

Department of Contracts
Notre Dame Ravelin
FLORIANA

To Permanent Secretaries
Directors General
Directors
Heads of Public Sector Organisations

25 April 2016

AWARD CRITERIA WITH RESPECT TO SECURITY, CLEANING, CLERICAL AND CARE WORKER SERVICES CONTRACTS

Contracts Circular Numbers 27/2014 and 04/2015 were published with the intent to establish the minimum hourly rates payable to the contractor in the case of cleaning services, care worker services, clerical services and security services. The two circulars also established the minimum hourly rates payable by the contractors to their employees in an effort to mitigate precarious work.

Experience has shown that in numerous instances, economic operators submitting an offer are bidding with the same exact rate/price, that is, the identical minimum rate as proposed in the call for tenders and the afore-mentioned circulars.

In view that the award criteria of such service tenders is based on the cheapest technically compliant offer, following evaluation of offers, if all tenders are technically compliant, automatically the award is divided between all tenderers, resulting in additional administrative obligations arising from the Transfer of Business Act which ultimately are effecting negatively the employees.

To find a solution, the Most Economically Advantageous Tender (MEAT) award criteria, specifically, the Best Price Quality Ratio (BPQR), is being recommended for the procurement of Security, Cleaning, Clerical and Care Working Services. It is to be clarified that the Best Price Quality Ratio is applied as the previously known MEAT award criteria.

Where the Best Price Quality Ratio (BPQR) is used, a Contracting Authority can take into account other criteria in addition to – or other than – the price, such as the quality, delivery time, and after-sales services. Each chosen criterion is given a relative weighting by the Contracting Authority, which reflects the relative

importance that it has. The purpose of the BPQR is to identify the tender that offers the best value-for-money.

Procurement Policy Note #25 being issued concurrently with this Circular explains in detail and also illustrates model award criteria that may be utilized as a basis by Contracting Authorities whilst drafting the tender documents for the aforementioned services.

Invariably, any BPQR criteria for quotations and tenders shall be approved by the Department of Contracts prior to publication.

Contracting Authorities may also consider other innovative ways of procurement which may be used in addition to the BPQR. These are:

1. Framework Agreements;
2. Rate per square metre (with respect to cleaning services);
3. Commission on rates pegged to the salary given to the Contracting Authority's employees.

Contracting Authorities are to note that the pegged rates referred to in Circulars 27/2014 and 04/2015 remain in place.

Contracting Authorities are encouraged to submit any queries with the Department of Contracts' customer care service on info.contracts@gov.mt or +356 21220212.

Anthony Cachia
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