely annual expenditure forecast. The Schedule of Rates as Tendered is considered to be reasonable and is considered to represent value for money for the City.

The Confidential Attachment provides a reference to the price assessment outcome.

Overall Assessment and Comment

In summary, the tender submission from Bridgestone satisfied the overall minimum qualitative requirements of all the assessment criteria as detailed in the Procurement and Evaluation Plan and is recommended as the successful tenderer.

Additional supporting commentary comparing existing contract rates with tendered rates and overall assessment scoring are included within the Confidential Attachment to this report.

Consultation

No consultation was required as the maintenance of tyres is not discretionary.

Statutory Compliance

Tenders were invited in accordance with the requirements of Section 3.57 of the *Local Government Act 1995*. The tendering procedures and evaluation complied with the requirements of Part 4 of the *Local Government (Functions and General) Regulations 1996*.

Strategic Implications

The proposal aligns with the following objective with the Strategic Community Plan 2021-2031:

“Goal 5: A well-planned, safe and resilient City that is easy to travel around and provides a connection between people and places.

Priority 5.3 - Manage and maintain assets.

Wanneroo will be a City known for having high quality new and existing assets that are well managed, maintained to be fit for purpose and valued by local communities. The City’s assets will be future proofed by design and also provide maximum return on investment into the future.”

Risk Appetite Statement

In pursuit of strategic objective goal 5, we will accept a Medium level of risk, extended to High in the areas of Community / Reputation & Financial / Commercial impacts. Shifting transport modes and usage in the City may require short term pain for longer term gain as the City supports the development, maintenance and connection of alternatives to car use (e.g. cycle ways) and the supporting infrastructure.

Enterprise Risk Management Considerations

Risk Title	Risk Rating
CO-O07 Purchasing	Low
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage

Risk Title	Risk Rating
CO-O08 Contract Management	Low
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage

Risk Title	Risk Rating
CO-O17 Financial Management	Moderate
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage

Risk Title	Risk Rating
IN-O29 Asset Maintenance	Low
Accountability	Action Planning Option
Manager Asset Maintenance	Manage

Financial and Performance Risk

Financial Risk

Following consideration of the value of the contract and Bridgestone's demonstrated ability to undertake similar contracts for the City and with payments being made on satisfactory provision of the services, an independent financial risk assessment was not undertaken.

Performance Risk

Bridgestone has successfully completed contracts for reputable clients including the Cities of Canning, Cockburn, Fremantle and Wanneroo with product provided as required and is therefore assessed as experienced in servicing local government, with no reported disputes or claims.

Policy Implications

Tenders were invited in accordance with the requirements of the City's Purchasing Policy.

Financial (Budget) Implications

The costs associated with the Provision of Light Fleet Tyre Management Services are included in the Asset Maintenance Operational Budget.

Recommendation:

That the Chief Executive Officer, in accordance with Delegation 1.1.13 - Choice of Most Advantageous Tender of the Delegated Authority Register for the awarding of tenders ACCEPTS the tender submitted by Bridgestone Australia Limited for Tender 23102, for the Provision of Light Fleet Tyre Management Services, as per the schedule of rates in the tender submission, subject to appropriate funding availability for each of the financial years within the initial three-year contract term with two x 12 month (or part thereof) options to extend at the City's discretion.