

# PROCUREMENT POLICY OFFICE

## **Directive No. 69 issued pursuant to section 7(b) of the Public Procurement Act**

### **Performance Rating of Suppliers**

1. Pursuant to Regulations 9A, interim guidelines as per Annex are hereby issued for the evaluation of the performance of contractors for works projects.
2. Supervising officers of Ministries/Department are requested to disseminate the guidelines to all Public bodies/institution(s) falling under their purview.
3. The address of the portal where the report must be posted will be communicated in due course.
4. This Directive takes immediate effect.

**Procurement Policy Office**

**10 April 2023**

## **Guidelines on Contractor's Performance Reporting for Works Projects**

1. These guidelines are issued pursuant to Section 35(1A) of the Public Procurement Act 2006 and Regulation 9A of the Public Procurement Regulations 2008.
2. The performance report reviews a contractor's:
  - technical and management performance
  - compliance with statutory and contractual requirements.
3. The frequency for submitting performance reports to the Performance Review Committee shall be as follows:
  - for projects above Rs 10 million, quarterly;
  - for projects above the threshold of Rs 300 million, monthly;
  - whenever a critical aspect of performance is unsatisfactory;
  - at termination of a contract;
  - Whenever a Contractor fails to make good defects notified during the defects liability period irrespective of the value of the project; and
  - on completion of a project.
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4. At the start of a project, the Contractor shall be informed of the system in place for monitoring and reporting his performance.
5. The performance reports shall be in the format at Annex 1 except at completion of project where the performance report shall also include an evaluation and rating of the performance as per Annex 1A. No report is required in the first two months from the contract start date.
6. In cases of adverse performance reports at completion of the project, the reporting officer shall submit a copy of the performance report to the Contractor for review.

In case the Contractor disagrees, the Contractor shall within seven days of the date of the report, discuss any areas of concern with the reporting officer and try to resolve any disagreement that arises. In case disagreement persists, the Contractor shall submit written representation over the disagreement backed by factual justification.

7. After reviewing the representations made by the Contractor, the reporting officer may amend or maintain the initial performance report by recording the reasons for his decision before transmitting it to the Performance Review Committee along with the representation of the Contractor.
8. The Performance Review Committee shall review the Performance Report and if required call the Contractor for an interview prior to submitting its recommendations to the Accounting Officer.
9. On completion of the above, the performance report of every contractor shall be posted in the database on the portal designated by the Policy Office.  
The performance report as per Annex 1 shall be updated in case of poor performance during the defects liability period.
10. Access to the database shall be restricted to the chief executive officer of a public body or his representative for action as provided under regulation 9A (7) and 9A (8) of the Public Procurement Regulations 2008.

**CONFIDENTIAL**  
**PERFORMANCE REVIEW REPORT (works contract)**

**Contract Details**

Contract No:			
Contract Title:			
Original Contract Price:			
Date of Contract Signature	Start date	Date for Completion	

**Contractor Details**

Name of Contractor				
Contractor's Representative	Name			
	Position			
	Tel		Mobile:	
	e-mail			

**Public Body Details**

Name of Public Body				
Representative of Public Body	Name			
	Position			
	Tel		Mobile:	
	e-mail			

**Consultant's Details**

Project Manager	Name			
	Tel		Mobile:	
	e-mail			
Other Consultants	Name			
	Positions			
	Tel		Mobile:	
	e-mail			

## Reporting Period

This report has to be delivered at intervals starting from the date of handing over of site as per table below:

Report Date (end of reporting period)		...../...../20....	Percentage of total contract completed (at report date)  (Progress report attached)	%
Report Reasons	<input type="checkbox"/>	Monthly	<input type="checkbox"/>	Unsatisfactory Performance
	<input type="checkbox"/>	3 Monthly	<input type="checkbox"/>	Termination
	<input type="checkbox"/>	Completion		

## Cost

Initial Contract price	Rs
Final contract price	Rs
Liquidated damages	Rs

## Time

Total extension of time approved	.....days	Extended Contractual completion date	..../...../20.....
Original Date for Completion	..../...../20....	Actual Completion date	..../...../20.....

## Summary of Report during the period under assessment

Criteria	Performance
Quality/Standard of Work	
Contract Administration	
Time Management	
Co-operative relations and Industrial Relationship	
Work, Health and Safety	
Contractors Personnel	
*Quality Management Systems	
*Environment Management	
Defects Liability Period (If Applicable)	

***\*To be used for projects above RS 300M***

***Note: In case where the performance of the contractor is considered unsatisfactory, poor or very poor, or the contract is terminated, this shall be well substantiated in the report and the attention of the contractor drawn thereto.***

## Recommendation of \*Reporting Officer

I confirm that the above report reflects a fair view on the performance of the contractor.

Name:

Signature:

Title:

Organisation:

Email:

Tel:

Mobile:

The Reporting Officer shall be the Project Manager/Lead Person responsible for the project

**Performance Review Report (Works Contract)**

To be submitted on completion of a project

The Performance Standards and Rating that may be used to evaluate the performance of Contractors and which are non-exhaustive are tabulated below:

<b>Rating</b>	<b>Excellent 10</b>	<b>Good 7</b>	<b>Satisfactory 5</b>	<b>Poor 3</b>	<b>Very poor 0</b>
<b>Definition and Weighting of Grading</b>	Standard well above the acceptable level of performance	Standard often exceeds the acceptable standard of performance	Meets the acceptable level of performance	Meets only some of the acceptable level of performance	Well below the acceptable level of performance

<b>Evaluation Criteria (to customize as appropriate)</b>	<b>Weight * (a)</b>	<b>Rating (b)</b>	<b>Weighted Rating (a) × (b)</b>	<b>Maximum Rating (a) × 10</b>
Quality/Standard of Work	5			
Contract Administration	5			
Time Management	4			
Co-operative relations and Industrial Relationship	2			
Work, Health and Safety	3			
Contractors Personnel	2			
* Quality Management Systems	2			
* Environment Management	4			
	<b>Total</b>			

**\*\* To be used for projects above Rs 300 million**

**Performance Score =  $\frac{\text{Weighted Rating}}{\text{Maximum Rating}} \times 100 = \dots\dots\dots$**

<b>Rating</b>	<b>Excellent 85 % or above</b>	<b>Good 71 % - 84 %</b>	<b>Satisfactory 51 % - 70 %</b>	<b>Poor 30 % - 50 %</b>	<b>Very poor Below 30 %</b>
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**Overall Comments on Performance**

<b><i>In my opinion:</i></b> The Performance of the Contractor is .....  <b>(State also whether there has been any breach of contract)</b>	
I have attached further information	<input type="checkbox"/>
I have attached photographs	<input type="checkbox"/>

**Consultations with the contractor**

<p>I confirm that I have consulted with the contractor in the preparation of this report and that a copy of this completed report was sent to the contractor on ...../...../20.....</p> <p>The Contractor has advised that this report is <b>Accepted</b> <input type="checkbox"/>      <b>Not Accepted</b> <input type="checkbox"/></p> <p><b>(Attach details of any disagreement)</b></p>
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**Recommendation of Reporting Officer**

I confirm that the above report reflects a fair view on the performance of the contractor

Name:	Signature:	
Title:	Organisation:	
Email:	Tel:	Mobile: