

TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER

CC: MANAGER PEOPLE & CULTURE

FROM: DIRECTOR CORPORATE STRATEGY & PERFORMANCE

FILE REF: 36773 20/55646

DATE: 24 FEBRUARY 2020

**TENDER 19272 PROVISION OF TEMPORARY PERSONNEL
(OUTSIDE WORKFORCE ONLY)**

Issue

To consider Tender No: 19272 for the Provision of Temporary Personnel (outside workforce only).

Background

Since February 2014 the City has held contracts with three suppliers of Temporary Personnel: Integrity; Programmed and Chandler Macleod (the latter contract not being extended in January 2019). The current contract has been in place for all temporary roles across the City of Wanneroo, for the past five years and expires 29 February 2020. A public request for tender process is required to enable a new contract to commence from 2 March 2020.

Through internal consultation, it was determined that the majority of temporary personnel are required for the Outside Workforce; i.e. roles which are primarily based at the Ashby Operations Centre and therefore the new contract has been organised for this group of employees only.

Detail

Tender 19272 for the Provision of Temporary Personnel (outside workforce only) was advertised on 30 November 2019 and closed on 17 December 2019.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Goods & Services
Contract Type	Schedule of Rates
Contract Duration	One (1) year
Commencement Date	2 March 2020
Expiry Date	1 March 2021
Extension Permitted	2 x 12, or part thereof, options to extend
Rise and Fall	Not Applicable

Tender submissions were received from the following:

- Chandler MacLeod Group Ltd (Chandler)
- CoreStaff WA Pty Ltd (Corestaff)
- DFP Recruitment Services Pty Ltd as trustee for DFP Business Trust (DFP)
- Drake Australia Pty Ltd T/A Drake International (Drake)
- Hays Specialist Recruitment Pty Ltd (Hays)
- Agility Industrial Pty Ltd T/A Integrity Industrial (Integrity)
- IPA Personnel Services Pty Ltd (IPA)
- Programmed Skilled Workforce Limited (Programmed)
- Randstad Pty Ltd (Ranstad)
- Skill Hire (Skill Hire)
- WorkPac Pty Ltd (Workpac)

The submission from Skill Hire was assessed as non-conforming and did not proceed for further evaluation.

The Tender Evaluation panel comprised:

- Acting Coordinator Employee Relations & HR Services
- Manager Asset Maintenance
- Occupational Safety & Health Officer

Probity Oversight

Oversight to the tender assessment process was undertaken by the City's Contracts Officer.

Tender submissions were evaluated in accordance with the Procurement and Evaluation Plan (PEP) which included the following selection criteria:

Item No	Description	Weighting
1	Price (assessed under Value for Money)	Not Weighted
2	Sustainable Procurement	10%
3	*Safety Management Systems	20%
4	*Service Delivery	30%
5	*Demonstrated Capability & Experience	25%
6	*Ease of Request Process and relevant available reporting	15%

Pricing is not included in the qualitative criteria and is considered as part of the overall value for money assessment. The minimum acceptable baseline for Qualitative Criteria is set at 50% with acceptable minimum scores required for each qualitative criterion indicated with an *.

Evaluation Criterion - Sustainable Procurement (10%)

Environmental Considerations (5%)

Tenderer	Ranking
Programmed	1
Hays	1
Integrity	3
Workpac	3
IPA	3
Ranstad	3
DFP	3
Chandler	3
Corestaff	9
Drake	9

Buy Local (5%)

Tenderer	Ranking
Programmed	1
Hays	2
Integrity	3
Workpac	3
IPA	3
Ranstad	3
DFP	3
Chandler	3
Corestaff	9
Drake	10

Evaluation Criterion - Tenderer's Safety Management Systems (20%)*

The assessment for safety management was based on the tenderers' responses to an Occupational Health and Safety Management System Questionnaire included within the tender documentation. All tenderers provided details of their safety management systems with the following ranking:

Tenderer	Ranking
Programmed	1
Hays	1
Integrity	3
Workpac	3
Corestaff	3
Chandler	6
IPA	7
Drake	7
DFP	9
Ranstad	10

The top 8 ranked tenderers achieved an acceptable rating for this criterion.

Evaluation Criterion – Service Delivery (30%)*

Assessment of this criterion considered the tenderer’s ability to provide an automated applicant management system, a robust assessment process of proposed temporary personnel (PEM, D&A, reference checks etc.) numbers of suitable applicants and their ability to support the City’s requirements in a timely manner. The assessment of this criterion has resulted in the following ranking:

Tenderer	Ranking
Programmed	1
Integrity	2
Workpac	2
DFP	2
Drake	2
Hays	2
Chandler	2
Ranstad	8
Corestaff	9
IPA	9

All tenderers achieved an acceptable rating for this criterion. Those ranking higher were able to demonstrate automated applicant management systems and extensive applicant assessment processes.

Evaluation Criterion – Demonstrated Capability & Experience (25%)*

Assessment of this criterion considered the tenderer’s experience of supplying other Local Governments and their ability to provide competent temporary personnel to perform the roles. The assessment of this criterion has resulted in the following ranking:

Tenderer	Ranking
Programmed	1
DFP	1
Hays	1
Integrity	4
IPA	4
Workpac	6
Corestaff	6
Ranstad	6
Chandler	6
<i>Drake</i>	<i>10</i>

All tenderers, with the exception of Drake achieved an acceptable rating for this criterion. Programmed, DFP and Hays provided the more comprehensive examples.

Evaluation Criterion – Ease of Request Process & Relevant Available Reporting (15%)*

Assessment of this criterion considered the tenderer’s ability to provide real time reports; ease of process including speed of response and the verification process of proposed temporary personnel. The assessment of this criterion has resulted in the following ranking:

Tenderer	Ranking
Programmed	1
Integrity	2
IPA	2
Workpac	4
Corestaff	4
DFP	4
Drake	4
Hays	4
Ranstad	9
Chandler	9

The top 8 ranked tenderers achieved an acceptable rating for this criterion.

Overall Qualitative Weighted Assessment and Ranking

The overall qualitative weighted assessment resulted in the following tenderer ranking:

Tenderer	Ranking
Programmed*	1
Hays*	2
Integrity*	3
Workpac*	4
DFP	5
IPA*	6
Chandler	6
Corestaff*	8
Drake	9
Ranstad	10

The following companies achieved an acceptable minimum ranking in each of the mandatory qualitative criteria* and progressed to the overall value for money assessment: *Programmed, Hays, Integrity, WorkPac, IPA, and Corestaff.*

Evaluation Criteria - Pricing for the Services Offered

An assessment was made to determine the ranking of those tenderers who achieved an acceptable ranking from the qualitative criteria with pricing assessment based on the schedule of rates against a level of predicated usage over 12 months:

Tenderer	Ranking
Workpac	1
Hays	2
Corestaff	3
Integrity	4
IPA	5
Programmed	6

Overall Value for Money Assessment

The combined assessment of Price vs Qualitative Scores resulted in the following ranking based on a relative value for money assessment:

Tenderer	Ranking
Hays	1
Workpac	2
Integrity	3
Corestaff	4
Programmed	5
IPA	6

The submission from Integrity is recommended due to their demonstrated experience of supplying the City's Outside Workforce and to supply other Local Governments, robust processes and systems and competitive pricing.

Although Hays and Workpac ranked higher for the overall value for money assessment, their respective submissions contained a number of departures from the City's standard terms and conditions and which the City was unwilling to negotiate on further.

It was also noted that Integrity are a current supplier to the City and will therefore provide for minimal impact to the continuity of supply of temporary personnel to the Outside Workforce.

Programmed is also a current supplier to the City and achieved the highest ranking overall however their pricing was determined as not competitive and ranked lower in the overall value for money assessment.

Consultation

Prior to commencing the tender process a questionnaire was sent to all Leaders across the City to identify requirements for the intended service levels and to support them in meeting their operational requirements.

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 2017 – 2027:
Civic Leadership

4.1.2 "Engage, include and involve community" and 4.1.3 "Advocate and collaborate for the benefit of the City"

The instructions in the request for tender identified the City's preferred approach to recruit and obtain suppliers from the local community.

4.2.2 "Provide responsible resource and planning management recognising our significant future growth".

The instructions in the request for tender requested ease of process and suitable reporting.

4.3.2 "Ensure excellence in our customer service"

In order to ensure there is a continuity of service (for short-term employee absences, the City requested the suppliers are able to demonstrate an efficient, reliable and suitable service.

Enterprise Risk Management Considerations

<u>Risk Title</u>	<u>Risk Rating</u>	<u>Accountability</u>	<u>Action Planning Option</u>
CO-017 Financial Management	Moderate	Director Corporate Strategy and Performance	Manage
CO-010 Workforce Planning	Moderate	Director Corporate Strategy and Performance	Manage

Financial and Performance Risk

Financial Risk

A financial risk assessment was not undertaken as part of the tender evaluation process. The recommended Tenderer is a member of the WALGA Temporary Personnel Panel and invoices are only paid on completion of the weekly placement of the temporary personnel.

Performance Risk

Independent reference checks have confirmed the recommended tenderer has the ability to provide the service required.

The contract is to commence on 2 March 2020. As Integrity is a current supplier to the City there is no requirement for a detailed induction and the transition to a single contracted supplier for this service should be relatively seamless.

Policy Implications

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

Financial (Budget) Implications

The costs associated with the service are included in the Workforce Operating Budgets. Anticipated costs over 12 months are expected to be in the order of \$500k.

Recommendation

That the Chief Executive Officer, in accordance with Delegation 1.1.14 - Choice of Most Advantageous Tender of the Delegated Authority Register for the awarding of tenders ACCEPTS the tender submitted by Integrity for Tender 19272 PROVISION OF TEMPORARY PERSONNEL (OUTSIDE WORKFORCE ONLY), for a period of one year with two (2) twelve (12) month, or part thereof, options to extend at the discretion of the City and as per the schedule of rates presented in the tender submission.

SUBMITTED BY ACTING COORDIANTOR EMPLOYEE RELATIONS & HR SERVICES



SIGNATURE

25 Feb 2020
DATE

REVIEWED BY MANAGER CONTRACTS & PROCUREMENT



SIGNATURE

25/2/2020
DATE

ENDORSED BY ACTING MANAGER PEOPLE AND CULTURE



SIGNATURE

25.02.2020
DATE

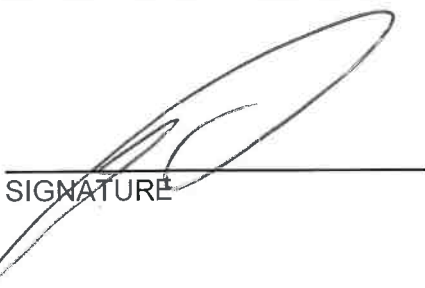
RECOMMENDED BY DIRECTOR CORPORATE STRATEGY & PERFORMANCE



SIGNATURE

25/2/2020
DATE

APPROVED BY CHIEF EXECUTIVE OFFICER



SIGNATURE

26.2.2020
DATE