



PUBLIC

PROCUREMENT MANUAL

FOR

NON-INTELLECTUAL SERVICES

FIRST EDITION

May 2009

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FOREWORD

The public procurement reforms in Kenya have culminated in promulgation of the Public Procurement and Disposal Act 2005 and the Public Procurement and Disposal Regulations 2006 that provide a legal framework for regulating public procurement, with oversight functions carried out by the Public Procurement Oversight Authority (PPOA). The Public Procurement and Disposal General Manual provides detailed guidance on general issues in procurement that are not adequately covered by the Act and Regulations. Other manuals will be prepared for specific procurement sectors.

This Manual has been prepared to address the specific procurement requirements of non-intellectual services. The procurement processes set out in this Manual have reference to the salient provisions of the Act, Regulations and the Public Procurement and Disposal General Manual which should be read together with this Manual. Some of the important general steps leading to effective procurement of non-intellectual services have been incorporated into this Manual. Persons responsible for the procurement of non-intellectual services in all entities should therefore familiarise themselves with the guidelines provided in this Manual and adhere to them.

This Manual has been prepared by e-sokoni Consulting on behalf of PPOA as part of the Millennium Challenge Corporation Project for Strengthening the Public Procurement System in Kenya, which is administered by USAID. Oversight of the project was undertaken by ARD Inc. The Manual has been approved by PPOA as a guide to the systems and procedures that should govern the procurement of non-intellectual services.

Signature _____


M.J. Juma
Acting Interim Director General
Public Procurement Oversight Authority
May 2009

LIST OF ABBREVIATIONS AND ACRONYMS

CIF	Cost Insurance and Freight
CIP	Carriage Insurance Paid (To destination)
CFR	Cost and Freight
INCOTERMS	International Commercial Terms
NEMCA	National Environmental Management and Coordination Act
N.I.S	Non-Intellectual Service
PE	Procuring Entity
PPDA	Public Procurement and Disposal Act
PPDR	Public Procurement and Disposal Regulations
PPDGM	Public Procurement and Disposal General Manual
PPDR	Public Procurement and Disposal Regulations
PPOA	Public Procurement Oversight Authority
PU	Procurement Unit

1.0 INTRODUCTION

- 1.1 This Manual serves as a guide to implementation of the Public Procurement and Disposal Act and the Regulations with specific reference to procurement of non-intellectual services. It is designed to promote effective and efficient procurement of such services in all public sector institutions.

- 1.2 The Manual sets out the functional relationships and internal controls that promote transparency and accountability in the procurement process.

2.0 THE SCOPE OF THE MANUAL

- 2.1 Non-intellectual services refer to those standardized services consisting of physical job performance as distinct from services that primarily involve the provision of technical advice, such as consultancies and training services, which are usually procured through different methods. The main types of non-intellectual services are cleaning, security, transport, catering, maintenance, overhaul, repair, servicing, salvage, modification of equipment or systems, security, and other related services. While each of these services has an intellectual aspect and requires skills to perform well, the main output is produced through physical work, usually by contracted labourers.
- 2.2 The procedures in the Manual shall be applied in acquisition of non-intellectual services by procuring entities as defined in section 3(1) of the Public Procurement and Disposal Act 2005.
- 2.3 These procedures shall remain effective until otherwise announced by the Public Procurement Oversight Authority.
- 2.4 This Manual covers:
- 2.4.1 The general and specific steps in non-intellectual services procurement;
 - 2.4.2 Institutional arrangements for provision of oversight functions within the procuring entities;
 - 2.4.3 Procurement planning and its linkage to the budgeting process;
 - 2.4.4 Administration of the complete procurement cycle up to and after formation of a Service contract;
 - 2.4.5 Framework contracting guideline; and
 - 2.4.6 Performance measurement of the service providers.

3.0 PROCUREMENT STRATEGIES

- 3.1 The public procuring entities shall acquire services at optimum rates.
- 3.2 The qualified service providers shall be given equal opportunity to bid for provision of the services.
- 3.3 The highest ethical and professional standards shall be observed in establishing a mutually beneficial relationship with the service providers, internal and external customers.
- 3.4 All procurement of non-intellectual services shall be done through a competitive public bidding process unless an alternative procurement method is justified as provided for in the relevant provisions of the Public Procurement and Disposal Act 2005, Public Procurement and Disposal Regulations 2006, the PPOA Public Procurement and Disposal General Manual or this Manual.
- 3.5 There should be continuous improvement of procurement processes by procuring entities to ensure that the processes are simple, efficient and cost effective.
- 3.6 Procurement shall be planned to enable prudent management of budgets and value optimization.
- 3.7 Procuring entities shall endeavour to realize benefits from procuring non-intellectual services through framework contracts to enhance continuity of the services for a reasonable duration consistent with the procurement plan and the budget.
- 3.8 Procuring entities are to keep abreast with best practice for procurement of non-intellectual services through benchmarking with other entities to facilitate continuous improvement of the procedures.

4.0 PROCUREMENT OBJECTIVES

4.1 Realization of the lowest possible total cost

Procurement should be carried out with an objective of obtaining the best possible quality at the lowest possible total cost. Unnecessary hidden costs due to ambiguity in specification of the scope of services to be provided should be avoided.

4.2 Ensuring timely settlement of service provider's bills as stipulated in the contract

The PEs must ensure that bills are settled in timely manner in accordance with the terms of the contract to avoid payment of interest on overdue amounts as stipulated in section 48 of the PPDA 2005.

4.3 Separation of functions and authorizations to enable checks and balances in the procurement process.

The concept of checks and balances is vital to reduce incidences of conflict of interest and to improve transparency. Consequently, procurement functions and responsibilities such as specification of the scope of service, selection and adjudication of tenders should be divided among different offices, committees and individuals, each with the appropriate expertise in line with PPD Act Section 26(3) (c).

4.4 The service providers' performance to be evaluated

Systematic evaluation and measurement of each service provider's performance should be undertaken to ensure compliance with the terms and conditions of contract and to enhance remedial measures as set out in section 13.0 on Procurement Performance Evaluation and Measurement.

4.5 Automation of the Procurement Process

Procurement processes are to be computerized to the extent possible to integrate the operations between Procurement Units and the potential beneficiary of the services with a view to speeding up routine transactions and communications within and outside the PE.

These will include:

- a) Communication to and from suppliers using telephones, emails, interactive website including tenders and procurement information sharing;
- b) Communicating with internal users on emails, telephones and electronic notice boards including diary and meetings management;
- c) Instituting process automation and simplification using ERP systems; and
- d) Automation of internal procurement process controls such as approvals, payments, confirmation of receipt of products and services, tracking of procurement process deliverables etc.

4.6 Observing ethical practices in procurement

Procurement should be carried out ethically and efficiently as provided for in the provisions of the PPD Act, PPD Regulations, PPDGM, and this Manual, to obtain the best value for all expenditure by procuring entities.

4.7 To maintain sound inter-departmental collaborations

Collaboration within the departments and participation by relevant disciplines is required in order to encourage professionalism in N.I.S procurement.

4.8 Select reliable suppliers for N.I Services

Effective assessment and subsequent selection of capable suppliers is vital to the success of the procurement process for N.I services. For providers of high value spend N.I service categories e.g. security and guarding services for a large organization, the PE may consider using a comprehensive supplier appraisal template similar to the one provided in Appendix B of this Manual. Supplier selection should be in line with the procedures stated in section 9.2 of this Manual.

4.9 Suppliers Development

Suppliers who have shown prospects of improvement should be developed by giving them opportunities to improve on their weaknesses. This can be enhanced through supplier performance evaluation and measurement initiatives which will improve competitiveness, lower costs, and increase the quality and reliability of supplies

5.0 INSTITUTIONAL ARRANGEMENTS

5.1 Introduction

It is vital to have institutional arrangements for oversight, regulatory functions and for good governance. Oversight and regulatory functions are the prerogatives of the PPOA on matters of public sector procurement. However since non-intellectual services are common user services in all organizations, compliance with legal provisions of the Act and the Regulations must be enforced by Accounting Officers through the institutional framework in the procuring entities established under Part III (*Internal Organization of Public Procurement Entities Relating to Procurement*) of the PPDA 2005.

5.2 The Regulatory and Oversight Role of PPOA

PPOA shall ensure that the procurement procedures and rules established under the PPD Act and the PPD Regulations are complied with. It shall perform all the regulatory and oversight function set out in the PPD Act and the PPD Regulations.

5.3 Regulating procurement in the procuring entities

The accounting officer, who is usually the head of the procuring entity or a person appointed by the Permanent Secretary to the Treasury as an accounting officer or if there is no such person, the chief executive of the public entity or for local authority, the town or county clerk of the local authority is primarily responsible for ensuring that the public entity fulfils its obligations to comply with the Act.

The accounting officer or the persons defined above also have additional specific responsibilities, including ensuring that the procuring entity establishes a tender committee and a procurement committee, signing contracts, ensuring that procurement plans are prepared and that procurement proceedings are properly documented and records managed in accordance with the law.

6.0 PROCUREMENT PLANNING

6.1 Introduction

- 6.1.1 The procurement plan is an instrument for implementation of the budget and should be prepared by the user departments with a view to avoiding or minimizing excess votes in the entities' budgets and to ensure that procurements do not proceed unless there are funds to pay for them.
- 6.1.2 The procurement plan must be integrated into the budget process based on the indicative or approved budget as appropriate pursuant to Regulation 20 (2) of the Public Procurement and Disposal Regulations 2006.
- 6.1.3 Budgets as well as the procurement plans are to be based on realistic cost estimates derived from the market research database which is to be compiled and updated regularly by the procurement unit in line with Regulation 8 (3) (z) of the PP&D Regulations.
- 6.1.4 The departmental/sectional procurement plans shall be consolidated by the head of the procurement unit to provide the entity's corporate procurement plan.
- 6.1.5 The procurement unit should verify the departmental/sectional procurement plans to ensure that they are representative of the operational requirements of the institution and subsequently forward the same to the head of the procuring entity for approval.
- 6.1.6 The plan should not be implemented before approval by the head of the procuring entity.
- 6.1.7 The contents of a procurement plan should adopt the format provided in Appendix (A) of this Manual.

6.2 Procurement Planning Procedures

- 6.2.1 Each department shall prepare the procurement plan for the annual or the multi-year requirements for non intellectual services.
- 6.2.2 Multi-year procurement plans may be prepared and shall be integrated into the Medium Term Expenditure (budgetary) Framework (MTEF) for the all requirements in general and for non-intellectual services in particular.
- 6.2.3 The departmental procurement plans are to be consolidated and be forwarded to the head of the procuring entity at least 30 days before the end of each financial year.

- 6.2.4 The section of the plan that covers non-intellectual services may include but may not be limited to the following:
- a) A general description of the services;
 - b) An estimate of value of services;
 - c) The budgets available and sources of funds;
 - d) Procurement methods;
 - e) Time frame for the subsequent activities such as:
 - i) Preparation of bid document, terms of reference and scope of the services;
 - ii) Definition of deliverables;
 - iii) Submission of bids;
 - iv) Evaluations; and
 - v) Award and signing of contract.
- 6.2.5 The head of the procurement unit shall provide validated up-to-date market research information to be used in the preparation of a realistic procurement plan.
- 6.2.6 The procurement profile shall include information that is not limited to:
- a) The types of non-intellectual services procured in the past and their values;
 - b) The procurement methods applied and sources;
 - c) Current sources and their geographical locations; and
 - d) Criticality of performance risks and their potential impact to the procuring entity.
- 6.2.7 Market research information shall cover areas that include but not limited to:
- a) Service providers and their market shares;
 - b) Degree and type of competition between service providers;
 - c) Technology trends;
 - d) General pricing rates and trends; and
 - e) Foreseeable external environmental factors that would negatively impact provision of the services
- 6.2.8 Procurement method shall be selected in accordance with the information contained in the market research database and the Threshold Matrix in the PPDR 2006.

6.3 Risk Considerations

- 6.3.1 Service contracts have a higher chance of encountering risks. These risks depend on the type of service being procured. Therefore by planning and clearly defining the expected outcomes from a service contract, the potential risks associated with the outcome can be identified and appropriate measures taken to mitigate or eliminate them. For example, a contract for provision of maintenance services for the corporation's motor vehicles with a local garage risks delivering sub-optimal outcomes if it is not effectively managed and monitored.
- 6.3.2 The risk assessment involves evaluating the probability of an adverse event taking place and the extent of potential harm that the risk represents.

6.3.3 The procuring entities may choose to use a standard method of quantifying risk using the rating system such as the one presented in the following example.

Examples of assessment of probability that an adverse event will take place

Almost certain to occur	Likely	Average Probability	Unlikely	Almost sure not to occur
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6.3.4 As in the assessment of probability under 6.3.3 above, the degree of impact is often measured within a standard rating system as presented in the following table below:

Examples of assessment of the extent of impact

Critical Impact	Serous Impact	Average Impact	Low Impact	Little or no Impact
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A practical example of a high impact failure from a fairly likely service contract is catering. If the caterer of a corporate entity, say a school, were to fail to deliver acceptable food to students, the impact of the failure is not just loss of meals but also the loss of learning, creation of discomfort to students and resorting to expensive remedial measures. It is therefore critical that a PE measures the impact of failure from all potential risks and prepares an appropriate contingency.

6.4 Identifying ways to eliminate or reduce the risks

Depending on the risk identified, methods must be explored that may eliminate or reduce risk probabilities and impact for example:

- a) Identification of a more experienced service provider;
- b) Identification of service levels within the proposed contract that will enable a decision to terminate the contract if costs, schedules, or quality are being adversely affected;
- c) Gathering information from other procuring entities who have undertaken a similar assignment on how they eliminated or reduced risks; and
- d) Other considerations that may be explored that will eliminate or reduce the risks.

6.5 Identifying ways to avoid risks

Procuring entities may opt for risk transfer by use of a third party’s solution to minimize risks. This may involve the services of another procuring entity or an outsourced service provider as provided for in Section 27 (5) of PPD Act 2005.

6.6 Implementation of Procurement Plan

6.6.1 The implementation of the approved procurement plan shall be coordinated by the head of the procurement unit.

6.6.2 Unplanned requirements that arise out of unforeseen operational needs or changes to the user’s annual procurement plans should be communicated to the head of the procurement unit immediately when the changes occur.

- 6.6.3 Regular reports on implementation of the plan should be prepared by the procurement unit. The reports should include compliance or variances with the plan and the identified causes of such variances for remedial action.
- 6.6.4 The report referred to under section 6.6.3 should be prepared by the head of the procurement unit and copied to the heads of departments including the heads of Finance or Accounts Department where any budget variances will be analysed for prompt remedial actions.

7.0 SPECIFICATION AND SCHEDULE OF REQUIREMENTS OF N.I. SERVICES

7.1 Introduction

7.1.1 Specification of non-intellectual services should be in the form of measurable outputs. These should focus on what is to be achieved and the time-frame within which it should be achieved as presented in the following table:

7.1.2 General Examples of Service Specifications

AREA	EXAMPLE
Transport	Deliver the specified goods –without suffering damage or loss - to the specified destination within a period of not exceeding 15 days <u>or</u> Provide a daily service to take children in safety and comfort to and from school and another specified destination and to meet other school passenger transport needs as they arise.
Catering	Serve five meals a day for each day of the week except Sundays when two meals will be served. Menu details will be agreed in writing at the beginning of each week with the Caterer. Specified hygiene and food quality standards will be maintained.
Cleaning	Clean all the scheduled area of the Head Office complex twice a day in the morning and lunch time; only permitted non-fragrant detergents will be used for cleaning. Toilets and visitors' lounges will be cleaned every three hours.
Security	Maintain security at the specified premises on a 24 hour 7 day basis through provision of CCTV camera and the physical presence of well trained guards, together with a performance monitoring system.
Continuing Services e.g. Preventive Maintenance	Service Providers responsiveness Example: Answers to written questions to be provided within 2 days or Specifying maintenance and repair to equipment: Example: Repair technician to be on site within 12 hours of notification of breakdown Levels of support from the supplier using objective measures Example: Help desk service to be available 24 hours daily For Purchased Machinery:- Example: A number of workdays of technical support supervision during commissioning and start up of a machine

More examples of specifications for services are provided in Appendices

7.1.3 The specifications should also state what will occur in the event that specified outputs are not achieved in the expected timeframe e.g., cancellation of payment, deductions for reduced performance, penalties, etc.

7.1.4 Where capability of key personnel to provide a service is important, the specification should state which qualification will be required of the person e.g. academic background, professional and work experience, previous clients, etc.

7.2 General guideline on preparation of specifications for N.I Services

7.2.1 A committee of specialists

For some high value N.I services such as security, an ad hoc committee may be formed consisting of at least two specialists in the pertinent area and a representative of the procurement unit who will provide commercial information and guidance on standard specifications, the Act and Regulations. However for most N.I. services required by PEs e.g. cleaning, specifications may be drawn by the PU in consultation with the user without due regard to a specialist.

7.2.2 Generic specifications

The specifications are to be as generic as possible to encourage adequate responses from potential service providers. The greater the number of respondents, the more likely it is to have competitive bids.

7.2.3 Scope of specifications

The specifications should be initiated by users and be prepared in a clear and unambiguous manner covering service descriptions and the duration the service to be provided. The specifications should be evaluated by the procurement unit to ensure clarity and adequate coverage of the scope of the services.

7.2.4 Coverage of the specifications

The specification of the N.I. services should cover the following requirements, plus any other details deemed necessary depending on the scope and terms of reference:

- a) The intended contract period;
- b) Description of the services;
- c) The scope of the services;
- d) Risks considerations;
- e) Measurable outcomes and timeframes for their delivery; and
- f) Basis of evaluation

7.2.5 Schedule of Requirements

- a) The Schedule of Requirements is to provide sufficient information on the level of quality and scope of the N.I services to be performed to attract relevant and responsive bids.
- b) In particular the sample schedule provided in Section V of the Standard Tender Document for Services must be carefully completed.
- c) The activity Schedule also enables pricing of the various activities and is used in periodic performance evaluation of the N.I service contract.
- d) In order to attain the objectives (a) and (b) above, the N.I services should be itemized in the Schedule of Requirements with sufficient detail to distinguish between the different classes of services, services of the same nature carried out in different locations, and/or in other circumstances which may give rise to different considerations of costs.

- e) Consistent with (c) above, the layout and contents of the Activity Schedule should be simple, clear and brief.
- f) The Schedule of Requirements shall be included in the tender documents prepared by the procuring entity and shall cover a clear description of the activities and expected deliverables.
- g) The date or period of delivery should be carefully specified, taking into account the prescribed date from which the procuring entity's delivery obligations start, as shown in the table below:

Number	Description	Quantity	Delivery Time Start _____ End _____
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8.0 CHOICE OF PROCUREMENT METHODS

8.1 Open Tender Method

The preferred procurement method is open tendering as provided in section 29 of the PP&D Act 2005. The details of how open tendering should be conducted are contained under Part V of the PP&D Act 2005. However, where open tendering is not found to be the appropriate method, the Act provides for use of alternative procurement methods subject to fulfilling the conditions provided under Part VI of the PP&D Act 2005.

8.2 Alternative Procurement Methods

These alternative methods are used where open tendering is not feasible or justified under Part VI of the PP&D Act 2005 and should be included in the procurement plan.

A procuring entity may use any of the following alternative procurement methods pursuant to the provisions of the PPD Act and the Regulations:

- a) Restricted tendering;
- b) Direct procurement;
- c) Request for Proposal;
- d) Request for quotation;
- e) Low level procurement; and
- f) Specially permitted procurement.

Further guidance on the use of open and alternative procurement methods can be found in the Procurement and Disposal General Manual.

8.3 Review of Selection of Procurement Method other than Open Tender

The tender committee shall review the selection of procurement method other than open tendering, pursuant to Regulation 10 (2) (h) of the PPD Regulations.

8.4 Framework contracts

Framework contracts are arrangements whereby one or more companies are contracted to provide services for a period of one or more years at an agreed price among other contract terms. Users draw from the contract at the time the services are required. Framework contracts are particularly suitable for services that are required on a regular basis, such as Outdoor Catering Services, Air-Ticketing, Transport Hire Services, Equipment Repair and Maintenance and other irregular services. The PPOA will be issuing Guidelines on the procurement of framework contracts.

9.0 SELECTION OF NON-INTELLECTUAL SERVICE PROVIDERS

9.1 Introduction

The Procurement Unit shall register non-intellectual service providers through capability appraisal to compile and maintain a database or for award of contracts to supply specific services. The above covers two types of selection as stated under sub-sections 9.2.1 and 9.2.2 below.

9.2 Service providers' selection phases**9.2.1 Registration of non-intellectual service providers**

Registration of service providers is to be preceded by appraisal of potential suppliers through analysis of responses to questionnaires for registration as provided in the PPDR Regulation 8 (3) (a). The registration exercise will produce a list of interested suppliers from whom N.I services may be procured using an appropriate procurement method. However, when N.I services are procured through open tendering, the opportunity to tender must be given to all potential contractors, not only to those on the register.

9.2.2 Pre-qualification of the service providers

The pre-qualification of non-intellectual service providers shall be undertaken pursuant to Regulation 23 of the PPDR 2006 to enhance short listing of the service providers for specific procurements. The standard document for pre-qualification shall be used but may be modified as appropriate if need be for N.I service providers.

9.2.3 Selection of Supplier through bid evaluation process

Suppliers are to be selected through bid evaluation procedures spelt out in section 10.0 of this Manual.

9.2.3 Qualification of the Service Providers

For a services provider to qualify for selection to provide specified services or to be registered as a service provider, the following minimum qualifications are mandatory:

- a) Evidence of the value of services provided for each of the last three years;
- b) Experience in provision of services of similar nature and magnitude in each of the last three years; details of services underway or contractually committed; and names and client referees from who further information can be obtained.
- c) Reports on the financial standing of the bidder, including profit and loss statements and auditor's reports for the past three years;
- d) Evidence of adequacy of working capital to execute the contract (access to credit and availability of other financial resources);
- e) Authority to the Procuring Entity to seek references from the bidder's banks;
- f) Past and/or current litigation history of the bidder; the parties concerned and nature of the disputes;

- g) Statement of scope of work to be done directly by bidder and proportion to be sub-contracted; and
- h) Value of other contracts currently being managed by the bidder as a demonstration of capacity.

10.0 BID EVALUATION PROCEDURE

10.1 Opening of Bids

10.1.1 The procuring entity shall open bids including modifications or withdrawals submitted on or before the deadline for submission at the time and in the place specified in the tender document and the solicitation notice in the presence of the bidders' representatives who choose to attend.

10.1.2 The bids so opened shall be initialled by the members of the opening committee. The names of the bidders, bid security (if so required), withdrawal, and any other information deemed necessary shall be read out aloud and opening minutes prepared accordingly.

10.1.3 In case of submissions of bids in two envelopes (technical and financial in separate envelopes) as specified in the tender document, the technical envelopes shall be opened first and the financial envelopes marked with opening identity number of the technical envelope and set aside for opening in the presence of the bidders whose technical bids qualified in accordance with the stipulated evaluation criteria.

10.2 The general qualifications that would form the basis for evaluation

The following factors should be taken into account during bid evaluation:

- a) Service providers' economic standing;
- b) Service providers' legal standing – whether qualified to operate as a service providers in terms of registration where the nature of the service is regulated;
- c) Service providers' relevant experience in terms of similar services rendered in the past;
- d) Responsiveness to the tender's technical requirements; and
- e) Demonstrated reliability, integrity and reputation.

10.3 Preliminary Examination of Bids

Prior to detailed evaluation of the bids, the Evaluation Committee shall determine whether each tender is submitted in the required format. The Committee will check, if requested for that the tender security is in the required format, has the right amount and has the right validity period, is properly signed and has been submitted in the right number of copies, The Committee will ensure all required documents and information have been provided.

10.4 Technical Evaluation

- 10.4.1 The Technical Evaluation Committee shall evaluate the bids pursuant to the provisions of Regulation 49 sub-section (1) and (2) of the PPDR to determine bidders' compliance with the technical evaluation criteria.
- 10.4.2 A substantially responsive bid conforms to all terms and conditions specified in the bidding document, without material deviation or reservation.
- 10.4.3 A material deviation or reservation is one which affects in any substantial way the scope, quality or performance of the services, which limits in any substantial way, inconsistent with the bidding documents, the PE's rights or the bidder's obligations under the contract or whose rectification would affect unfairly the competitive position of other bidders presenting substantially responsive bids.
- 10.4.4 If a bid is not substantially responsive, it will be rejected by the PE and may not subsequently be made responsive by correction or withdrawal of the nonconforming deviation or reservation.
- 10.4.5 To minimize subjectivity in the technical evaluation of the bids, the evaluation criteria may be subject to points weighting.
- 10.4.6 The evaluation committee shall carry out the evaluation of technical bids following the criteria set out in the tender document in a format similar to the following:

CRITERIA		
POINTS		
a)	Specific experience of the bidder relating to the service	20 -
		30
b)	Qualifications and competence of key staff for the service	10 -
		20
c)	Adequacy of response to inherent risks in the types and category of Non-intellectual services being procured	30 -
		<u>50</u>
Total Points		
100		

- 10.4.7 Each responsive bid will be given a technical score. Any technical bid which fails to achieve the total minimum score indicated in the bid document shall be rejected at this stage and will not proceed to the next stage of financial evaluation. The respective financial bid will be returned to the bidder unopened.
- 10.4.8 Each bidder whose technical score is above the set minimum score is considered technically competent to provide the N.I service.

10.5 Financial Evaluation

- 10.5.1 The procuring entity shall notify the candidates who have secured the minimum technical score that they have passed the technical qualifications and inform them of the date and time set by the procuring entity for opening their financial quotations. They will also be invited to attend the opening of tenders if they wish to do so.
- 10.5.2 At the same time the procuring entity shall notify the candidates whose proposal did not meet the minimum technical score or were declared non responsive.
- 10.5.3 The notification will indicate that their financial bids shall not be opened and will be returned to them unopened pursuant to sub-regulation 45(2) of the PPD Regulation after completion of technical evaluation. This information shall be stated clearly in the bidding documents.
- 10.5.4 The financial bids shall be opened by the tender opening committee in the presence of the candidates who choose to attend the opening. The name of the candidate, the technical score or the technical evaluation result and the proposed charges and or rates shall be read out aloud and recorded. The tender opening committee shall prepare minutes of the opening of the financial quotation.
- 10.5.5 The financial evaluation shall subsequently be carried out as spelt out in the bidding document and in accordance with regulation 50 of the PPD Regulations.

10.6 Consistent application of evaluation criteria

No evaluation criteria other than those stated in the bid document shall be used in the evaluation.

10.7 Recommendation of the Lowest Evaluated Bidder

The lowest offer (inclusive of relevant taxes) will be accepted, subject to conformance with all mandatory technical requirements. If the award is not made to the lowest financial offer, a full and complete statement of the reasons shall be prepared. A sample evaluation template is provided at Appendix C of this Manual.

10.8 Specimen Tender Evaluation Summary

The specimen of the evaluation summary and recommendation for award is provided at Appendix E of this Manual.

11.0 CONTRACT ADMINISTRATION

11.1 Importance of Contracts Management

11.1.1 The purpose of this section is to focus on aspects of contract administration that are particular to major types of N.I. services. This section should be read together with Chapter 9 of the Public Procurement and Disposal General Manual.

11.1.2 Managing a contract after its award is extremely important to ensure that a procuring entity gets value for money. This will also promote good supplier relationships that will enhance effective and efficient delivery of contractual duties and obligations.

11.1.3 Contractual deliverables for N.I. services may be difficult to measure if they are not properly specified. Contracts management will seek to link and measure procurement objectives and actual deliverables throughout the contract period.

11.2 Formation of Contract Management Teams

11.2.1 A contract administrator should be appointed to carry out the functions identified in Chapter 9 of the Public Procurement and Disposal General Manual. For significantly large and/or complex N.I. services, such as framework contracts that run for more than one year, formal contract management teams might be appointed, under the chair of the contract administrator.

11.2.2 A procuring entity and supplier's organization will form teams of senior representatives from relevant departments or sections. As a minimum, the team should include users of the N.I. service, an officer from the PU and a member of the accounts department.

11.3 Preparation of Contract Management Plan

A contract management plan will be prepared by the head of the procurement unit in collaboration with the relevant department or sections. It should provide background information on the contract detailing key points to provide a quick reference guide; a definition of roles and responsibilities in the contract; formulate and document policies and procedures for managing the contract; and provide time, costs estimates and performance indicators.

11.4 Preparation of Contract Budget

The contract budget may include but not be limited to the following:

- a) Payment to suppliers in accordance with the terms of payment;
- b) Providing for approved variations; and
- c) Contingency allowance to cater for unavoidable risks that may have cost implications.

11.5 Measuring and Controlling Performance

Measuring and controlling performance of the contract will be carried out by the contract administrator or contract management team as set out in Section 13 of this Manual. Key performance indicators will be evaluated and any deviations from the contract plan identified and communicated to the N.I. service provider regularly as necessary and also at the contract-review meetings.

11.6 Correction of Performance Deviation/ Defect

- a) The PE shall give notice to the service provider of any performance deviations from agreed specifications before the end of the contract.
- b) Every time a defect is established, the service provider shall be required to correct the notified defect within the length of time specified in the PE's notice.
- c) If the service provider has not corrected a defect within the time specified in the PE's notice, the PE will assess the cost of having the defect corrected by another service provider and execute the non performance penalty as may be prescribed in the bid document.

11.7 Settlement of Disputes

The Parties shall use their best efforts possible to settle amicably all disputes arising out of or in connection with this contract and its interpretation

11.8 Contract Administration Review

The PE should undertake a formal review of the contract after the contract has been completed. The findings should be a source of information and organizational learning in management of future contracts. The review should consider:

- a) User satisfaction with service provided;
- b) Time taken to complete the contract;
- c) Cost against budgets;
- d) Risk analysis;
- e) Organization and operational effectiveness;
- f) Appropriateness of the procedures used;
- g) Controls in place to procure and manage the N.I. service; and
- h) Review of service provider's performance.

12.0 INSPECTION AND ACCEPTANCE OF SERVICES

- 12.1 The Inspection and Acceptance committee shall carry out its functions in accordance with regulation 17 of the Public Procurement and Disposal Regulations. The most important function of this committee is to ascertain that the services are being rendered by suppliers in accordance with the specifications, the service level provisions a in the contract.
- 12.2 The committee should confirm that the services being delivered by the non-intellectual service providers conform to the specifications within the schedule of requirements in the service contract. This work would involve reviewing the performance evaluation reports to check that they are satisfactory and that any reported defects have been rectified. The committee should then issue interim or completion certificates which form the basis for payment.
- 12.3 The contract administration should be coordinated by an officer who is to supervise the service delivery and prepare progress and execution reports. These reports should be reviewed by the Inspection and Verification Committee prior to clearance of the bills for payment.
- 12.4 To ascertain the authenticity of the supervisor's progress reports, the Inspection and Verification Committee should conduct impromptu sample inspection and verifications of the service delivery.

13.0 PROCUREMENT AND SUPPLIER PERFORMANCE MEASUREMENT

13.1 Introduction

There should be evaluation and measurement of the procurement function and the performance of the service provider to ensure continuous improved service delivery.

13.1.1 Key performance evaluation indicators

Performance evaluation and measurement will focus on establishing to what extent the internal customers are satisfied with the services provided by the vendors. The evaluation should highlight the different factors that may be causing problems and subsequently focus attention on seeking and offering solutions to identified problems in order to continuously improve performance.

13.1.2 Service provider's performance measures

- a) The service providers' actual performance should be evaluated to establish their capability against specific targets set as stated in the Public Procurement and Disposal General Manual and any other performance factors covered in the service level agreement.
- b) The performance factors against which the service provider's performance should be measured include:
 - i) **Cost** (including price and other costs);
 - ii) **Quality** e.g. conformance with the set specifications, attainment of service levels, quality improvement initiatives;
 - iii) **Timeliness** which is the on-time performance of activities in the Planned Schedule within the agreed timeframes; and
 - iv) **Responsiveness** to queries and effectiveness of provision of customer service.
- c) Each factor being considered should be assigned a weight for the purpose of varying it from others in significance with respect to a particular procurement. An example is shown in the in the table below:

13.2 Example of service provider's performance measurement

Measurement Factors	Weight / factors	Excellent	Very Goods	Good	Fair	Poor
A. Cost	30%	5	4	3	2	1

1. Costs of securing cooperation and obtaining responses to inquiries e.g. Communication Staff time spent dealing with problems Lost time for provision of services 2. Cost of After sales services e.g. Communications required to expedite service; Staff time spent dealing with poor services Lost business dealing with poor services (if applicable)						
B. Quality of Work	20%					
Precision in quality of work done in delivering the service as specified in the SLA						
C. Timeliness	20%					
Timeliness in a accomplishing processes as per SLA						
D. Responsiveness	10%					
Supplier's response time to queries						
E. User Satisfaction	20%					
Determination of users are satisfied with the service						
	100%					

***NB:** The points for sub-criteria for each factor (i.e., A, B, C, D and E) are to be determined.*

The performance measures for any other service can be derived in a manner similar to the table above.

13.3 Implementation of Measurement Results

13.3.1 Performance gaps if identified are to be communicated to the service provider(s) as a feedback to enable the suppliers to improve their performance.

13.3.2 Service providers who have not improved on their performance should be removed from the register of the service providers and notified to PPOA as non performing suppliers.

13.3.3 Defects if any should be corrected in accordance with Section 11.6 under Contracts Administration in this Manual.

13.3.4 Any dispute should be resolved in accordance with Section 11.7 under Contracts Administration in this Manual.

14.0 REVISION OF THIS MANUAL

- 14.1 This Manual will be amended from time to time by PPOA to embrace any emerging procurement best practices and major policy changes.
- 14.2 Any user of this Manual who has suggestions on areas of this Manual which may need to be reviewed should notify the head of the procuring entity.
- 14.3 The head of the procuring entity should on a regular basis analyze emerging issues in the course of implementation of the guidelines and procedures in this Manual and notify PPOA of any areas which may be considered for review.
- 14.4 PPOA will approve and control all amendments to this Manual and will notify users of the current version of this Manual on its website (www.ppoa.go.ke).
- 14.5 The PPOA will from time to time issue the latest revised versions of this Manual for use by PEs.

15.0 APPENDICES

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APPENDIX A: PROCUREMENT PLAN TEMPLATE

Ref No	Services	Priority	Units of Measure	Unit Cost	Total Cost/	Procurement Method	Single/ Multi-Year	Aggregation	Budget Availability	Source of Funds
1.1 Planned										
1.1 Actual										
2.1 Planned										
2.1 Actual										

PROCUREMENT PLAN TEMPLATE
PART II: THE PROCUREMENT PROCESS TIMEFRAME

Ref No	Date Procurement Process Must Start	Pre-Qualification	Bid documents preparation	Invitation of Bid	Bid Opening	Bid Evaluation	Tender/ Proc Committee/ Award Notification	Contract Signed	Completion
1.1Planned									
1.1 Actual									
2.1Planned									
2.1 Actual									

APPENDIX B: SAMPLE N.I.S PROVIDERS APPRAISAL QUESTIONNAIRE

NB: To be reviewed from time to time to address characteristics of various purchases

A	COMPANY CONTACT DATA		RATING
1	Company Name		
2	Nature of business		
3	Address		
4	Office telephone No.		
5	Office fax No		
6	Plant/Factory (Permanent Address)		
7	Bank Reference		
B	GENERAL INFORMATION AND STRATEGIC CONSIDERATIONS		
1	Date established		
2	Types of activities		
3	Main Owners		
4	Are there financial/Ownership Link with other companies	<input type="checkbox"/> Yes <input type="checkbox"/> No Name(s)	
5	What is the Company's main line of business		
6	Information on services being audited: Names of services	Supplied since	Supplied to:
	1.....
	2.....
	3.....
C	REGISTRATION AS SERVICE PROVIDER STATUS AND OTHER STATUTORY REQUIREMENTS		
	C.1 Registration		
1	Legal Registration No:		
2	Registration with the relevant regulatory authority (<i>state the authority</i>)		
3	Membership of relevant Association(<i>State the Association</i>)		
	C.2 Other Statutory Requirements		

1	Tax Compliance Certificate		
2	PIN Certificate		
3	VAT Certificate		
D	STRATEGIC CONSIDERATION		
1	Strategic Vision		
2	Strategic Consideration		
3	Business Plan or programme		
4	Service Charter		
5	Short-term objectives		
6	Medium-term objectives		
7	Long-term objectives		
8	Has corporate strategy communicated to staff?	<input type="checkbox"/> Yes <input type="checkbox"/> No Notes:	
E	FINANCIAL ANALYSIS		
	E 1. General financial information		
1.	What is the company's financial year?		
2.	What has been the company's turnover during the last 5 financial years		
3.	Are the company's financial statements given and attached to this audit?		
4.	What are the company's financial objectives?		
	E2 Financial Ratio		
	E 2.1 Profitability		
1.	What is gross profit as a percentage of turnover	$\frac{\text{Gross profit}}{\text{Turnover}} \times 100$	
2.	What is the Net profit as a percentage of turnover	$\frac{\text{Net profit}}{\text{Turnover}} \times 100$	
3.	What is turnover as a percentage of capital employed?	$\frac{\text{Turnover}}{\text{Capital employed}} \times 100$	
	D 2.2: Solvency		
1.	What is the current ratio?	$\frac{\text{Current Assets}}{\text{Current liabilities}} \times 100$	
2.	What is acid ratio?	$\frac{\text{Current asset} - \text{stock}}{\text{Current Liability}} \times 100$	
3.	What is the gearing ratio?	$\frac{\text{Long term loans}}{\text{Capital employed}} \times 100$	
4.	What is stock turnover?	$\frac{\text{Cost of sales}}{\text{Average stocks}} \times 100$	
5.	What is the debtors' collection period?	$\frac{\text{Debtors} \times 365}{\text{Turnover}}$	
F	EXPERIENCE AND QUALIFICATIONS AS A SERVICE PROVIDER		
	F.1 Types and value of services rendered for each of the last three year and clients		
	Services	Value	Client
	a)		
	b)		
	c)		

	d)		
	F.2 Evidence of Qualified Key Staff for performance of the services		
	Name	Experience	Qualifications
	a)		
	b)		
	c)		
	d)		
	e)		
G	SALES SERVICE AND CUSTOMER SUPPORT		
	G.1 General sales information		
1	Sales turnover for the services being audited		
2	The Company's main Competitors		
3	Main market segments serviced		
4	Sales infrastructure and arrangements		
5	The maximum contract value the company is willing to undertake	Minimum: Maximum:	
	G.2 After sales services and customer support		
1	What level of technical support is generally offered?		
2	Name and contact details of the technical local point:		
3	Is service level performance measured? If so list the indicators used	<input type="checkbox"/> Yes <input type="checkbox"/> No Indicators	
4	Is there a team of persons that can be contacted outside the working hours?		
5.	Does the company employ temporary or sub-contracted labour If yes, please give details -	<input type="checkbox"/> Yes <input type="checkbox"/> No Notes:	
	G.3 Customer Complaints and Rejections		
1	How are customer complaints handled? Give details		
2	Is the route cause for customer rejection investigated and measures taken to eliminate the cause? Give details	<input type="checkbox"/> Yes <input type="checkbox"/> No Notes;	
3	Are these measures monitored to ensure that they are effective? Give details	<input type="checkbox"/> Yes <input type="checkbox"/> No Notes:	
	G.4 E-Commerce		
1	Does the company have a website? Which are its main features (e.g. transactional, promotional, corporate, B-2-B, B-2-C etc)	<input type="checkbox"/> Yes <input type="checkbox"/> No Notes	
2	Does it have an online catalogue of products and services? Give details	<input type="checkbox"/> Yes <input type="checkbox"/> No Notes	
H	QUALITY MANGEMENT SYSTEMS		
	H.1 General information on Quality Management		
1	Is there a strategy for continuous improvement of quality of services	<input type="checkbox"/> Yes <input type="checkbox"/> No Notes	
2	Does the strategy define the objectives and commitments to quality as well as how these objectives will be met? Give details	<input type="checkbox"/> Yes <input type="checkbox"/> No Notes	
3	Is there a quality manual? If so how often is this Manual maintained, reviewed and updated? Give Details	<input type="checkbox"/> Yes <input type="checkbox"/> No Notes	
4	Is there a person fully responsible for quality management? If so		

	at what level is this person within the organization? Give Details	<input type="checkbox"/> Yes <input type="checkbox"/> No	Notes	
H.2 Quality Certification and Accreditation				
1	Does the company hold a national certification accreditation for quality management?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Notes	
2	Is the company certified under ISO 9000 or equivalent? If so please attach a copy of the ISO Certificate for this audit	<input type="checkbox"/> Yes <input type="checkbox"/> No	Notes	
3	If not, what steps are being taken to attain No. 2 above? Give details			
4	What internal audits are undertaken to ensure continued adherence to all aspects of company quality systems as well as compliance with the external requirements? Give details			
5	Do qualified independent personnel perform internal audits? Give details			
6	Are the audit findings subjected to corrective action plan? And in what form?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Notes	
I GOVERNANCE ISSUES				
1	What is social policy practice in force?			
2.	Is there an ethics policy and practices guideline in place?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Notes	
3	What action is taken if an employee breaks a company ethics policy? Give details			

Use the following ratings

- 0 Nothing currently exists
- 1 A system exists, but not being documented and not followed for desired effect
- 2 A system exists, but little documentation and little assurance of control
- 3 Barely satisfactory systems, with documentation and some assurance of control
- 4 System working and performing well. Procedures documented and good assurance of control
- 5 Excellent system and procedures that exceed requirements

APPENDIX C: TECHNICAL EVALUATION FORMS

C.1: TECHNICAL BID BASIC DATA

Bid No.
Bid Type of Non-intellectual Cover, and brief description
Bid validity expiry date
Method of selection	QCBS ___ Quality-Based ___ Least-Cost ___ Single-Source _____
Request for expressions of interest:	
❖ Publication in national/international newspaper (s)	Date.....
❖ Number of responses	No.....

Shortlist:	1..... 2..... 3..... 4.....
Pre-Tender conference: Minutes issued	Date.....
Tenders submission: ❖ Two envelopes (technical and financial bids) ❖ One envelope (technical) ❖ Original submission ❖ Extensions	Yes.....No..... Yes.....No..... Date.....Time..... Date.....Time.....

C.2 TECHNICAL ENVELOPES OPENING

TENDER NO FOR

OPENING DATE TIME

Bidders identification			Prices as read out		Modification or Comments
Names	Address	Country/Town	Currency(ies)	Amount	
1					
2					
3					
4					
Total Number of Tenders Opened					

Names of Opening Committee members

Name.....Designation.....Signature.....

Name.....Designation.....Signature.....

Name.....Designation.....Signature.....

C.3 SUMMARY OF TECHNICAL SCORES/RANKING

Evaluation Criteria	Tenderer No 1	Tenderer No2	Tenderer No3	Tenderer No 4
Specific experience of the Tenderer relating to the service				
Qualifications and competence of key staff for the service				
Adequacy of response to inherent risks in the types of the classes of Non-intellectual services being procured				
Total Scores				
Ranking				
QUALIFIED TENDERERS	MINIMUM QUALIFYING POINTS.....			
Consultants' names	Technical scores			
1				
2				
3				

APPENDIX D: FINANCIAL BID EVALUATION

D.1 PUBLIC OPENING OF FINANCIAL ENVELOPES- BASIC DATA

Opening Date.....Time.....

Names and Tenderer that attended public opening		1..... 2..... 3..... 4.....		
Tenderers Names		Currency	Total Premium	Comments
No	Name			
1				
2				
3				
Opening committee: members' names and titles		Names	Title	Signature

D.2 PRICE ADJUSTMENTS (EXAMINATION OF PRICES FOR ERRORS/DISCOUNTS)

TENDER NO.....FOR

DESCRIPTION OF ITEM TO BE INSURED: NO.....

Bidders No	Premium As Read Out	Corrections	Corrected Bid premium	Unconditional Discount		Corrected/ Discounted Bid premium
				%	Amount(s)	
(a)	b)	Computation Error (Amount) (c)	(d) (d)=(b)+/-c)	(e)	(f)	(g) (g)=(d)-(e)
1						
2						
3						
4						

Scheduled by.....Signature.....Date.....

Checked by.....Signature.....Date.....

D.3 PRICE COMPARISON SCHEDULE (ADJUSTED)

TENDER NO.....FOR NON-INTERLLECTUAL OF.....

Item No	Item Description of Non-intellectual Cover	Bidder No1	Bidder No2	Bidder No3	Bidder No4	Bidder No5
		Total Annual Premium	Total Annual Premium	Total Annual Premium	Total Annual Premium	Total Annual Premium

Scheduled by.....Signature.....Date.....

Checked by.....Signature.....Date.....

APPENDIX E: SPECIMEN TENDER EVALUATION SUMMARY TABLE 1

E/1 FOR QUALITY COST BASED SELECTION METHOD (QCBS)

	Maximum possible	Tender 1	Tender 2	Tender 3
Part 1: Technical Evaluation				
Evaluator A	100	55	88	84
Evaluator B	100	60	84	82
Evaluator C	100	59	82	90
Total	300	174	254	256
Average score (mathematical average)		174/3 =58.00	254/3 =84.67	256/3 =85.33
Technical score (actual final score/highest final score)		Eliminated*	(84.67/85.33)x100= 99.22	100.00
Part 2: Financial Evaluation				
Total fees		Eliminated following technical evaluation	Ksh 951 322	Ksh 1 060 452
Financial score (lowest total fees / actual total fees x 100)			100	(951 322 / 1 060 452) x 100 = 89.71
Part 3: Composite Evaluation				
Technical score x 0.80		Eliminated following technical evaluation	99,22 x 0.80 = 79.38	100.00 x 0.80 = 80.00
Financial score x 0.20			100.00 x 0.20= 20.00	89.71 x 0.20= 17.94
Overall score			79.38 + 20.00= 99.38	80.00 + 17.94= 97.94
Final ranking			1	2

* Only tenders with average score of at least 80 points qualify for the financial evaluation.

The first ranked Tenderer No 2 is to be recommended for award by the Tender Committee or Procurement Committee depending on the Threshold Matrix in the First Schedule of the PPD Regulations.

After award of contract the successful and unsuccessful tenderers should be notified simultaneously and contract signed after an elapse of 14 days.

Once the contract has been concluded formal arrangements should be in place to administer it inline with the guidelines in Section 11.0 of this Manual in order to ensure that the service provider is proceeding on time, that the quality of the delivery conforms with the specifications and the Terms of Reference.

APPENDIX F: SPECIMEN TENDER EVALUATION SUMMARY TABLE 2

E/2 FOR QUALITY BASED SELECTION (QBS)

	Maximum possible	Tender 1	Tender 2	Tender 3
Part 1: Technical Evaluation				
Evaluator A	100	55	88	84
Evaluator B	100	60	84	82
Evaluator C	100	59	82	90
Total	300	174	254	256
Average score (mathematical average)		174/3 =58.00	254/3 =84.67	256/3 =85.33
Technical score (actual final score/highest final score)		Eliminated*	(84.67/85.33)x100= 99.22	100.00
Part 2: Financial Evaluation				
Total fees		Eliminated following technical evaluation	Ksh 951 322	Ksh 1 060 452
Financial score (lowest total fees / actual total fees x 100)			100	(951 322 / 1 060 452) x 100 = 89.71

* Only tenders with average score of at least 80 points qualify for the financial evaluation.

The highest technically ranked Tenderer No 3 is to be invited for negotiation of the Financial Proposal where the same was submitted with the technical proposal and be recommended for award by the Tender Committee or Procurement Committee depending on the Threshold Matrix in the First Schedule of the PPD Regulations.

Where the bidders were not instructed to submit Financial Proposal together with the Technical Proposals, the highest technically ranked bidders to be requested to submit Financial Proposal for negotiation and subsequently recommended for award by Tender or Procurement Committee as appropriate.

After award of contract the successful and unsuccessful tenderers should be notified simultaneously and contract signed after an elapse of 14 days.

Once the contract has been concluded formal arrangements should be in place to administer it inline with the guidelines in Section 11.0 of this Manual in order to ensure that the service provider is proceeding on time and that the quality of the delivery conforms to the specifications and the Terms of Reference.

APPENDIX G: SPECIMEN TENDER EVALUATION SUMMARY TABLE 3

E/3 FOR LEAST COST SELECTION (LCS)

	Maximum possible	Tender 1	Tender 2	Tender 3
Part 1: Technical Evaluation				
Evaluator A	100	55	88	84
Evaluator B	100	60	84	82
Evaluator C	100	59	82	90
Total	300	174	254	256
Average score (mathematical average)		174/3 = 58.00	254/3 = 84.67	256/3 = 85.33
Technical score (actual final score/highest final score)		Eliminated*	(84.67/85.33)x100 = 99.22	100.00
Part 2: Financial Evaluation				
Total fees		Eliminated following technical evaluation	Ksh 951 322	Ksh 1 060 452
Financial score (lowest total fees / actual total fees x 100)			100	(951 322 / 1 060 452) x 100 = 89.71

* Only tenders with average score of at least 80 points qualify for the financial evaluation.

The Lowest Financial Bid amongst the bidders with score of 80 points and above is to be recommended for award by the Tender Committee or Procurement Committee depending on the Threshold Matrix in the First Schedule of the PPD Regulations.

After award of contract the successful and unsuccessful tenderers should be notified simultaneously and contract signed after an elapse of 14 days.

Once the contract has been concluded formal arrangements should be in place to administer it inline with the guidelines in Section 11.0 of this Manual in order to ensure that the service provider is proceeding on time and that the quality of the delivery conforms to the specifications and the Terms of Reference.

APPENDIX H: EXAMPLE OF SPECIFICATIONS & SCOPE OF CLEANING SERVICES

SAMPLE SPECIFICATIONS FOR CLEANING SERVICES.

The purpose of a specification is to provide sufficient information to enable the Tenderers prepare their tenders accurately giving Price Schedules for every part of the task to be performed. A form is prepared to ensure comparable prices are captured.

AA) CLEANING SERVICES**1. Receptions Entrance Area and Lift Lobby**

- a) Floors should be mopped twice a day and scrubbed once a week and more often in the wet season.
- b) Walls should be wiped daily with approved detergents to remove all marks and stains.
- c) Cigarette urns and dustbins should be emptied twice a day and washed twice a week.
- d) Door mats should be swept twice a day

2. Lift cars And Lift Areas

- a) Floors and walls must be cleaned to manufacturers' specification. All the doors must also be cleaned daily.
- b) Call buttons must be cleaned daily using a disinfectant to the manufacturer's specification.
- c) The light tube compartment and the air conditioning systems must be dust free.
- d) Mirrors must be cleaned with appropriate detergent.

3. Offices and Meeting Rooms

- a) All the offices and floors must be mopped first thing in the morning and scrubbed using approved detergents and polished once a week.
- b) Cleaning, polishing and buffing should be done as frequently as is necessary. Any stains should be rubbed off with an appropriate cleaner.
- c) Vacuum cleaning of all carpeted surfaces must be done daily and shampooing be done once a week.

4. Material Stores

All material stores should be swept and scrubbed twice a month under the supervision of the PE staff.

5. Stationery Stores

- d) These should be swept and mopped daily and scrubbed using approved detergents once a week.
- e) Polish /wax should be applied on the scrubbed floors.

6. Canteens (operated by the company)

- a) All the floors should be swept, mopped and kept dry through out the day and scrubbed once a week and applicable wax/polish applied.

7. Notice Boards

- a) All notice boards with glass sliding doors and metal frames should be wiped daily.
- b) Soft board notice boards should be dusted daily and removal of cobwebs, birds' nests and wasp nests should be constantly.

8. Institutional Bathrooms and All Toilets

- a) All toilet floors should be wiped/mopped, kept dry and disinfected using approved disinfectants twice a day i.e. mornings and after lunch.
- b) Any system failures such as leakages should be reported for prompt repair.

9. Basins, Sinks and Urinals

- a) These must be cleaned with an approved disinfectant throughout the day. Such cleaning must include the flush handles.
- b) Supply moth balls, sanitary blocks, air freshener, disinfectant and high quality toilet paper throughout the day.
- c) Ensure adequate supply of liquid soap in the soap dispensers and liquid hand washing soap for areas without soap dispensers. Any faulty soap dispensers and/or hand dryers should be reported immediately.

10. Provision of Toilet Papers and Fresheners

- a) The Contractor should always avail adequate toilet papers and freshener
- b) Spray and air freshener will be of a type agreed on with the Employer's supervisor
- c) Ensure that there are five urinal balls bigger than three quarter full size at any;
- d) Ensure that in all the WCs, an air freshening block is always available.

11. Doors and Partitions

- a) All doors and doors handles must be cleaned daily and polished at least once a week.
- b) All door hinges need to be greased regularly when need arises.
- c) All office partitions should be dusted daily and wiped once a week
- d) All main door and cubicle toilet door handles must be cleaned using an approved disinfectant twice a day.

12. Walls, Ceiling and Mirrors

- a) All stains on the walls, and ceilings should be removed with an appropriate spot cleaner.
- b) Any signs of dampness on the ceiling should be reported promptly to the premises caretaker.
- c) Mirrors should be wiped and kept clean daily.

13. Office Kitchens

- a) These should be swept and mopped dry every time after use.

- b) Scrubbing and polishing of floors should be done once a week.

14. Workshops and Laboratories, Clinics, Guesthouses

- a) These should be swept clean and mopped daily and as often as the user may request. An approved detergent must be applied to remove any stains on the floor and walls.
- b) Special care to consult the users before commencement of the cleaning should be emphasized.
- c) All cobwebs, birds' nests and wasp nests should be removed immediately.

15. Parking Areas

- a) These must be swept every day early in the morning before cars occupy the parking bays.
- b) The parking areas should be cleaned with water whenever possible at least once every two weeks preferably during the weekends.

16. Corridors and Staircases

- a) All corridors and staircases in common areas in office building and residential block of flats should be swept and mopped daily and the floor must be dry throughout the day.
- b) Ceiling should be free of cobwebs.

17. Security Guard Rooms

- a) These should be swept, mopped daily and scrubbed once a week and applicable wax/polish applied.
- b) All windows should be dusted and wiped daily. Walls should also be wiped and any marks or stains removed with suitable stain removing detergents.
- c) Chairs and Tables should also be dusted and wiped daily.

18. Fire Escapes

All staircases in these areas should be swept, mopped and left dry throughout the day. Scrubbing should be done once a week using approved detergents. Ceiling should be free of cobwebs.

19. Club Facilities, Assembly Halls and Social Halls

- a) These should be mopped after every meal and thorough washing done twice a week.
- b) Chairs and dining tables should always be dusted daily and wiped with a wet cloth.
- c) All Garbage and waste paper should be collected and disposed at agreed sites.

20. Floors

- a) Carpeted Floors;

These floors should be cleaned daily using vacuum cleaners and shampooed one to three months depending on usage. Care should be taken to ensure that the carpets are not damaged by machines used.

- b) P.V.C. Tiles, Red Cement Screed Floors, Ceramic Tiles, Epoxy Screed Floors, Terrazzo floors, Concrete Floors

These floors should be swept and wiped daily and scrubbed once a week with suitable detergent and or stain removing detergent. Relevant polish/wax should be applied on the floors after scrubbing.

- c) Parquet Floors;

These floors should be swept and wiped daily and washed and polished with suitable detergents and polish/ wax.

- d) Door Mats;

These should be swept daily and washed once a week.

21. Office Equipment, Furniture and Fittings

- a) All office desks, chairs and storage units (wooden or metal) should be dusted every morning and any stains removed.
- b) All Telephone head sets should be wiped and regularly cleaned and disinfected. Computers, printers, photocopiers and typewriters should be dusted daily.
- c) All office furniture covered with fabric should be shampooed once a month.

22. Ceilings Windows and Window Panes and Grills

- a) All ceilings must always be spotless and cobweb free.
- b) All windows, panes and grills must be cleaned and dusted every day. All efforts should be put to reach all the parts of such windows. Application of sheen on window panes as well as thorough cleaning of all windows should be done once a week.

23. Curtains and Blinds

- a) All curtains should be laundered/ dry cleaned and pressed
- b) the blinds cleaned once every two weeks

24. (a) Compounds

- a) The compound, pitches, playgrounds and swimming pool areas should be kept clean by sweeping whenever possible.
- b) The Lawns must be mowed and the grass watered using sprinklers.
- c) Trees should be pruned, watered and manure should be applied when necessary. The supplier should to obtain trees pruning permit from the local authority with their areas of operation
- d) Fences and Hedges should be trimmed.
- e) Flower-beds should be weeded and watered and manure applied when necessary

24. (b) Pavements and Verandas

- a) Pavements should be swept, daily and thoroughly cleaned at least twice a week. Paper and other litter thrown carelessly should be collected and disposed off immediately.

- b) All verandas should be swept and washed daily and kept dry at all times.
- c) Canopy Roof should be washed once a week.

25. Access Roads, Road Networks and Perimeter Fences

- a) Clearing bushes and grass on both sides of the access road networks (distances as specified in the Bill of Quantities for each PE site) throughout the year.
- b) Clearing and maintaining culverts within minor and major roads throughout the year.
- c) Clearing silt on the roads throughout the year
- d) Unblocking and clearing grass and rubbish in the drainage channels by all roads throughout the year.

26. Restricted Areas

To be cleaned in the presence/supervision of a designated PE employee.

- a) Surge Tank Areas
- b) Control Rooms
- c) Fuel Storage Areas
- d) Power Station Areas
- e) Computer Rooms
- f) Water Treatment plants
- g) Generator Rooms
- h) Pump Rooms

These areas should be cleaned as specified in the Bill of Quantities.

27. Garbage Collection

- a) All Dust Bins/ Waste Paper Baskets and Ashtrays must be emptied twice a day in the offices and in common areas and washed as often as is required. Ensure the refuse chute and rubbish collection areas are cleaned wherever possible.
- b) All garbage should be dumped at a local authority approved site.

28. Servicing of Manholes and sewage system

- a) The Contractor will continuously clear the manholes and un-block the system.
- b) This will entail routine removal of the roots, which normally accumulates in the system.

29. Exhausting septic tanks

- a) The Contractor will bear the cost of emptying the septic tanks when filled up and the cost will include the cost of transport.
- b) The Contractor will dispose of the waste at designated sites.

BB) PROVISION AND STANDARD OF SERVICE

A high standard of cleaning performance in the execution of their work is expected. Poor performance and substandard quality of work will be grounds for termination of the agreement.

CC) EQUIPMENT

All cleaning personnel must be fully equipped with the right tools of their trade.

DD) LOGISTICS

The Contractor shall make arrangements and be responsible at their own cost for the following:

- a) General transport requirements for all its personnel to and from the premises, and
- b) Accommodation and site office for all personnel and operations.

EE) COMPLIANCE WITH STATUTORY REQUIREMENTS

Suppliers should ensure compliance with the statutory requirements such as National Environmental Management and Coordination Act for environmental issues, labour laws particularly for fair wages and provision of motivational amenities such as serving the workers with tea at work among others; Health and Safety Act to protect the workers from injuries; and enforcing security measures such as requiring that all the workers should acquire certificates of good conduct.

APPENDIX I: SAMPLE SPECIFICATIONS OF SECURITY SERVICES

The following requirements should be included as specifications and subsequently as conditions for Security Services contracts. Additional specifications or conditions may be added to fit local needs.

a) Specification of potential hazards

Hazards to be prevented such as fire and break-ins that require to be prevented should be identified and included in the contracts.

b) Supervision

A Supervisor should be availed and his duties specified clearly.

c) Inspections

- i) Frequency of inspections and areas to be inspected to be specified.
- ii) The frequency of inspection of Guards to be specified.

d) Handling of routine problems and reporting procedure

- i) Handling of routine problems and reporting procedure and channels of communication should be clearly stated in the contract.
- ii) Scheduling of meetings between the Security Service Provider and the PEs appointed representative.

e) Certification of Services rendered for Payment

What determines payment should be stated in the in contract to form a basis for inspection and verification.

f) Duties

Specify usual risk areas and the roles of security personnel such as sensitizing the suppliers' personnel about security procedures which must be adhered and to ensuring that the suppliers personnel are in possession of certificates of good conducts.

g) Hours of Coverage

- i) The hours of coverage should include a breakdown by location of the hours worked by each security personnel.
- ii) Holiday and shifts coverage should also be scheduled.
- iii) Supervisor hours should be defined.
- iv) Excess hours worked should be avoided except in cases of an unusual occurrence.

h) Identification of Security Personnel

Security personnel must be in an official approved uniform for ease of identification.

i) Other Security Measures may be specified as necessary

j) Any Security requirements identifiable and any anticipated security risks should be documented by the provider.

k) Level of qualification

For each category of security personnel, the level of qualification will be clearly stated and adhered to in the deployment of personnel.

APPENDIX J: SAMPLE SPECIFICATIONS FOR TRANSPORT SERVICES

The following requirements should be included as specifications and subsequently as conditions for transport contracts. Additional specifications or conditions may be added to fit local needs.

a) Description of services required

- i) For transportation of good or passengers
- ii) Regular schedules, routes and mileage
- iii) Specific transportation services required such as taking student to sports events special educational tours field trips or official travels
- iv) Specific pick-up and deliver requirements
- v) Reports on services provided

b) Vehicle requirements

- i) Age, type and number
- ii) Maintenance and inspection responsibilities
- iii) Assistive technology, lifts, mobility aids, etc.
- iv) Passenger restraint systems where applicable
- v) Compliance with all pertinent laws
- vi) Insurance requirements
- vii) Registration requirements

c) Driver Requirements

- i) Age
- ii) License requirements (class and endorsement)
- iii) Driving record, criminal background and fingerprint check requirements
- iv) Physical examination/capability requirements
- v) Training
- vi) Hiring and termination responsibilities (if the service provider hires drivers)
- vii) Drug and Alcohol testing requirements (pre-contract and random thereafter)
- viii) Performance standards/expectations
- ix) Substitute drivers

d) Operating Requirements

- i) Contact(s) for daily, after hours and emergency communications.
- ii) Use of seat belts and passenger restraint systems (where applicable).
- iii) Confidentiality.
- iv) Compliance with the Law.
- v) Pre-trip and post-trip inspection requirements.

- vii) Documentation, records, reporting, information retention and responsibility requirements.
- viii) Procedures for cancellation of trips.
- ix) Emergency response expectations, accident/crash/safety incident reporting.
- x) Provision of facilities for Special Needs students, pre-school, etc.
- xi) Requirements in case of school transport hire service.
- xii) Driver Hours of Service requirements and limits.
- xiii) Anti-idling or emission reduction expectations.
- xiv) Cleanliness of the vehicle In case of passenger transport.
- xv) Term of contract, liability, cancellation clause, failure to perform clause and penalties.

APPENDIX K: GUIDELINE FOR DEVELOPING SPECIFICATIONS FOR CATERING SERVICES

1) General Contents of the Specifications

The specifications are to establish in detail and at length the procuring entity's needs, expectations, description of the services to be provided, quality of service expectation and constraints and any other information needed for the tendering procedure in catering contract.

These details provide tenderers with the information needed to draw up an offer.

2) Description of the services to be provided

The PE should incorporate the following information in the bidding documents:

- a) The entity's objectives as regards catering. This enables the tenderers to formulate offers that are in line with the objectives in question. A detailed visit of the premises and /or restaurant of the catering company may also prove useful in determining the feasibility of the service required.
- b) The catering company's role which may range from technical assistance to delivery of prepared meals, to full management of the restaurant.
- c) The entity may opt for one or another type of role depending on its **catering policy** and on the state of the catering service at the time of the tendering procedure. (For instance, whether the catering company will be asked to invest in the premises and equipment).
- d) No matter the type of contract, a distinction must be made between the charging rates for instance for restaurant management the variable and fixed costs would be born but the catering company based on the terms of the contracts.
- e) Incase of delivery of prepared meal i.e., outside catering services, the charging rate would be based on a per meal basis.
- f) It will, therefore, be necessary to provide for a system of invoicing in the contract that is adjustable according to restaurant usage levels.

3) Defining the content of the service

- a) The content of the catering service may change considerably depending on the functioning, constraints and wishes of the entity. The respective responsibilities of the entity and the catering company should hence be clearly defined (for instance, does the service include equipment maintenance?). This approach guarantees that offers are in line with the expectations of the entity and can be compared.
- b) The following list covers some of the areas for which responsibility must be assumed by either the client entity or the contract catering company. This division of responsibility must be set down in the specifications.
 - i) **Volume of activity**

An in-depth quantitative analysis of the services to be provided should be undertaken so that it will be possible to detail a reliable volume of activity in the specifications.

In the case of a catering activity consisting of a “single product” service with a fixed rate charge, the entity may simply indicate the number of meals per year and the number of days of activity per year. However, in the case of a food service that may vary according to the type of **user**, a detailed volume of activity must be given per service:

ii) **Volume of activity by service**

The various types of services may cover, for example, the simultaneous supply of a self-service site, a cafeteria and a management-only restaurant, or may involve different types of meals: breakfast, snacks, lunch, dinner, hot meals, cold meals, etc.

This information is important as it will be used by the tendering entities to define the resources to be deployed, particularly human resources (number of employees and number of working hours), and to calculate the cost of the service.

4) Organisational matters

The specifications should also note any functional or organizational impact anticipated by the entity that will hinder contract fulfillment.

Examples might include: site opening times on a daily, weekly and annual basis; works projects at the site during the period of the contract that may have an impact, security issues such as access to the site, employee authorizations, etc.

Technical and constraining aspects: To ensure that the service and the technical resources are properly matched, the specifications should include a precise quantitative and qualitative inventory of the technical resources the entity will make available to the service provider for the performance of the catering service, namely: the premises, the facilities, and light operating equipment.

This information will allow tenderers to adapt their offer to the available technical resources. Where appropriate, the entity may ask the tenderers to indicate in their offer any mismatch between the resources being made available and the service required, and to propose practical solutions to solve the problems raised.

The technical inventory may be entrusted to a specialized consultancy, in particular when tenderers are asked to make investments or take care of the maintenance and/or repair of equipment. In this case, it is recommended that a distinction be made in the specifications between equipment that is not depreciated (which may have a trade-in value), and equipment that is already depreciated (which has no impact in the event of a transfer or sale).

As precisely and professionally as required, this technical inventory may entail a visit to the premises and a viewing of the equipment for the benefit of the tenderers.

The specifications should also outline the manner in which the technical resources will be made available. Depending on the case, this is done: free of charge (for instance, the premises and heavy equipment); and or for financial consideration which may consist of

the purchase of the equipment by the catering company and investments to be made by the catering company.

In the case of purchases or a new investment by the contract catering company, the latter must specify clearly in its reply depreciation tables for the various types of investment by type (main works, secondary works, equipment, furniture, computer equipment, light operating equipment, etc.); procedures for transfer/trade-in of the investments in the event of contract termination, for whatever reason (compensation for termination, etc.).

5) Quality Service Expectations

The food service

In the specifications the entity shall detail:

- a) The nature of the food service to be provided (choice / diversity of daily supply, classification of prices, frequency of each type of food, etc.);
- b) The general qualitative requirements (types of supplies: fresh products, for instance);
- c) Nutritional requirements (for instance, the exclusion or inclusion of certain products).

6) Electricity and Water Bills

Usage of electricity and water should be included in the specifications by spelling out how the Procuring Entity and the suppliers would share the bills or the supplier having own meters.

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