Request for Quotes (RFQ)

# Instructions for the Buyer

A Request for Quote (RFQ) is usually used when you want to purchase ‘stock standard’ or ‘off-the-shelf’ goods or services or works, meaning you already have a very clear idea of what you need and what is available, and your main focus is what it will cost to meet the requirements. Price is usually the most important factor.

If you are focused on achieving Public Value through criteria other than price (for example, innovation, unique quality standards, or Broader Outcomes), the RFP template may be a better option as it allows the respondent to detail how it could deliver these.

A complex contract may require you to use the RFP template instead – check with your procurement team or contact procurementplanning@mbie.govt.nz for advice.

A few terms to know. The ‘Buyer’ is the government agency using this RFQ to procure goods or services. The ‘Respondent’ is the party submitting a Quote in response to the RFQ.

Everything highlighted in **RED** is information for the Buyer (that’s you). Delete these **RED** parts prior to publishing the RFQ. Anything shaded in **YELLOW** is customisable. When you have completed these areas please un-shade them.

| **Before you release your RFQ…**  |  |
| --- | --- |
| 1. **Write a** [**procurement plan**](https://www.procurement.govt.nz/procurement/guide-to-procurement/plan-your-procurement/writing-a-procurement-plan/)**.**
 | [ ]  |
| 1. **Check this is the right template for the procurement.**
 | [ ]  |
| 1. **Review the CUSTOMISABLE sections in this document (the areas shaded YELLOW).**

**Important** **Section 1:** Do not change the names and sequence of sub-headings, or paragraph numbering.**Sections 2 to 4:** Do not change the Section headings, but you can create your own sub-headings within each Section and change the content to suit your requirements. | [ ]  |
| 1. **Complete all sections in this document.**
 | [ ]  |
| 1. **Delete all Buyer instructions and tips (RED).**
 | [ ]  |
| 1. **Un-shade the customised areas (YELLOW) by using the highlight pen icon.**
 | [ ]  |
| 1. **Delete this ‘Instructions for the Buyer’ page**
 | [ ]  |

[insert Buyer (agency) logo]

Request for Quotes (RFQ)

by: [insert name of government agency]

for: [insert name of procurement]

ref: [procurement reference number]

RFQ released: [DD MM YY]

Deadline for Questions: [TIME DD MM YY]

Deadline for Quotes: [TIME DD MM YY]

[Name of buyer]

[Website]

[Street address]

[City]

## The opportunity

This RFQ is issued by [insert full legal name of Buyer], referred to below as “the Buyer” or “we” or “us”.

**This should be a short, concise summary to help suppliers decide if they are the right fit for the contract. Keep this summary to one page (or two pages maximum).**

### What we need

Summarise what you are looking to procure in one or two paragraphs. Make it succinct. Avoid jargon and acronyms. You can include a little bit of background, if relevant.

### What we don’t want

Include this section if there are outcomes or tasks that you don’t want.

### When do we need it?

Include an approximate timeframe for delivery. Remember this section is just an overview, you can include more details in Section 2 (Our Requirements).

### Why should you quote?

Motivate suppliers to quote. What is the opportunity for the supplier? If the supplier wins the contract what’s in it for them?

## Key Information

**Read these instructions and then delete them before publishing the RFQ.**

Do not change the names or sequence of the sub-headings, or the paragraph numbering in this Section. You can customise the areas highlighted in **YELLOW** according to your requirements.

When you have completed this Section please delete the **RED** instructions and un-shade the **YELLOW** shaded areas.

### Our timeline

Here is our timeline for this RFQ (all are New Zealand times and dates):

| Deadline for Questions from Respondents: | [time] [DD MM YY] |
| --- | --- |
| Deadline for us to answer questions: | [DD MM YY] |
| **Deadline for Quotes:** | [time] [DD MM YY] |
| Expected start date of Contract: | [DD MM YY] |

[Add any other items you wish to include above, but be clear where the timeframes are indicative only. You can add extra rows to the table above by clicking or tapping the table, then heading to the ‘Layout’ ribbon/tab in Word, and using the ‘Insert above’ or ‘Insert below’ button.]

### How to contact us

* + 1. Contact us through our Point of Contact via email or the Government Electronic Tenders Service (GETS).
		2. Our Point of Contact:

**Name:** [insert the name of the contact person]

**Title/role:** [insert their title or role and the unit they work in]

**Email address:** [insert email address]. [Delete if not applicable, e.g. if all contact is to be via GETS]

### Developing and submitting your Quote

* + 1. Take time to read and understand the RFQ.
		2. Take time to understand our Requirements. These are in Section 2 of this document.
		3. Take time to understand how your Quote will be evaluated. See Section 3 of this document.
		4. For resources on submitting a Quote: <https://www.procurement.govt.nz/procurement>
		5. If you have any questions, ask our Point of Contact (see above) before the Deadline for Questions.
		6. Use the Response Form [insert hyperlink] to submit your Quote.
		7. Complete and sign the declaration at the end of theResponse Form.
		8. Check you have provided all the necessary information in the correct format and order.
		9. Submit your Quotebefore the Deadline for Quotes.

### Address for submitting your Quote

Submit your Quote to the following address: [Insert agency email address or GETS in-box address].

**We will not accept Quotes sent by post or delivered to our office.**

Make sure you include all attachments and reference material. Option (include if you are using the two-envelope system as per section 3 below) [Make sure all pricing information is in a separate file.]

### Our RFQ Terms

* + 1. Offer Validity Period: by submitting a Quote, the Respondent agrees that their offer will remain open for [insert number] calendar months from the Deadline for Quotes.
		2. The RFQ is subject to the RFQ Terms.

### Later changes to the RFQ or RFQ process

* + 1. After publishing the RFQ, if we need to change anything or provide additional information we will let all Respondents know by [placing a notice on the Government Electronic Tenders Service (GETS) at [www.gets.govt.nz](http://www.gets.govt.nz/) or contacting Respondents by email].
		2. If you have subscribed through GETS for the RFQ you will automatically receive notifications of any changes through GETS.

### Define terms

These are shown by the use of capitals. You can find all definitions at the back of the RFQ Terms.

## Our Requirements

**Read these instructions and then delete before releasing the RFQ.**

Describe what you want to purchase.

Copy the Requirements from your procurement plan. Make sure you align your Requirements, Evaluation Approach and Response Form questions, e.g. if the supplier must have a particular accreditation make sure this is made clear to the Respondent in your evaluation approach, and there is a question in the Response Form asking for details.

Avoid describing goods or services by their design characteristics or brand names. See [Rule 27](https://www.procurement.govt.nz/procurement/principles-charter-and-rules/government-procurement-rules/planning-your-procurement/technical-specifications/) Technical Specifications.

Include any specific legislation or standards which apply to this procurement e.g. Corrections Act, Health and Safety standards, Treaty of Waitangi. State whether the standard is required or preferred. Mention any security clearance requirements that the Successful Respondent must meet.

**Broader Outcomes**

Broader Outcomes are the secondary benefits generated from a procurement. They can be social, environmental, cultural or economic and should be considered and incorporated where appropriate
([Rule 16](https://www.procurement.govt.nz/procurement/principles-charter-and-rules/government-procurement-rules/planning-your-procurement/broader-outcomes/)). Including Broader Outcomes is important for delivering Public Value through procurement. The [Government Procurement Rules 17 to 20](https://www.procurement.govt.nz/procurement/principles-charter-and-rules/government-procurement-rules/planning-your-procurement/) set out priority outcomes for which there are explicit requirements for agencies to incorporate or consider in designated contracts.

Explain clearly and concisely what you need and the outcomes you expect. Think about [Public Value.](https://www.procurement.govt.nz/procurement/principles-charter-and-rules/government-procurement-principles/) Include Broader Outcomes details, and how your procurement will incorporate these secondary benefits. If Broader Outcomes are a key part of your procurement, and there may complexity in delivering them, you should consider using an RFP rather than an RFQ.

For more information and resources to help you prepare your RFQ visit
[www.procurement.govt.nz/procurement/](http://www.procurement.govt.nz/procurement/)

**From here, you can tailor this Section 2 as you wish, and change sub-headings and content to suit your needs. The following sub headings are suggestions; you can delete any that are not relevant.**

When you have completed this Section please un-shade the **YELLOW** shaded areas, and delete all the instructions in **RED**.

### What we are buying

This procurement relates to the purchase of [goods / services / both goods and services.]

State here exactly what you are buying. Provide a description in the table below. Where possible, give an indication of the quantities required.

| **What we are buying** |  **Description** |
| --- | --- |
| [goods] | [example: 12 micro-abrasion utensils] |
| [services] | [example: community services for smoking cessation] |

To add new rows to the table, click or tap an existing row, and hit the ‘+’ button that appears on the far right of the table.

### What we require of a supplier

#### track record

We are seeking suppliers that have [describe the required experience or track record].

#### capability

We are seeking suppliers that can [describe the required skills or capability].

#### capacity

We are seeking suppliers that can [describe the required processes, timeline or capacity].

#### solution

We are looking for suppliers that can [describe the specific solution/s required].

#### timeframe

We are seeking suppliers that can deliver [describe the timeframe].

#### Broader Outcomes [Delete if not applicable]

We are seeking suppliers that can demonstrate [describe the Broader Outcomes required].

### Key deliverables

| **Description** | **Indicative date for delivery** |
| --- | --- |
| [describe first key deliverable / milestone / outcome] | [insert delivery date] |
| [describe next key deliverable / milestone / outcome] | [insert delivery date] |
| [describe next key deliverable / milestone / outcome] | [insert delivery date] |

To add new rows to the table, click or tap an existing row, and hit the ‘+’ button that appears on the far right of the table.

### Contract term

We expect that the Contract will commence [insert month and year]. The anticipated Contract term and options to extend are:

| **Description** | **Years** |
| --- | --- |
| Initial term of the Contract | [insert number of years] |
| Options for us to extend the Contract | [insert e.g. up to two extensions of one year each i.e. X+1+1] |
| Maximum term of the Contract | [insert number of years] |

Use or adapt the following option if you require a standing arrangement giving you the option to place additional orders for goods during the term of the Contract) [
We expect the Contract to include a standing arrangement allowing us to place additional orders during the term, and requiring delivery based on pre-agreed pricing and lead-times specified in the Contract.]

### Delivery locations

We anticipate the Respondent will need to deliver to these locations:

| **Location** | **What is being delivered here?** |
| --- | --- |
| [insert] | [insert] |

Please state in full where the Contract will need to be delivered. If this is multiple locations, list them all. You may want to ask suppliers to provide details of the carrier they will be using to deliver goods. To add new rows to the table, click or tap an existing row, and hit the ‘+’ button that appears on the far right of the table.

### Useful links

Our [website](https://www.procurement.govt.nz/suppliers/) has lots of useful resources to help you prepare your Quote.

<https://www.procurement.govt.nz>

## Our Evaluation Approach

This section sets out the Evaluation Approach that will be used to assess Quotes.

**Read these instructions and then delete them before releasing the RFQ.**

Describe here how you will evaluate Quotes.

Copy the Evaluation Approach from your procurement plan. Make sure your Evaluation Approach aligns with your Requirements and Response Form questions, e.g. if the supplier must have a particular accreditation make sure this is made clear to the Respondent in your evaluation approach, and there is a question in the Response Form asking for details.

Your evaluation criteria is the set of standards or tests that you’ll judge Quotes against, including preconditions, Public Value (including Broader Outcomes if relevant), capability and capacity. Your Evaluation Approach must be able to assess Quotes on these factors.

For more information visit our [website](https://www.procurement.govt.nz/broader-outcomes/).

**From here, you can tailor this Section 3 as you wish, and change sub-headings and content to suit your needs. The following sub-headings are suggestions; you can delete any that are not relevant.**

When you have completed this Section 3 please delete the **RED** instructions and un-shade the **YELLOW** shaded areas.

|  | **info iconBUYER TIP**Public Value means the best available result for New Zealand for the money spent, using resources effectively, economically and responsibly.The principle of Public Value when procuring goods, services or works does not mean selecting the lowest price, but rather the best possible outcome for the total cost of ownership (over the whole-of-life of the goods, services or works).For more about Public Value visit [www.procurement.govt.nz/procurement](http://www.procurement.govt.nz/procurement) |  |
| --- | --- | --- |

### Pre-conditions [Delete if not applicable]

(See [Rule 28](https://www.procurement.govt.nz/procurement/principles-charter-and-rules/government-procurement-rules/planning-your-procurement/pre-conditions/): Pre-conditions for more information)

Each Quote must meet the following pre-conditions. We will not consider Quotes which fail to meet these conditions.

|  | **info iconBUYER TIP*** Pre-conditions are requirement/s that must be met, either at the time of submitting the Quote, or within a certain (designated) timeframe. If you intend to allow Respondents to meet a requirement at a later date, then it is not a pre-condition and should not be included here.
* Pre-conditions allow you to immediately eliminate any supplier who doesn’t have the minimum capacity or capability to deliver the Contract. Pre-conditions are usually answered by a ‘yes / no’ or ‘meets / does not meet’.
* Be careful not to limit market competition by including unnecessary pre-conditions. Only use them if they are essential to the delivery of the Contract.
* Bear in mind that if you include overly prescriptive pre-conditions and then fail to apply (i.e. you change your mind and decide to consider some Quotes that do not meet the pre-conditions), your decision could be legally challenged.
* Be explicit e.g. it is not sufficient to require that the supplier is ‘fully accredited’. You should specify what accreditation/s you require e.g. ‘is registered builder accredited for solar installations.’
* Some examples of pre-conditions are included below. Customise the table to your requirements, but remember to use them sparingly.
* Suppliers who meet all the pre-conditions are then eligible to be assessed against the scored evaluation criteria. See [Rule 28.](https://www.procurement.govt.nz/procurement/principles-charter-and-rules/government-procurement-rules/planning-your-procurement/pre-conditions/)
 |  |
| --- | --- | --- |

| **#** | **Pre-conditions** |
| --- | --- |
|  | [insert] |

Please add whatever pre-conditions are essential for your procurement. To add new rows to the table, click or tap an existing row, and hit the ‘+’ button that appears on the far right of the table.

|  | info icon**EXAMPLES OF PRE-CONDITIONS (FOR ILLUSTRATION ONLY)*** All drivers of a vehicle being operated in a small passenger service must hold a passenger (P) endorsement on their driver licence and have a current ID card.
* All lawyers providing the Services must hold current New Zealand Law Society practicing certificate.
* The Respondent must have current professional indemnity insurance of at least NZ$5M.
* The Respondent must hold current ISO 9001 Certification.
 |  |
| --- | --- | --- |

|  | **info iconBUYER TIP**The purpose of evaluation and comparison of Quotes is to determine which vendor has the right price for acceptable specifications (as requested) and conditions of supply.In determining whether a Quote is acceptable, non-price factors, such as those examples listed below are taken into account. The lowest price conforming Quote is considered but not necessarily selected.Examples of non-price factors:* compliance with technical specifications, relevant international standards and technical norms
* compatibility with existing equipment and standardisation plans
* compliance with required delivery schedules
* examination / comparison of samples
* payment terms
* guarantees, availability of spare parts, after-sales services and training
* life-cycle aspects covering maintenance and operating costs
* capability, capacity, financial standing, past experience and performance of the vendor and its local representative.
 |  |
| --- | --- | --- |

### Evaluation model

Choose which evaluation model you will use to assess Public Value and decide on your Successful Respondent.

**Option 1: Lowest price conforming:**Use where price is the main criterion [
The evaluation model is **lowest price conforming**. This means that the Quote that is capable of full delivery on time and gives the lowest price over whole-of-life will likely be selected as the Successful Respondent.]

**Option 2: Simple score:**Use where all criteria are of equal weight [
The evaluation model is **simple score**. This means that the Quote that is capable of full delivery on time and scores the highest (giving all criteria equal importance) will likely be selected as the Successful Respondent. ]

**Option 3: Weighted attribute:**Use where different criteria have different weights [
The evaluation model is **weighted attribute**. This means the Quote that is capable of full delivery on time and scores the highest (applying the weightings for the criteria outlined below) will likely be selected as the Successful Respondent. ]

**Overall assessment:**It can be useful to allow the Buyer some flexibility to avoid an overly “mechanistic” application of the chosen evaluation methodology, i.e. if due to an unforeseen circumstance the methodology suggests selection of a quote that clearly does not provide the best overall public value.All Quotes that meet the pre-conditions are evaluated using the evaluation model. Scores will assist in deciding the Successful Respondent(s), but ultimately the decision will be based on which Quote(s) we consider will provide the best overall public value.

However, the Buyer will need a clear justification if it chooses to override the outcome of a strict application of the evaluation methodology, and there is a risk the decision could be legally challenged. The Buyer should consider obtaining probity and/or legal advice before doing this.

**Two envelope system:**Use with any of the options above. Use if you think price could vary significantly between Quotes, and there is a risk that a higher or lower price could skew the evaluation team’s perceptions of non-price attributes. [
We will use the “two-envelope” system to conduct evaluations. Respondents must provide all financial information relating to price, expenses and costs in a separate sealed envelope or soft copy file. The evaluation panel will score each Quote according to the criteria in Section 3.3 below, and then examine the financial information of each Quote. The panel will select the Successful Respondent taking into account the scores and the total costs over the whole-of-life Contract. ]

### Broader Outcomes [Delete if not applicable]

(see [Rule 16](https://www.procurement.govt.nz/procurement/principles-charter-and-rules/government-procurement-rules/planning-your-procurement/broader-outcomes/): Broader Outcomes for more information)

We will evaluate Quotes which promote Broader Outcomes. These may be social, environmental, cultural or economic.

|  | **info iconBUYER TIP*** For certain, designated, contracts, you should carry out due diligence to make sure your suppliers are promoting Broader Outcomes within their operations and output.
* A good way to do this is to include Broader Outcomes questions in your RFQ.
* Not every Broader Outcome can be included within every procurement opportunity, so you should assess what, if any, Broader Outcomes apply to your specific procurement.
* There’s a Broader Outcomes table in Section 2.3 of the RFQ Response Form which you can include or delete, as appropriate.
* For more information on Broader Outcomes visit: [https://www.procurement.govt.nz/broader- outcomes/](https://www.procurement.govt.nz/broader-outcomes/)
 |  |
| --- | --- | --- |

### Evaluation criteria

We will evaluate Quotes [which meet all pre-conditions] (delete if no pre-conditions) according to the following criteria [ and weightings].

Note: If you intend to apply weightings include them here. If all criteria are of equal weight, delete the Weighting column, and add a note stating that all criteria are of equal weight.

| **Criteria** | **Weighting** |
| --- | --- |
| 1. Price
 |  xx% |
| 1. Suitability of goods / service
 |  xx% |
| 1. Capability of the Respondent to deliver
 |  xx% |
| 1. Capacity of the Respondent to deliver
 |  xx% |
| 1. Timeframe
 |  xx% |
| 1. Broader Outcomes [Delete if not applicable]
 |  xx% |
|  **Total weightings** (Double check that your weightings add up to 100%) |  **100%** |

### Scoring

You can replace this scoring scale with a different one approved by your agency.

|  |  |  |
| --- | --- | --- |
| **Rating** | **Definition** | **Score** |
| **EXCELLENT** | Respondent demonstrates exceptional ability, understanding, experience and skills. Quote identifies factors that will offer potential added value, with supporting evidence. | 9-10 |
| **GOOD** | Respondent demonstrates above average ability, understanding, experience and skills. Quote identifies minor additional benefits, with supporting evidence. | 7-8 |
| **ACCEPTABLE** | Respondent demonstrates the ability to meet the criteria, with supporting evidence. | 5-6 |
| **RESERVATIONS** | Satisfies a minimum of the criteria but not all. Reservations about the Respondent to adequately meet the criteria. Little supporting evidence. | 3-4 |
| **SERIOUS RESERVATIONS** | Extremely limited or no supporting evidence to meet the criteria. Minimum effort made to meet the criteria. | 1-2 |
| **UNACCEPTABLE** | Does not comply or meet the criteria at all. Insufficient information to demonstrate the criteria. | 0 |

### Price

If a Respondent offers a substantially lower price than other Quotes, we may make enquiries or require additional evidence to verify that the Respondent is capable of meeting all the Requirements and conditions of the Proposed Contract for the price quoted.

|  | **info iconBUYER TIP**Reminder: An RFQ is a formal request from an agency asking potential suppliers to quote prices for ‘stock standard’ or ‘off-the-shelf’ goods or services or works, where price is the most important factor. |  |
| --- | --- | --- |

### Evaluation process and due diligence

These are checks you may or may not make. Delete or add as applicable.

For preferred Respondents we will:

* + 1. reference check the Respondent organisation and named personnel
		2. make other checks against the Respondent e.g. Companies Office, NZBN
		3. interview Respondents
		4. test products
		5. inspect audited accounts for the last three financial years
		6. undertake a credit check.

## Our Proposed Contract

**Read these instructions and then delete before publishing the RFQ.**

Insert the Proposed Contract here. Where possible use the Government Model Contract format which you can find in the [Templates](https://www.procurement.govt.nz/procurement/templates/) section of our website.

Your procurement or legal team can advise you as to the appropriate terms and conditions for this procurement.

The Proposed Contract can be a separate document or pdf, in which case reference where it can be found.

**From here, you can tailor this section as you wish, and change sub-headings and content to suit your request. When you have completed this Section please delete the RED instructions and un-shade the YELLOW shaded areas.**

### Proposed Contract

The Proposed Contract that we intend to use for the purchase and delivery of the services is attached to this RFQ (via GETS).

In submitting your Quote you must let us know if you wish to question and/or negotiate any of the terms or conditions in the Proposed Contract, or wish to negotiate new terms and/or conditions.

The RFQ Response Form contains a section for you to state your position. If you do not state your position you will be deemed to have accepted the terms and conditions in the Proposed Contract in full.

**[Attach the Contract here or submit via** [**GETS**](https://www.gets.govt.nz/ExternalIndex.htm)**]**

## RFQ Terms

View the [RFQ Terms](https://www.procurement.govt.nz/assets/procurement-property/documents/templates/rfq-terms-and-conditions.pdf) dated [date].