



Auditor-General for Australia



4 October 2012

Mr Robert Oakeshott MP
Chair
Joint Committee of Public Accounts and Audit
Parliament House
CANBERRA ACT 2600

Dear Mr Oakeshott

Transparency of Evaluation Criteria Weightings

I am writing in relation to a matter raised in the Joint Committee of Public Accounts and Audit's (JCPAA's) *Report 431 Review of Auditor-General's Reports Nos.24 to 32 (2011-12)* concerning the transparency of evaluation criteria weightings in tender processes. As part of the report, the JCPAA noted that despite it not being common practice, it is good practice to disclose to potential tenderers the order of importance of tender evaluation criteria.

On 30 August 2012, I wrote to the Secretary of the Department of Finance and Deregulation (Finance) about this matter. I asked whether the Commonwealth Procurement Rules (CPRs) and related guidance might be updated in due course to provide agencies with guidance on attributing weightings, or relative importance, to the criteria for procurements in circumstances where some criteria are considered by the agency to be more important than others.

The Finance Secretary has advised that the CPRs require agencies to include a complete description of the evaluation criteria to be considered in assessing submissions (CPRs paragraph 10.6.d refers), which in Finance's view would include any weightings applied to evaluation criteria.

The Secretary also informed me that Finance is in the process of developing a range of procurement guidance material for agencies, and will ensure that appropriate references to weighting of criteria are included in that guidance material.

This is a positive development that should assist potential suppliers to public sector agencies to better shape their proposals in response to requirements for tenders.

Yours sincerely

Ian McPhee