



Price Quality Method (ATPQM) evaluation procedure

Steps	ATPQM process
Step 1 Procurement open tender box	<ul style="list-style-type: none"> • Compliance check undertaken. • Procurement provide Tender Evaluation Panel (TEP) with non-price responses. • Procurement provide TEP with price range of compliant responses.
Step 2 TEP grade the non-price attributes	<ul style="list-style-type: none"> • Conformance check to determine response is within the tenders scope and requirements. • Evaluate any pre-conditions. • TEP grade non-price attributes for each response from 0 to 100 or pass/fail. • Reject any response that fails against a graded attribute. • Review and manage tender departures (tags) concurrently.
Step 3 (optional) TEP shortlist based on non-price attributes	<ul style="list-style-type: none"> • Shortlist to be undertaken in accordance with RFx conditions.
Step 4 (optional) Presentations by suppliers	<ul style="list-style-type: none"> • Re-grade non-price attributes where appropriate after presentation. • Resubmission of price by supplier if needed.
Step 5 TEP finalise the non-price attribute grades	<ul style="list-style-type: none"> • Enter grades into PQM evaluation sheet. • Procurement to provide TEP with lowest conforming price. • Lowest conforming price used as estimate for Supplier Quality Premium (SQP) calculation. • Review SQP (consider scaling).
Step 6 TEP calculate the added value premium	<ul style="list-style-type: none"> • Calculate the added value premium for any alternative tender. • Calculate any added value premium applicable to the alternative response. • TEP confirm (lock-in) SQP including any added value premium.
Step 7 TEP undertake price evaluation and due diligence	<ul style="list-style-type: none"> • Procurement provides price responses to TEP. • Conformance check to determine response is within the tenders scope and requirements. • TEP performs price evaluation (if lowest price changes TEP recalculate SQP).
Step 8 (optional) Refine scope and seek Best and Final Offer	<ul style="list-style-type: none"> • When scope is refined, non-price attribute scores may be adjusted if impacted by the scope change. • If lowest price changes TEP recalculate SQP.
Step 9 TEP identify preferred supplier(s) and negotiate	<ul style="list-style-type: none"> • Produce combined price quality rank. • Select supplier(s) to be involved in negotiation process (preferred supplier(s)). • Negotiation to be undertaken in accordance with tender conditions.
Step 10 TEP identify successful supplier	<ul style="list-style-type: none"> • The successful supplier will be the one that presents the response that is within the tenders scope and requirements, passes on all non-price attributes and has the lowest price after deducting the SQP and any added value and/or offers the best Value for Money outcome after negotiation. • Tender Evaluation Report completed and approved. • Advise and debrief successful and unsuccessful suppliers.