



TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER
CC: COORDINATOR SAFETY SYSTEMS
FROM: DIRECTOR CORPORATE STRATEGY AND PERFORMANCE
FILE REF: 21/428227
DATE: 18 October 2021

TENDER 21163: Provision of Medical Services

Issue

To consider Tender No: 21163 for the Provision of Medical Services.

Background

The City sought tenders from suitably qualified organisations for the provision of medical services for a period of 3 years initially, with 2 x 12 month extension options at the discretion of the City.

Services have been delivered via this mode for a number of years, with the current provider Sonic HealthPlus choosing not to provide a submission for this Tender.

These services may include, but are not restricted to:

- Pre-employment medical assessments
- Fitness for work assessments
- Workers Compensation Medical Assessments

It is a key requirement of this Contract that the medical service provider be located within 15 minute driving distance from the City of Wanneroo Civic Centre. Additionally the Contractor must be able to accommodate for unscheduled appointments for an initial workplace injury requiring treatment.

Detail

Tender 21163 for the Provision of Medical Services was advertised on 4 August 2021 and closed on 24 August 2021. No Addenda were issued.

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 |

| Item | Detail |
|---------------------|--------------------------|
| Commencement Date | October 2021 |
| Expiry Date | October 2024 |
| Extension Permitted | Yes, 2 periods of 1 year |

Tender submissions were received from the following companies:

| Legal Name | Trading Name |
|---------------------|--------------|
| MedHealth | MLCOA |
| Jobfit Health Group | Jobfit |

The Tender Evaluation panel comprised:

- Coordinator Safety Systems (Chair)
- People and Culture Business Partner
- Waste Supervisor

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 a. Environmental Considerations 5% b. Buy Local 5% c. RAP 5% d. AIP 5% | 20% |
| 3 | *Demonstrated experience of tenderer and personnel performing the services | 30% |
| 4 | Methodolgy, Resources and Capacity | 40% |
| 5 | OSH demonstrated working documents | 10% |

Pricing is not included in the qualitative criteria and is considered as part of the overall value for money assessment. Tenderers must achieve a minimum acceptable qualitative score (as determined by the City) and for each of the qualitative criteria detailed above (*) to be considered for further evaluation.

Evaluation Criteria 1 - Pricing for the Goods/Services/Works Offered (Not weighted)

An assessment was made to determine the ranking based on the schedule of rates provided with the tender documentation.

| Tenderer | Ranking |
|----------|---------|
| Jobfit | 1 |
| MLCOA | 2 |

Evaluation Criteria 2 – Sustainable Procurement (20%)

Sub criteria a) Environmental Considerations (sub weighting 5%)

| Tenderer | Ranking |
|-----------------|----------------|
| Jobfit | 1 |
| MLCOA | 2 |

Sub Criteria b) Buy Local (sub weighting 5%)

| Tenderer | Ranking |
|-----------------|----------------|
| Jobfit | 1 |
| MLCOA | 1 |

Sub criteria c) Reconciliation Action Plan (RAP) (sub weighting 5%)

| Tenderer | Ranking |
|-----------------|----------------|
| Jobfit | 1 |
| MLCOA | 2 |

Sub criteria d) Access & Inclusion Plan (AIP) (sub weighting 5%)

| Tenderer | Ranking |
|-----------------|----------------|
| Jobfit | 1 |
| MLCOA | 2 |

The overall assessment of the Sustainable Procurement assessment criterion has resulted in the following overall ranking:

| Tenderer | Ranking |
|-----------------|----------------|
| Jobfit | 1 |
| MLCOA | 2 |

Evaluation Criteria 3 - Tenderer’s demonstrated experience and personnel performing the services (30%)

The tenderer’s demonstrated experience and personnel proposed to be performing the services in their tender submission were assessed in order to evaluate their capacity to meet the requirements of the contract. The assessment of this criterion has resulted in the following ranking:

| Tenderer | Ranking |
|-----------------|----------------|
| Jobfit | 1 |
| MLCOA | 2 |

Evaluation Criteria 4 - Tenderer’s methodology, resources and capacity to meet the requirements of the Contract (40%)

The tenderer’s resources as presented in their tender submission were assessed in order to evaluate their capacity to meet the requirements of the contract. Assessment of this criterion considered the tenderer’s staff resources, vehicles, plant/equipment and workshop support to manage the contract. The assessment of this criterion has resulted in the following ranking:

| Tenderer | Ranking |
|-----------------|----------------|
| Jobfit | 1 |
| MLCOA | 2 |

Evaluation Criteria 5 - Tenderer’s Management Safety Systems (10%)

Evidence of safety management policies and practices was assessed from the tender submissions. 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 |
|-----------------|----------------|
| Jobfit | 1 |
| MLCOA | 1 |

Overall Qualitative Weighted Assessment and Ranking

Tenderer’s submissions were reviewed in accordance with the Procurement and Evaluation Plan with the following key observations:

- Jobfit was the most convincing submission on all aspects of the Tender.
- Jobfit was the submission that demonstrated (by some considerable margin) a better overall value for money

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

| Tenderer | Ranking |
|-----------------|----------------|
| Jobfit | 1 |
| MLCOA | 2 |

Value for Money Assessment

The combined assessment of Price vs Qualitative Scores resulted in the following tender ranking (highest to lowest):

| Tenderer | Ranking |
|-----------------|----------------|
| Jobfit | 1 |
| MLCOA | 2 |

Overall Assessment and Comment

The tender submission from Jobfit Health Group achieved the highest ranking and satisfied the overall value for money assessment in accordance with the assessment criteria and weightings as detailed in the Procurement and Evaluation Plan and is therefore recommended as the successful tenderer.

Consultation

The main stakeholders other than the OSH Team that is impacted by this contract is the operational People and Culture Team, therefore a Business Partner was included as an Evaluation Panel Member.

The Waste Services Team currently account for the most injuries and workers compensation claims at the City, and as such utilise the medical services the most frequently from an operational perspective, and as such a member of the Waste Services Team was also included on the Evaluation Panel.

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 7: A Well Governed and Managed City that makes informed decisions, provides strong community leadership and valued customer focused services

7.2 Responsibly and ethically managed

Enterprise Risk Management Considerations

| Risk Title | Risk Rating |
|---|------------------------|
| CO-O13 Workplace Health and Safety | Low |
| Accountability | Action Planning Option |
| Director Corporate Strategy & Performance | Manage |

| Risk Title | Risk Rating |
|---|------------------------|
| CO-O11 People Management | Low |
| Accountability | Action Planning Option |
| Director Corporate Strategy & Performance | Manage |

Financial and Performance Risk

Financial Risk

A financial risk assessment was undertaken as part of the tender evaluation process and the outcome of this independent assessment advised that Jobfit Health Group has been assessed with a 'satisfactory' financial capacity to meet the requirements of the contract.

Performance Risk

The anticipated risks associated with this contract and provider are:

- The establishment of a new provider to the City and resultant set up challenges.

- The risk of inadequate performance of fitness for work assessments resulting in additional operational challenges and possible industrial relations action.
- The risk of inadequate access to medical services in a timely manner resulting in delays to treatment and negatively impacted medical outcomes.

The above risks are present with any provider of this service, and the submission by Jobfit Health Group provides a reasonable degree of confidence of their ability to provide a successful and effective service.

Independent reference checks have also indicated that the recommended tenderer has satisfactorily undertaken contracts of a comparative nature. As with all new contracts, proactive implementation and active monitoring will ensure successful operation of the contract.

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 Medical Services are included in the People and Culture Operational Budget. Costs are expected to be in the order of \$45k per annum.

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 Jobfit Health Group for Tender 21163, for the Provision of Medical Services, as per the schedule of rates in the tender submission.