

NATIONAL CONSTRUCTION AUTHORITY

**EVALUATION CRITERIA FOR REGISTRATION
OF CONTRACTORS**

APRIL 2013

ABOUT THE DRAFT CRITERIA

This document contains the draft evaluation criteria for contractors' registration. The evaluation will be carried out in 3 stages:

1. Physical evaluation of mandatory requirements.
2. Technical evaluation
3. Financial evaluation

Stage 1 – 'Physical evaluation of mandatory requirements' – will assess the documents showing proof of existence and tax compliance of the company.

Stage 2 – Technical evaluation – will assess the technical aspects of the firm i.e. the directors, the staff, plant and equipment, firm's experience and office and work space.

Stage 3 – Financial evaluation – will assess the annual turnover, largest contract, and available cash for the firm.

The evaluation can only proceed to stage 2 and 3 upon complete presentation of all the mandatory requirements outlined in stage 1.

1. PHYSICAL EVALUATION OF MANDATORY REQUIREMENTS

Fulfilment of stage 1 requirements, as outlined in the application form, should allow a contractor to be considered for registration. Attachments are specified in the application form.

Table 1: Mandatory requirements

| | Mandatory requirements | |
|-----|--|--|
| i | Receipt of the payment of application form | |
| ii | Society name/ Company name, Address and Contacts | |
| iii | Certificate of registration with societies / Certificate of Incorporation and memorandum of association | |
| iv | Application form duly completed including all annexes | |
| v | Declaration signed, witnessed and stamped | |
| vi | Tax compliance certificate | |
| vi | Referees | |

Table 2: Mandatory requirements for Specialist Contractors

| For Specialists contractors, the following qualifications are mandatory | | |
|---|---|------------------|
| Contractor | Minimum requirement | For Official Use |
| i. Electrical Installations. ii. Generating Plants, Lifts and Escalators. iii. Electronics iv. Solar Power Generation and installation v. Construction of Power Transmission Lines and Installation of Power Distribution Equipment vi. Radio Communication vii. Structural Cabling. viii. Telecommunication (PABX, Intercoms and Telephone Wiring). ix. Plumbing and Drainage. x. Boilers, Incinerators and Pressure Vessels. | <ul style="list-style-type: none"> • Electrician License C2 by ERC • Electrician License A2 by ERC • Licensed by CCK • Licensed by CCK • Licensed by CCK • Government Trade Test Grade 2 • Boilers Inspectors' License/Certificate under Factories Act CAP 514, Section 37 | |

2. TECHNICAL EVALUATION (70 MARKS)

This stage will evaluate the technical strength of the company. The following will be evaluated

- i. Directors – Technical and other directors – 12 marks
- ii. Staff – Technical and Support Staff - 22 Marks
- iii. Plant and Equipment owned – 15 Marks
- iv. Firms experience –16 Marks
- v. Office facilities – 5 marks

i. Directors – Technical and Others: 12 Marks

The authority will assess the technical and non-technical directors as indicated in Annex 1.1 (Directors’ Details). The technical director(s) will be graded according to the academic qualification and relevant experience IN THE CONSTRUCTION INDUSTRY.

Table 3 below highlights the marks awarded in respect of 1 Technical Director. Columns (4) and (5) provide for awarding industry experience marks as a percentage of column (3). Marks will be allowed for up to 2 highest ranked Technical Directors for each firm, giving a maximum possible of 10 marks.

Table 4 highlights the marks to be awarded to any other non-technical director(s) submitted for consideration by the firm. Marks will be awarded for upto 2 non-technical directors. These directors will be evaluated per relevant business/managerial experience.

The firm’s score will be the total score for the 2 Technical Directors and the Other 2 Non-Technical Directors.

Table 3: Technical Directors Marksheet

| Technical director’s academic qualification (1) | Marks to be awarded | | Exp. In years (4) | % of total marks (5) |
|---|----------------------------------|-------------------------|-------------------|----------------------|
| | Basic Academic Qualification (2) | Industry Experience (3) | | |
| | | | >10 | 100 |
| | | | 8 – 10 | 80 |
| | | | 5 – 7 | 60 |
| Bachelor’s Degree. | 1.5 | 3.5 | < 5 | 40 |
| Higher Diploma | 1.25 | 2.75 | | |
| Diploma. | 1.0 | 2.00 | | |
| Certificate. | 0.75 | 1.25 | | |
| Trade test | 0.5 | 0.5 | | |

Table 4: Other Directors

| Other director's academic qualification | Marks to be awarded | | Exp. In years | % of total marks |
|---|------------------------------|------------|---------------|------------------|
| | Basic Academic Qualification | Experience | | |
| | | | >10 | 100 |
| | | | 8 – 10 | 80 |
| | | | 5 – 7 | 60 |
| Bachelor's Degree | 0.5 | 0.5 | < 5 | 40 |
| Higher Diploma | 0.4 | 0.4 | | |
| Diploma. | 0.3 | 0.3 | | |
| Certificate. | 0.2 | 0.2 | | |
| Trade test | 0.1 | 0.1 | | |

ii. Staff – Technical and Support Staff: 22 Marks

Marks will be awarded as indicated in Table 5 below for the academic qualifications and experience in the construction. Depending on the composition of staff submitted in Annex 1.2 (Staff Details), the breakdown is as follows;

- (a) Degree holders – maximum of 1.5 marks each. If all staff provided have minimum of Bachelor's degree, evaluate upto 12 staff members at this level.
- (b) Higher Diploma/ Diploma holders – maximum of 1 mark each. If all staff provided have minimum of Higher Diploma/ Diploma, evaluate upto 12 staff members at this level.
- (c) Certificate and trade test holders – maximum of 0.5 marks each. If all staff provided have minimum of certificate/trade test, evaluate for up to 18 staff members in this level.

Columns (4) and (5) provide for awarding industry experience marks as a percentage of column (3). The marks for the technical staff will be the total for the above categories, with a maximum of 18.

- (d) If a firm provides more staff in a given category, it will be awarded full marks for the next category (e.g. if a firm provides 10 Bachelor's Degrees, it will get full marks for the Higher Diploma/ Diploma category)
- (e) 4 marks will be awarded for the non-technical support/other management staff as indicated in table 6 below.
- (f) Marks will only be awarded for staff whose academic certificates and detailed CVs have been attached.

Table 5: Evaluation of Technical Staff

| | Marks to be awarded | Experience in years (4) | % of total marks (5) |
|--|---------------------|-------------------------|----------------------|
|--|---------------------|-------------------------|----------------------|

| Technical staff academic qualifications (1) | Basic Academic Qualification (2) | Experience in construction (3) | | |
|---|----------------------------------|--------------------------------|--------|-----|
| | | | >10 | 100 |
| | | | 8 – 10 | 80 |
| Bachelor’s Degree. | 0.5 | 1.0 | 5 – 7 | 60 |
| Higher Diploma/Diploma. | 0.4 | 0.6 | < 5 | 40 |
| Certificate/ trade test | 0.2 | 0.3 | | |

Table 6: Evaluation of Other Staff

| Other Staff | Marks |
|--|-------|
| Accounts & Finance Department | 1 |
| Human Resource Department | 1 |
| Administration | 1 |
| Occupational Health and Safety Officer | 1 |
| | |

A company will get 4 marks if Support staff is clearly identified.

iii. Plant and Equipment owned:15 Marks

Awarding of marks for all equipment depends on availing all information as in Annex 1.5 (Plant & Equipment). Equipment owned will be awarded double the marks for equipment leased. The maximum number of equipment in each category to be considered is listed in the ‘N’ column, and a firm with that number will be awarded the maximum marks. Marks will then be awarded as a portion of that total number.

Marks will only be awarded for plant and equipment with attached proof of ownership, which includes; registration documents (logbooks), certificate of importation and certificate of sale where appropriate.

Table 7: Roads’ Plant and Equipment Marksheet

| | Plant & Equipment | N | Roads |
|---|-------------------|----|-------|
| 1 | Earth Moving | 15 | 2.5 |

| | | | |
|---|--|----|-----|
| 2 | Hauling & Transportation | 30 | 2 |
| 3 | Plant & Quarry | 3 | 2 |
| 4 | Concreting Equipment | 4 | 1.5 |
| 5 | Road Making Equipment | 16 | 2 |
| 6 | Testing Machines & Surveying Equipment | 2 | 0.5 |
| 7 | Cranes, Hoists, Lifting Equipment | 4 | 1.5 |
| 8 | Water Equipment& Generators | 10 | 1 |
| 9 | Miscellaneous | 20 | 2 |
| | TOTAL | | 15 |

Table 8: Electrical/Specialist Plant and Equipment Marksheet

| | Plant & Equipment | N | Electrical/ Specialist |
|---|--|----------|-----------------------------------|
| 1 | Hauling & Transportation | 30 | 1.5 |
| 2 | Facilities for Shop Fabrication | 6 | 2 |
| 3 | Testing Machines & Surveying Equipment | 2 | 0.5 |
| 4 | Equipments for Electrical Installation | 10 | 5 |
| 5 | Water Equipment& Generators | 10 | 1.5 |
| 6 | Miscellaneous | 20 | 4.5 |
| | TOTAL | | 15 |

Table 9: Buildings' Plant and Equipment Marksheet

| | Plant & Equipment | N | Building |
|---|--|----------|-----------------|
| 1 | Earth Moving | 15 | 2.5 |
| 2 | Hauling & Transportation | 30 | 1.5 |
| 3 | Plant & Quarry | 3 | 2 |
| 4 | Concreting Equipment | 4 | 2.5 |
| 5 | Facilities for Shop Fabrication | 6 | 1 |
| 6 | Testing Machines & Surveying Equipment | 2 | 0.5 |
| 7 | Cranes, Hoists, Lifting Equipment | 4 | 2 |
| 8 | Water Equipment& Generators | 10 | 1 |
| 9 | Miscellaneous | 20 | 2 |
| | TOTAL | | 15 |

iv. Firm Experience - 16 Marks

This will consider the volume of projects done in the last five years, as indicated in Table 8 below. The total value of projects done in the last five years will be divided by 3, and the figure matched according to the ranges in Column (1) and the corresponding marks in Column 2.

The List of projects, ongoing and completed, should be clearly provided in Annex 1.6 (Firm's Experience). Projects will only be considered if accompanied with documentary support; for ongoing projects, and completed projects (Practical Completion Certificate, Certificate of Taking Over, Final Acceptance Certificate).

Table 10: Firm's Experience – Roads Projects:

| Projects Value (in millions Kshs) (1) | Marks for Volume of Works over last five years (2) | Notes (3) |
|---------------------------------------|--|--|
| 500,000,000+ | 16 | <ul style="list-style-type: none"> • Step 1: (Total of Project Values over last 5 years)/3 • Step 2: Find range in Column (1) that figure falls in • Step 3: Award corresponding mark |
| 400,000,000 – 500,000,000 | 14 | |
| 300,000,000 – 400,000,000 | 12 | |
| 200,000,000 – 300,000,000 | 10 | |
| 100,000,000 – 200,000,000 | 8 | |
| 50,000,000 – 100,000,000 | 6 | |
| 20,000,000 – 50,000,000 | 4 | |
| Below 20,000,000 | 3 | |

Table 11: Firm's Experience – Specialist/Electrical Projects:

| Projects Value (in millions Kshs) (1) | Marks for Volume of Works over last five years (2) | Notes (3) |
|---------------------------------------|--|--|
| 250,000,000+ | 16 | <ul style="list-style-type: none"> • Step 1: (Total of Project Values over last 5 years)/3 • Step 2: Find range in Column (1) that figure falls in • Step 3: Award corresponding mark |
| 200,000,000 – 250,000,000 | 14 | |
| 150,000,000 – 200,000,000 | 12 | |
| 100,000,000 – 150,000,000 | 10 | |
| 50,000,000 – 100,000,000 | 8 | |
| 25,000,000 – 50,000,000 | 6 | |
| 10,000,000 – 25,000,000 | 4 | |
| Below 10,000,000 | 3 | |

Table 12: Firms Experience – Building Projects

| Projects Value (in millions Kshs) (1) | Marks for Volume of Works over last five years (2) | Notes (3) |
|---------------------------------------|--|---|
| 500,000,000+ | 16 | <ul style="list-style-type: none"> • Step 1: (Total of Project Values over last 5 years)/3 |
| 400,000,000 – 500,000,000 | 14 | |
| 300,000,000 – 400,000,000 | 12 | |

| | | |
|---------------------------|----|---|
| 200,000,000 – 300,000,000 | 10 | <ul style="list-style-type: none"> • Step 2: Find range in Column (1) that figure falls in • Step 3: Award corresponding mark |
| 100,000,000 – 200,000,000 | 8 | |
| 50,000,000 – 100,000,000 | 6 | |
| 20,000,000 – 50,000,000 | 4 | |
| Below 20,000,000 | 3 | |

v. Office facilities: 5 Marks

The office and service facilities indicated in Annex 1.4 will be graded according to the

- i. Workshop & yard; Marks awarded up to 3. Items to be looked at include size, complexity.
- ii. Office space; include branches; Marks awarded up to 2.

Table 13: Office Facilities

| | Marks awarded |
|-----------------|----------------------|
| Workshop & Yard | Up to 3 |
| Office space | Up to 2 |

3. FINANCIAL EVALUATION (30 MARKS)

The following are items to be assessed in the financial evaluation of a contractor.

- Turnover;
- Largest Contract done;
- Available Capital in Cash;

Table 14: Financial Evaluation Scheme

| Best Annual Turn Over (Kshs) in 3yrs. (12 marks) | Marks (A) | Largest Contract in last 5 yrs. (12 marks) | Marks (B) | Available Cash (6 marks) | Marks (C) |
|---|------------------|---|------------------|---------------------------------|------------------|
| GENERAL CONTRACTORS | | | | | |
| 375,000,000–Above | 12 | 250,000,000–Above | 12 | 50,000,000-Above | 6 |
| 225,000,000-375,000,000 | 10.5 | 150,000,000-250,000,000 | 10.5 | 30,000,000-50,000,000 | 5 |
| 150,000,000-225,000,000 | 9 | 100,000,000-150,000,000 | 9 | 20,000,000-30,000,000 | 4 |
| 75,000,000-150,000,000 | 7.5 | 50,000,000-100,000,000 | 7.5 | 10,000,000-20,000,000 | 3 |
| 37,500,000-75,000,000 | 6 | 25,000,000-50,000,000 | 6 | 5,000,000-10,000,000 | 2 |
| 15,000,000-37,500,000 | 4.5 | 10,000,000-25,000,000 | 4.5 | 1,000,000-5,000,000 | 2 |
| 7,500,000-15,000,000 | 3 | 4,000,000-10,000,000 | 3 | 500,000-1,000,000 | 1 |
| Below 7,500,000 | 1.5 | Below 4,000,000 | 1.5 | Below 500,000 | 1 |
| SPECIALIST CONTRACTORS | | | | | |
| 187,500,000 – Above | 12 | 125,000,000 – Above | 12 | 25,000,000 – Above | 6 |
| 112,500,000 – 187,500,000 | 10.5 | 75,000,000 – 125,000,000 | 10.5 | 15,000,000 – 25,000,000 | 5 |
| 75,000,000 – 112,500,000 | 9 | 50,000,000 – 75,000,000 | 9 | 10,000,000 – 15,000,000 | 4 |
| 37,500,000 – 75,000,000 | 7.5 | 25,000,000 – 50,000,000 | 7.5 | 5,000,000 – 10,000,000 | 3 |
| 15,000,000 – 37,500,000 | 6 | 10,000,000 – 25,000,000 | 6 | 1,000,000 – 5,000,000 | 2 |
| 7,500,000 – 15,000,000 | 4.5 | 4,000,000 – 10,000,000 | 4.5 | 500,000 – 1,000,000 | 2 |
| 3,750,000 – 7,500,000 | 3 | 2,000,000 – 4,000,000 | 3 | 250,000 – 500,000 | 1 |
| Below 3,750,000 | 1.5 | Below 2,000,000 | 1.5 | Below 250,000 | 1 |
| ROADS AND OTHER CIVIL WORKS | | | | | |
| 1,125,000,000 – Above | 12 | 375,000,000 – Above | 12 | 75,000,000 – Above | 6 |
| 750,000,000–1,125,000,000 | 10.5 | 250,000,000 – 375,000,000 | 10.5 | 50,000,000 – 75,000,000 | 5 |
| 450,000,000 – 750,000,000 | 9 | 150,000,000 – 250,000,000 | 9 | 30,000,000 – 50,000,000 | 4 |
| 300,000,000 –450,000,000 | 7.5 | 100,000,000 – 150,000,000 | 7.5 | 20,000,000 – 30,000,000 | 3 |
| 150,000,000 – 300,000,000 | 6 | 50,000,000 – 100,000,000 | 6 | 5,000,000 – 20,000,000 | 2 |
| 75,000,000 – 150,000,000 | 4.5 | 25,000,000 – 50,000,000 | 4.5 | 2,500,000 – 5,000,000 | 2 |
| 37,500,000 – 75,000,000 | 3 | 10,000,000 – 25,000,000 | 3 | 1,250,000 – 2,500,000 | 1 |
| Below 37,500,000 | 1.5 | Below 10,000,000 | 1.5 | Below 1,250,000 | 1 |

Other Comments

The marks awarded to the construction firm for experience will be reduced by a maximum of 30% of total marks awarded if there is proof of any of the following;

- a) Delays to works
- b) Poor Construction standards;
- c) Other malpractices that may compromise the quality and safety of works

AGGREGATE SCORE:

b+c= aggregate score

b-Technical evaluation score

c-Financial evaluation score

| CATEGORY | MARKS AWARDED | <i>For Official Use</i> |
|-----------------|--|-------------------------|
| NCA 1 | 81-100 | |
| NCA 2 | 66-80 | |
| NCA 3 | 56-65 | |
| NCA 4 | 46-55 | |
| NCA 5 | 36-45 | |
| NCA 6 | 21-35 | |
| NCA 7 | 10-20 | |
| NCA 8 | To meet all the Mandatory requirements | |