

## **Statement of Methodology and Criteria to be adopted in evaluating tenderers' submissions**

### **Evaluation of PQQ's**

The ECITB's PQQ process is designed to be fair, transparent and equitable and generate a shortlist of applicants who will be invited to tender.

On receipt of PQQ's, ECITB will conduct administrative checks to ensure the applicant has:

- Submitted the PQQ in the correct format and within the deadline applicable;
- Responded to all questions asked; provided all copy documents requested.

Following on from the above, the evaluative process deployed by ECITB is designed to determine suitability of potential suppliers in terms of:

- Technical knowledge and experience
- Capability/capacity
- Organisational and financial standing.

Applicants at PQQ stage must respond satisfactorily to all questions asked. A pass/fail will be recorded against the response to each question by way of a 'tick list' and maintained on file.

There are ten sections in the ECITB PQQ, the first eight of which are to be evaluated as follows. Section 9 is not evaluated & section 10 should be suitably signed and completed by the applicant). Replies to gateway questions should be evaluated first, as failure to provide suitable responses could lead to early rejection – these are highlighted in bold font.

<b>1. Organisational Information</b>
<ul style="list-style-type: none"><li>• Is the legal entity clear?</li><li>• Does the business (and its holding company if applicable) exist at the address quoted?</li><li>• <b>Are there any serious factors (Q1.15 and Q1.16) which should exclude ECITB from dealing with the applicant?</b></li><li>• Are there any connections with ECITB which might prejudice a fair and equitable PQQ process?</li><li>• Is there any risk associated with use of partners/sub-contractors to deliver the proposed solution?</li></ul>
<b>2. Technical Experience and References</b>
<ul style="list-style-type: none"><li>• Does the applicant's business fit with the requirement being contracted for?</li><li>• Are the references provided relevant? Do they illustrate ability to carry out the ECITB contract (size of contract and value (as detailed in spec))?</li><li>• Is there exposure due to past unsuccessful contract performance?</li><li>• Quality management – score high marks for a certified Quality Management System, medium for proprietary QMS, zero marks for no QMS.</li></ul>
<b>3. Financial Details</b>
<ul style="list-style-type: none"><li>• Has there been a significant reduction in turnover during the last two years?</li><li>• Has there been a significant reduction in profitability during the last two years?</li><li>• Does level of current turnover provide comfort of capacity to handle the ECITB contract?</li><li>• The applicant's business should, preferably, have been profitable for each of the past two years and profit margin should not have fallen substantially.</li><li>• If outstanding claims/litigation, this could be a financial drain on the business. Will it have sufficient resources to deliver the contract and are claims/litigation potentially a risk to delivery of this contract?</li><li>• What are the results of the banker's reference?</li><li>• Early settlement discount – not scored, although supports ECITB to achieve value for money from its supply chain.</li></ul>

<b>4. Insurance</b>
<ul style="list-style-type: none"> <li>• ELI is a legal requirement (except for sole traders) and must be in place for all applicants except those that are sole traders</li> <li>• PLI and PI must meet minimum requirements as detailed in tender pack</li> <li>• Is adequate insurance in place?</li> </ul>
<b>5. Equal Opportunities</b>
<ul style="list-style-type: none"> <li>• Applicant must have an Equal Opportunities Policy</li> <li>• If subject to finding of unlawful racial discrimination or to formal investigation by The Equality and Human Rights Commission, this may be indicative of lack of commitment and ability to fairly and equally manage workforce. What steps have been taken to alleviate future potential problems since then &amp; are these acceptable?</li> <li>• <b>If answer to Q5.2, Q5.9 or Q5.11 is yes, applicant may be disqualified from PQQ process.</b></li> <li>• <b>Q5.12 – Applicant must meet Requirements 1, 2, and 3 and provide suitable evidence.</b></li> </ul>
<b>6. Health &amp; Safety</b>
<ul style="list-style-type: none"> <li>• An applicant employing 5 people or more must have a Health &amp; Safety Policy in place – this is a legal requirement</li> <li>• <b>If answer to Q6.3 is unsatisfactory, applicant <u>may</u> be disqualified from the PQQ process</b></li> <li>• If the applicant does not have a Health &amp; Safety system, it may be indicative of lack of commitment and ability to meet health &amp; safety requirements.</li> </ul>
<b>7. Professional Conduct</b>
<ul style="list-style-type: none"> <li>• <b>If answer to Q7.1 is yes, the applicant should be dismissed from the PQQ process</b></li> <li>• If applicant or proposed partners are currently involved in legal proceedings (including Arbitration), what are they and what is impact on suitability and ability to carry out ECITB contract?</li> </ul>

<b>8. Environment</b>
<ul style="list-style-type: none"> <li>• Are environmentally friendly practices in place?</li> <li>• Are any purchases by the applicant made from sustainable sources?</li> <li>• Does the applicant seek environmentally sound practices in its supply chain?</li> <li>• Does the applicant operate an Environmental Management System (EMS) – does this carry accreditation?</li> <li>• Is any attempt made to calculate carbon impact and achieve reduction/ future carbon neutrality?</li> </ul>

## Evaluation of Tenders

ECITB will evaluate all tenders on basis of Most Economically Advantageous Tender (MEAT).

As a minimum, MEAT criteria should evaluate quality and price, although in many cases other criteria will need to be considered. These might include delivery date, running costs, cost effectiveness, quality, aesthetic and functional characteristics, technical merit, after sales service, technical assistance and price.

Initially, definition must take place of weighting between price and non-price elements – for example 30% weighting on price and 70% on non-price elements. This will vary from contract to contract and in accordance with whether the contract procures goods or services. The actual weightings and criteria used to identify the Most Economically Advantageous Tender must not change from the advertised range.

The ITT incorporates the scoring system which will be used by the ECITB in the evaluation of the submitted tender.