

TENDER RECOMMENDATION REPORT

TO: CHIEF EXECUTIVE OFFICER
FROM: DIRECTOR CORPORATE STRATEGY & PERFORMANCE
FILE REF: 40841
DATE: 25 November 2021

**TENDER 21000: PROCURE AND IMPLEMENT WORKPLACE HEALTH, SAFETY,
ENVIRONMENTAL & RISK MANAGEMENT SYSTEM**

Issue

To consider Tender No: 21000 to procure and implement a Workplace Health, Safety, Environmental & Risk Management System (**WHSMS**).

Background

In June 2020, a Project commenced with an intention to document requirements, conduct market assessment and undertake a formal public tender process to select and implement a new WHSMS. This system would support the City's safety and health systems and legal compliance obligations under the new Work Health & Safety Act 2020.

Throughout consultation with Strategic Land Use Planning and Environment, it was determined that the proposed system should include a module to enable reporting of incidents that have an environmental impact within the City. The module would provide a mechanism for formal investigation and action.

To enable consistency throughout the reporting and investigation process for health, safety and environment, the City will also seek to procure a system that enables the use of a centralised operational risk management module.

A review of the City's current system was completed and it was determined that the system did not meet the City's needs going forward.

The City has therefore sought to procure a new WHSMS through a public tender process.

Detail

Tender 21000 to procure and implement the WHSMS was advertised on 10 July 2021 and closed on 3 August 2021.

No addenda were issued.

Essential details of the proposed contract are as follows:

Item	Detail
Contract Form	Software and/or Services Supply Contract
Contract Type	Fixed Lump Sum / Schedule of Rates
Contract Duration	Three (3) years
Commencement Date	December 2021
Expiry Date	December 2024
Extension Permitted	First Option Period – 3 years Second Option Period – 2 years Third Option Period – 2 years

Tender submissions were received from the following companies:

- CA Technology Pty Ltd (CAMMS)
- Netsight Consulting Pty Ltd (Myosh Viking)
- Risk Management Safety Systems Pty Ltd
- SAI Global Ltd (SAI360)

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

- Team Leader Payroll & HR Systems
- Coordinator Safety Systems
- OSH Officer - Assets
- Technical Officer - Horticulture
- Business Systems Analyst (non-scoring advisor)

Probity Oversight

Oversight to the tender assessment process was undertaken by the City's Contracts Officer and an external Probity Advisor was appointed, William Buck Consulting (WA) Pty Ltd.

Please refer to the Confidential Attachment for the reference to the Final Probity Advisor Report.

Submissions were evaluated in accordance with the Procurement and Evaluation Plan (**PEP**). The PEP included Functional and Non-Functional requirements and was inclusive of an initial 15 question mandatory Gateway Criteria.

Item No	Description	Weighting
1	Sustainable Procurement: a) Environmental Considerations b) Buy Local c) Reconciliation Action Plan d) Access & Inclusion Plan	2.5% 2.5% 2.5% 2.5%
2	*Functional Requirements	55%
3	*Non-Functional Requirements	25%
4	*Reference & Qualifications	10%
	Price (assessed under Value for Money)	Not Weighted

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) for each individual qualitative criterion marked with "*" as well as for the overall qualitative score in order to be considered for further evaluation.

All tender submissions were deemed as conforming and progressed to the gateway criteria for evaluation.

Three of the four respondents were deemed as meeting the requirements of the mandatory Gateway Criteria and therefore were eligible for assessment.

Tenderers progressing to full evaluation:

- CA Technology (CAMMS)
- Netsight Consulting Pty Ltd (Myosh)
- SAI Global Pty Ltd (SAI 360)

Evaluation Criteria 1 – Sustainable Procurement (10%)

Sub-Criteria a) Environmental Considerations (2.5%)

The assessment for environmental management systems and considerations based on the Tenderer's responses to the Environmental Considerations Questionnaire included within the Tender documentation.

Tenderer	Ranking
CA Technology	1
SAI Global	2
Netsight	3

Sub-Criteria b) Buy Local (2.5%)

The assessment for Buy Local considerations based on the Tenderer's responses to the Buy local Questionnaire included within the Tender documentation.

Tenderer	Ranking
SAI Global	1
Netsight	2
CA Technology	2

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

The assessment for Reconciliation Action Plan (RAP) considerations based on the Tenderer's responses to the Reconciliation Action Plan (RAP) Questionnaire included within the Tender documentation.

Tenderer	Ranking
SAI Global	1
Netsight	2
CA Technology	2

Sub-Criteria c) Access & Inclusion Plan (AIP) (2.5%)

The assessment for Access & Inclusion Plan (AIP) considerations based on the Tenderer's responses to the Access & Inclusion Plan (AIP) Questionnaire included within the Tender documentation.

Tenderer	Ranking
SAI Global	1
Netsight	1
CA Technology	3

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

Tenderer	Ranking
SAI Global	1
Netsight	2
CA Technology	3

Evaluation Criteria 2 – Functional Requirements (55%)

The tenderer submissions were evaluated to determine the functional capability of the proposed system to provide a suitable solution that creates a proactive approach to Workplace Health and Safety whilst enabling compliance with the new Work Health and Safety Act 2020.

The functional requirements category consisted of 105 system requirements. The functional requirements take into consideration health & safety, environment, risk and reporting. The functional requirements also address the way in which the end user (the customer) engages with the system.

The assessment of this criterion has resulted in the following ranking:

Tenderer	Ranking
SAI Global	1
Netsight	2
CA Technology	3

Evaluation Criteria 3 – Non-Functional Requirements Systems (25%)

The tenderer's technical architecture and standards, system performance and availability were assessed in order to evaluate their capability to meet the requirements of the contract. The non-functional requirements category consisted of 97 requirements.

The assessment of the criterion has resulted in the following ranking:

Tenderer	Ranking
SAI Global	1
Netsight	2
CA Technology	3

Evaluation Criteria 4 – Reference & Qualifications (10%)

The tenderer's ability to meet the requirements of the contract was achieved by undertaking reference checks and reviewing the tenderers relevant qualifications.

The assessment of this criterion has resulted in the following ranking:

Tenderer	Ranking
SAI Global	1
Netsight	2
CA Technology	3

Overall Qualitative Weighted Assessment and Ranking

Tenderer's submissions were assessed in accordance with the PEP with the overall qualitative weighted assessment resulted in the following tenderer ranking:

Tenderer	Ranking
SAI Global	1
Netsight	2
CA Technology	3

Pricing for the Services Offered

An assessment was made to determine the ranking based on the lump sum pricing provided with the tender documentation. The lump sum price is inclusive of Implementation, licencing and support for the initial term of the contract.

Tenderer	Ranking
Netsight	1
SAI Global	2
CA Technology	3

Overall Value for Money Assessment and Comment

The combined assessment of Price vs Qualitative Assessment resulted in the following tender ranking (highest to lowest): Please refer to the Confidential Memorandum for details of value for money.

Tenderer	Ranking
SAI Global	1
Netsight	2
CA Technology	3

Whilst the Netsight submitted offer was lowest in lump sum pricing; it became evident during the demonstration stage of the evaluation that the proposed solution will require additional scoping and a significant amount of configuration to enable the functionality required by the City and at additional cost to the tendered sum.

SAI Global's solution presented the City with a system that may be implemented in a more manageable timeframe and with minimal configuration. These factors mitigate the need for additional resourcing to assist with development and implementation.

SAI Global's solution therefore provides a more favourable value for money proposition to the City; key comments include:

- the SAI360 platform provides a fast start implementation process utilising an off-the-shelf base for simplified configuration;
- the user workflow provided in the SAI360 platform was user friendly with a clearly defined process based on the user's access level; and
- the mobile functionality available, inclusive of offline capabilities provided by SAI360 ensured optimal access for operational employees and contractors.

Consultation

Stakeholders from across the City were invited to attend the vendor demonstrations to provide feedback for consideration. The stakeholders consisted of:

- Environmental Management System Project Officer,
- OSH Representatives
- OSH Officers
- Enterprise Risk, and
- Compliance Training Officer

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 decisions, provides strong community leadership and valued customer focused services

Priority 7.3 – Anticipate and adapt quickly to change

Enterprise Risk Management Considerations

Risk Title	Risk Rating
CO-013 – Workplace Health & Safety	Moderate
Accountability	Action Planning Option
Director CS&P	Manage
Risk Title	Risk Rating
ST-S25 Legislative Reform or Changes	Moderate
Accountability	Action Planning Option
CEO	Manage
Risk Title	Risk Rating
CO-015 – Project Manager	Moderate
Accountability	Action Planning Option
Director CS&P	Manage
Risk Title	Risk Rating
CO-O02 – Technological Advancement	Moderate
Accountability	Action Planning Option
Director CS&P	Manage
Risk Title	Risk Rating
CO-O06 – Data & Information Management	High
Accountability	Action Planning Option
Director CS&P	Manage
Risk Title	Risk Rating
CO-O16 – Risk Management	Moderate
Accountability	Action Planning Option
Executive Manager Legal & Governance	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 SAI Global have been assessed with a 'strong' financial capacity to meet the requirements of the contract.

Performance Risk

HPE 19/248195[V5 December 2020]

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Independent reference checks have also indicated that the recommended tenderer consistently undertake works to a very high standard. Please refer to the Confidential Memorandum for details of the reference checks.

Policy Implications

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

Financial (Budget) Implications

The costs associated with the implementation first year of licencing of the new Occupational Safety & Health Management System are included in the PR4288. All ongoing licencing costs are included in the IT operational budget.

PR-4288 PMO20069 – NEW OCCUPATIONAL HEALTH & SAFETY SYSTEM

Description	Expenditure	Budget
Budget:		
PR4288 (Capital year 1 licencing and implementation)		\$180,000
IT Operational Budget (licencing \$90k pa - year 2+3)		\$180,000
Expenditure:		
Expenditure incurred to date	\$0.00	
Yr. 1 - implementation & licencing	\$165,000	
Yr. 2 & 3 – licencing	\$180,000	
Project Management	\$0.00	
Tender Advertisements (Tender and Public Notices)	\$896.00	
Total Expenditure (Capital)	\$165,896	
Total Expenditure (3 year contract)	\$345,896	
Total Funding		\$360,000

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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 SAI Global Ltd for the Workplace Health, Safety and Environmental and Risk Management System against Tender 21000, subject to final resolution of commercial terms and for a fixed lump sum of \$345,000 (inclusive of implementation and licensing costs) for an initial term of three (3) years and with options to extend at the City's discretion - First Option Period – 3 years, Second Option Period – 2 years, Third Option Period – 2 years.