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**Transfund General Circular No. 03/04**

**Inconsistency in Physical Works & Professional Services  
CPP Manual**

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<b>Circulation</b>	All Road Controlling Authorities	<i>for action</i>
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	NZ Contractors' Federation	<i>for information</i>
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	NZ Road Markers' Federation	<i>for information</i>
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	Audit New Zealand	<i>for information</i>

**Purpose**

There is an inconsistency and a typographical error in the guidelines in the [Competitive Pricing Procedures Manual: Volume 1, Physical Works & Professional Services \(CPP Manual\)](#).

This circular advises users of the CPP manual of these and the action Transfund intends to take to correct them.

**Guidelines to section 2.11 'Conformity with RFT'**

The guidelines to section 2.11 'Conformity with RFT' (refer CPP manual page 2-16) discuss the requirement to only enter into a contract that is consistent with the request for tender (RFT).

In the third paragraph it sets out an exception. Under some circumstances a tendering authority may reduce the size of a contract before it is let. Below this third paragraph three 'conditions' that must be met are listed. The first condition is that:

(1) *The contract is with the tenderer who submitted the lowest priced conforming tender.*

### ***Inconsistency***

This condition is wrongly stated. It should require that the contract be with the tenderer who 'won' the tender evaluation process.

The current (wrong) wording is inconsistent (for example) with a situation where tenders were evaluated using the weighted attribute evaluation method and a tender other than the lowest priced tender won the evaluation. The CPP manual mandatory section 2.7.3 defines the 'winner' as the '... tender that scores the highest overall index.'

### ***Typographical error***

The third paragraph in the guidelines to section 2.11 also contains a typographical error. The reference to section 2.10.1 should be a reference to section 2.11.1.

### **Transfund action required**

The CPP manual will be amended to correct these problems.

We will correct the typographical error and change the wording of the first condition to read:

(1) *The contract is with the tenderer who 'won' the tender evaluation process.*

### **Your action**

Until the amended manual page is published we ask that all manual holders immediately mark their manuals to show these changes.

### **Enquiries**

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