

**Highways England Company Limited**

**National Salt Reserve – Storage Contract**

Instructions for Tenderers

Annex A: Selection Questionnaire

**Contents**

[1. Guidance on Completion of Selection Questionnaire (SQ) 2](#_Toc30756818)

[1.1 General 2](#_Toc30756819)

[1.2 Instruction to Applicants 2](#_Toc30756820)

[1.3 Constructionline (“CL”) 4](#_Toc30756821)

[PART 1: APPLICANT INFORMATION 6](#_Toc30756822)

[Part 1 Section 1 - Applicant Information 6](#_Toc30756823)

[Part 1 Section 2 - Bidding Model 8](#_Toc30756824)

[Part 2: Exclusion Grounds 11](#_Toc30756825)

[Part 2 Section 1 - Grounds for Mandatory Exclusion 11](#_Toc30756826)

[Part 2 Section 2 - Grounds for Discretionary Exclusion 14](#_Toc30756827)

[Part 3: Selection Questions 17](#_Toc30756828)

[Part 3 Section 1 - Economic and Financial Standing 17](#_Toc30756829)

[Part 3 Section 2 - Group of Economic Operators 17](#_Toc30756830)

[Part 3 Section 3 - Technical and Professional Ability 18](#_Toc30756831)

[Part 3 Section 4 - Modern Slavery Act 2015 19](#_Toc30756832)

[Part 3 Section 5 - Additional Questions 20](#_Toc30756833)

[2 Selection QUESTIONNAIRE EValuation Process 30](#_Toc30756834)

[2.1 General 30](#_Toc30756835)

[PART 1 – CONTRACT INFORMATION 30](#_Toc30756836)

[2.2 Section 1 - Contract Information 30](#_Toc30756837)

[2.3 Section 2 – Bidding Model 30](#_Toc30756838)

[2.4 Section 3 – Declaration and Contact Details 30](#_Toc30756839)

[Part 2 – Exclusion Grounds 30](#_Toc30756840)

[2.5 Sections 1 and 2 – Grounds for Mandatory and Discretionary Exclusion 30](#_Toc30756841)

[Part 3 – SELECTION QUESTIONS 32](#_Toc30756842)

[2.6 Part 3 Section 1 – Economic and Financial Standing 32](#_Toc30756843)

[2.7 Part 3 Section 2 – Group of Economic Operators 35](#_Toc30756844)

[2.8 Part 3 Section 3 – Technical and Professional Ability 35](#_Toc30756845)

[2.8 Part 3 Section 4 – Modern Slavery Act 2015 37](#_Toc30756846)

[2.9 Part 3 Section 5 – Additional Questions 37](#_Toc30756847)

# Guidance on Completion of Selection Questionnaire (SQ)

## General

### In this Selection Questionnaire (“SQ”) the “Authority” means Highways England Company Limited (“Highways England”), or anyone acting on behalf of Highways England, that is seeking to invite suitable candidates to participate in this procurement process.

### “Applicants” (or “You/Your”) refers to the potential suppliers for the National Salt Reserve Storage contract completing this SQ, i.e. the legal entity responsible for the information provided.

### The term ”Applicant” is intended to cover any economic operator as defined by the Public Contracts Regulations 2015 (referred to as the “regulations”) and could be a registered company; the lead contact for a group of economic operators; charitable organisation; Voluntary Community and Social Enterprise (VCSE); Special Purpose Vehicle; or other form of entity.

### Please ensure that **all questions are completed in full**, and in the format requested. If the question does not apply to you, please state ‘N/A’. Should you need to provide additional information in response to the questions, please submit a clearly identified annex.

### If you seriously misrepresent any factual information in filling in the SQ, and so induce the Authority to enter into a contract, there may be significant consequences. For example, you may be excluded from the procurement procedure, and from bidding for other Highways England contracts. for three years. If a contract has been entered into you may be sued for damages and the contract may be rescinded. If fraud, or fraudulent intent, can be proved, you or your responsible officers may be prosecuted and convicted of the offence of fraud by false representation, and you must be excluded from further procurements for five years.

## Instruction to Applicants

### This SQ is a self-declaration, made by you confirming that you do not meet any of the grounds for exclusion. If there are grounds for exclusion, there is an opportunity to explain the background and any measures you have taken to rectify the situation (we call this self-cleaning).

### The SQ is divided into three parts:

### **Part 1** captures basic information about Applicants, such as contact details, trade memberships, subcontracting arrangements, and details of Associated Companies etc. it also contains the Declaration that you are required to sign.

### **Part 2** contains the mandatory and discretionary exclusion grounds set out in Regulation 57 of the Public Contracts Regulations 2015 and you are required to tell Highways England if any apply.

### **Part 3** covers those specific areas relevant to providing the required Salt Storage service including testing your economic and financial standing and technical and professional ability.

### A completed declaration of Part 1 and Part 2 provides a formal statement that the organisation making the declaration has not breached any of the exclusions grounds. Consequently, we require all the organisations that you will rely on to meet the selection criteria to provide a completed Part 1 and Part 2. For example, these could be parent companies, affiliates, associates, or essential sub-contractors, if they are relied upon to meet the selection criteria. This means that where the Applicant is joining in a group of organisations, including joint ventures and partnerships, each organisation in that group must complete one of these self-declarations. Sub-contractors the Applicant relies on to meet the selection criteria (Material Sub-contractors) must also complete a self-declaration (although sub-contractors that are not relied upon do not need to complete the self-declaration).

* + 1. To clarify, a Material Sub-contractor may relate to a specialist or strategic partner that is integral and essential to the Applicants bid. The Material Sub-contractor provides a critical service that if not provided, would prevent an Applicant from tendering a compliant bid or delivering the contract objectives. For example, if an Applicant was relying on a specialist Programme Management company to provide a Programme Management Office function.
    2. These Material Sub-contractors will be identified within the ‘key subcontractor’ section of the contract data.

### In Part 3 if you are bidding on behalf of a group, for example, a consortium, or intend to use Material Sub-contractors, you should complete all of the questions on behalf of the consortium and/ or any sub-contractors, providing one composite response and declaration.

### The Authority recognises that any arrangements set out in Part 1 of Section 2 of this SQ, in relation to a group of economic operators (for example, a consortium) and/or use of Material Sub-contractors, may be subject to change and will, therefore, not be finalised until a later date. The lead contact should notify the Authority immediately of any change in the proposed arrangements and ensure a completed Part 1 and Part 2 is submitted for any new organisation relied on to meet the selection criteria. The Authority will make a revised assessment of the submission and reserves the right to deselect the potential Salt Storage Services *contractor* based on the updated information.

### The Authority confirms that it will keep confidential and will not disclose to any third parties any information obtained from a named customer contact, other than to the Cabinet Office and/or contracting authorities defined by the regulations, or pursuant to an order of the court or demand made by any competent Authority or body where the Authority is under a legal or regulatory obligation to make such a disclosure.

## Constructionline (“CL”)

### CL is a UK based pre-qualification certification service for construction-related contractors and suppliers. If an Applicant is already registered with CL, it will need to provide your account number in the table below. CL members are requested to ensure their account is valid, up to date and is showing a “Verified” status.

|  |  |  |
| --- | --- | --- |
| **CL Information** | | |
| Are you registered with CL? | Yes ☐ | No ☐ |
| If yes, please provide your CL account number. |  | |
| If ‘yes’ please provide your membership level  (Silver, Gold, Platinum) |  | |
| Is your CL account up to date and showing a “Verified” status? | Yes ☐ | No ☐ |

### For Unincorporated Joint Ventures or Consortiums, each member of the group must ensure their accounts are up to date as described above. If an Applicant supplies the Authority with a CL account which is not up to date at the time of tender as mentioned above, then it may be excluded from this competition.

### Provided that all relevant information in CL is complete and as described in paragraph 1.3.1, CL members will be exempt from completing the following questions in the SQ:

**Silver Member (Level 2)**

If the Applicant is registered and verified on CL as a Silver Member (Level 2) it may claim exemptions from answering questions within:

1. Part 2 Section 1 Grounds for Mandatory exclusion
2. Part 2 Section 2 Grounds for Discretionary exclusion

**Gold Member (Level 3)**

If the Applicant is registered and verified on CL as a Gold Member (Level 3) it may claim exemptions from answering questions within:

1. Part 2 Section 1 Grounds for Mandatory exclusion
2. Part 2 Section 2 Grounds for Discretionary exclusion
3. Part 3 Section 5.4 Environmental Management Policy
4. Part 3 Section 5.5 Quality Management Policy and Capability

If an Applicant claims an exemption related to CL and, at the time this SQ is evaluated, its CL account or the relevant information stored there is invalid/out of date/incomplete then it will receive a 'Fail' for that section and its submission will not be evaluated further.

### The SQ Assessment Panel will assess an Applicant’s CL information entered in the Bravo Qualification Envelope (if applicable). If an Applicant has entered CL details that are found to be invalid, then its submission may be rejected.

### Applicants should note that registration with CL is not mandatory. If the Applicant is not registered with CL it will need to demonstrate that it meets the Authority’s requirements by completing all parts of this SQ. Both members and non-members of CL will be evaluated against the same criteria and using the same methodology for the purpose of this competition.

# PART 1: APPLICANT INFORMATION

### Please answer the following questions in full. Note that every organisation that is being relied on to meet the selection must complete and submit the Part 1 and Part 2 self-declaration.

| Part 1 Section 1 - Applicant Information | | |
| --- | --- | --- |
| Question number | Question | Response |
| 1.1(a) | Full name of the potential supplier submitting the information |  |
| 1.1(b) – (i) | Registered office address (if applicable) |  |
| 1.1(b) – (ii) | Registered website address (if applicable) |  |
| 1.1(c) | Trading status   1. public limited company 2. limited company 3. limited liability partnership 4. other partnership 5. sole trader 6. third sector 7. other (please specify your trading status) |  |
| 1.1(d) | Date of registration in country of origin |  |
| 1.1(e) | Company registration number (if applicable) |  |
| 1.1(f) | Charity registration number (if applicable) |  |
| 1.1(g) | Head office DUNS number (if applicable) |  |
| 1.1(h) | Registered VAT number |  |
| 1.1(i) - (i) | If applicable, is your organisation registered with the appropriate professional or trade register(s) in the member state where it is established? | Yes ☐  No ☐  N/A ☐ |
| 1.1(i) - (ii) | If you responded yes to 1.1(i) - (i), please provide the relevant details, including the registration number(s). |  |
| 1.1(j) - (i) | Is it a legal requirement in the state where you are established for you to possess a particular authorisation, or be a member of a particular organisation in order to provide the services specified in this procurement? | Yes ☐  No ☐ |
| 1.1(j) - (ii) | If you responded yes to 1.1(j) - (i), please provide additional details of what is required and confirmation that you have complied with this. |  |
| 1.1(k) | What trading name(s) will be used if successful in this procurement (if applicable). |  |
| 1.1(l) | Relevant classifications: state whether you fall within one of these, and if so which one   1. Voluntary Community Social Enterprise (VCSE) 2. Sheltered Workshop |  |
| 1.1(m) | Are you a Small, Medium or Micro Enterprise (SME)[[1]](#footnote-1)? | Yes ☐  No ☐ |
| 1.1(n) | Details of Persons of Significant Control (PSC), where appropriate: [[2]](#footnote-2)  - Name;  - Date of birth;  - Nationality;  - Country, state or part of the UK where the PSC usually lives;  - Service address;  - The date he or she became a PSC in relation to the company (for existing companies the 6 April 2016 should be used);  - Which conditions for being a PSC are met;  - Over 25% up to (and including) 50%,  - More than 50% and less than 75%,  - 75% or more. [[3]](#footnote-3)  (Please enter N/A if not applicable) |  |
| 1.1(o) | Details of immediate parent company:  - Full name of the immediate parent company  - Registered office address (if applicable)  - Registration number (if applicable)  - Head office DUNS number (if applicable)  - Head office VAT number (if applicable)  (Please enter N/A if not applicable) |  |
| 1.1(p) | Details of ultimate parent company:  - Full name of the ultimate parent company  - Registered office address (if applicable)  - Registration number (if applicable)  - Head office DUNS number (if applicable)  - Head office VAT number (if applicable)  (Please enter N/A if not applicable) |  |

Please provide the following information about your approach to this procurement:

| Part 1 Section 2 - Bidding Model | | |
| --- | --- | --- |
| Question number | Question | Response |
| 2.2(a) - (i) | Are you bidding as the lead contact for a group of economic operators? | Yes ☐  No ☐  If yes, please provide details listed in questions 2.2(a)(ii) and (iii), 2.2(b)(i) and (b)(ii), 2.3 and Section 2 and 3.  If no, but you are a supporting bidder please provide the name of your group at question 2.2(a)(ii) for reference purposes, and complete question 2.3 and Section 2 and 3. |
| 2.2(a) - (ii) | Name of group of economic operators (if applicable) |  |
| 2.2(a) - (iii) | Proposed legal structure if the group of economic operators intends to form a named single legal entity prior to signing a contract, if awarded. If you do not propose to form a single legal entity, please explain the legal structure. |  |
| 2.2(b) - (i) | Are you or, if applicable, the group of economic operators proposing to use sub-contractors? | Yes ☐  No ☐ |
| 2.2(b) - (ii) | If you responded yes to 2.2(b)-(i) please provide additional details for each sub-contractor in the following table: we may ask them to complete this form as well.   |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | Name |  |  |  |  |  | | Registered address |  |  |  |  |  | | Trading status |  |  |  |  |  | | Company registration number |  |  |  |  |  | | Head Office DUNS number (if applicable) |  |  |  |  |  | | Registered VAT number |  |  |  |  |  | | Type of organisation |  |  |  |  |  | | SME (Yes/No) |  |  |  |  |  | | The role each sub-contractor will take in providing the works and /or supplies e.g. key deliverables |  |  |  |  |  | | The approximate % of contractual obligations assigned to each sub-contractor |  |  |  |  |  | | |

### **Part 1 Section 3 - Declaration and Contact Details**

### All statements made in this section apply to this SQ submission in its entirety:

### **I declare that to the best of my knowledge the answers submitted, and information contained in this document are correct and accurate.**

### **I declare that, upon request and without delay I will provide the certificates or documentary evidence referred to in this document.**

### **I understand that the information will be used in the selection process to assess my organisation’s suitability to be invited to participate further in this procurement.**

### **I understand that the Authority may reject this submission in its entirety if there is a failure to answer all the relevant questions fully, or if false/misleading information or content is provided in any section.**

### **I am aware of the consequences of serious misrepresentation.**

|  |  |
| --- | --- |
| Question | Response |
| Contact name |  |
| Name of organisation |  |
| Role in organisation |  |
| Phone number |  |
| E-mail address |  |
| Postal address |  |
| On behalf of the Applicant I confirm the contents of the Declarations above.  Signature  (electronic is acceptable) |  |
| Date |  |

# Part 2: Exclusion Grounds

Please answer the following questions in full. Note that every organisation that is being relied on to meet the selection criteria must complete and submit responses to Part 2 Section 1 and Part Section 2 and always have in mind the Declarations made at section 1 Part 3.

| Part 2 Section 1 - Grounds for Mandatory Exclusion | | |
| --- | --- | --- |
| Question number | Question | Response |
| 2.1(a) | **Regulations 57(1) and (2)**  The detailed grounds for mandatory exclusion of an organisation are set out in this [webpage](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/551130/List_of_Mandatory_and_Discretionary_Exclusions.pdf) which should be referred to before completing these questions.  **Exemption:**  You may claim an exemption from answering this section of this SQ if:  1) you have a valid CL membership with PAS 91:2013+A1:2017 Core Module 3 (Silver) verified and valid.  2) you have provided your valid CL registration number in paragraph 1.3.1  If the exemption does not apply please indicate if, within the past five years, you, your organisation or any other person who has powers of representation, decision or control in the organisation have been convicted anywhere in the world of any of the offences at 2.1 (c) to 2.1(h) below and listed on the [webpage](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/551130/List_of_Mandatory_and_Discretionary_Exclusions.pdf). | |
| 2.1(b) | Are you claiming an exemption? | Yes ☐  No ☐ |
| 2.1(c) | Participation in a criminal organisation. | Yes ☐  No ☐  If Yes, please provide details at 2.1(i) |
| 2.1(d) | Corruption. | Yes ☐  No ☐  If Yes, please provide details at 2.1(i) |
| 2.1(e) | Fraud. | Yes ☐  No ☐  If Yes, please provide details at 2.1(i) |
| 2.1(f) | Terrorist offences or offences linked to terrorist activities | Yes ☐  No ☐  If Yes, please provide details at 2.1(i) |
| 2.1(g) | Money laundering or terrorist financing | Yes ☐  No ☐  If Yes, please provide details at 2.1(i) |
| 2.1(h) | Child labour and other forms of trafficking in human beings | Yes ☐  No ☐  If Yes, please provide details at 2.1(i) |
| 2.1(i) | If you have answered yes to any of questions 2.1(c) – (h), please provide further details.  Date of conviction, specify which of the grounds listed the conviction was for, and the reason for conviction,  Identity of who has been convicted  If the relevant documentation is available electronically please provide the web address, issuing Authority precise reference of the documents. |  |
| 2.1(j) | If you have answered Yes to any of question 2.1(c) – (h) have measures been taken to demonstrate the reliability of the organisation despite the existence of a relevant ground for exclusion (Self Cleaning) | Yes ☐  No ☐ |
| 2.1(k) | **Regulation 57(3)**  Has it been established, for your organisation by judicial or administrative decision having final and binding effect in accordance with the legal provisions of any part of the United Kingdom or the legal provisions of the country in which the organisation is established (if outside the UK), that the organisation is in breach of obligations related to the payment of tax or social security contributions? | Yes ☐  No ☐ |
| 2.1(l) | If you have answered yes to question 2.1(k), please provide further details. Please also confirm you have paid, or have entered into a binding arrangement with a view to paying, the outstanding sum including where applicable any accrued interest and/or fines. |  |

Please Note: The Authority reserves the right to use its discretion to exclude a potential supplier where it can demonstrate by any appropriate means that the potential supplier is in breach of its obligations relating to the non-payment of taxes or social security contributions.

| Part 2 Section 2 - Grounds for Discretionary Exclusion | | |
| --- | --- | --- |
| Question number | Question | Response |
| 2.2 | **Regulation 57(8)** of the Public Contracts Regulations 2015  The detailed grounds for discretionary exclusion of an organisation are set out on this [webpage](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/551130/List_of_Mandatory_and_Discretionary_Exclusions.pdf) which should be referred to before completing these questions.  **Exemption:**  You may claim exemption from answering this section of this SQ if:  1) you have a valid CL membership with PAS 91:2013+A1:2017 Core Module 3 (Silver) verified and valid.  2) you have provided your valid CL registration number at paragraph 1.3.1.  If the exemption does not apply please indicate if, within the past three years, anywhere in the world any of the situations in paragraphs 2(2)(b) to 2(2)(n) have applied to you, your organisation or any other person who has powers of representation, decision or control in the organisation. | |
| 2.2(a) | Are you claiming an exemption? | Yes ☐  No ☐ |
| 2.2(b) | Breach of environmental obligations? | Yes ☐  No ☐  If yes, please provide details at 2.2(o) |
| 2.2(c) | Breach of social obligations? | Yes ☐  No ☐  If yes, please provide details at 2.2(o) |
| 2.2(d) | Breach of labour law obligations? | Yes ☐  No ☐  If yes, please provide details at 2.2(o) |
| 2.2(e) | Bankrupt or is the subject of insolvency or winding-up proceedings, where the organisation’s assets are being administered by a liquidator or by the court, where it is in an arrangement with creditors, where its business activities are suspended, or it is in any analogous situation arising from a similar procedure under the laws and regulations of any State? | Yes ☐  No ☐  If yes, please provide details at 2.2(o) |
| 2.2(f) | Guilty of grave professional misconduct? | Yes ☐  No ☐  If yes, please provide details at 2.2(o) |
| 2.2(g) | Entered into agreements with other economic operators aimed at distorting competition? | Yes ☐  No ☐  If yes, please provide details at 2.2(o) |
| 2.2(h) | Aware of any conflict of interest within the meaning of regulation 24 due to the participation in the procurement procedure? | Yes ☐  No ☐  If yes, please provide details at 2.2(o) |
| 2.2(i) | Been involved in the preparation of the procurement procedure? | Yes ☐  No ☐  If yes, please provide details at 2.2(o) |
| 2.2(j) | Shown significant or persistent deficiencies in the performance of a substantive requirement under a prior public contract, a prior contract with a contracting entity, or a prior concession contract, which led to early termination of that prior contract, damages or other comparable sanctions? | Yes ☐  No ☐  If yes, please provide details at 2.2(o) |

Please answer the following statements

| 2.2(k) - | Is your organisation guilty of serious misrepresentation in supplying the information required for the verification of the absence of grounds for exclusion or the fulfilment of the selection criteria? | Yes ☐  No ☐  If Yes, please provide details at 2.2(o) |
| --- | --- | --- |
| 2.2(l) | Has your organisation withheld such information? | Yes ☐  No ☐  If Yes, please provide details at 2.2(o) |
| 2.2(m) | The organisation is not able to submit supporting documents required under Regulation 59 of the Public Contracts Regulations 2015 | Yes ☐  No ☐  If Yes, please provide details at 2.2(o) |
| 2.2(n) | Has your organisation undertaken to influence the decision-making process of the contracting Authority to obtain confidential information that may confer upon the organisation undue advantages in the procurement procedure, or to negligently provided misleading information that may have a material influence on decisions concerning exclusion, selection or award. | Yes ☐  No ☐  If Yes, please provide details at 2.2(o) |

|  |  |  |
| --- | --- | --- |
| 2.2(o) | If you have answered Yes to any of the above, explain what measures have been taken to demonstrate the reliability of the organisation despite the existence of a relevant ground for exclusion (Self Cleaning) |  |

# Part 3: Selection Questions

|  |  |  |
| --- | --- | --- |
| Part 3 Section 1 - Economic and Financial Standing | | |
| Question number | Question | Response |
| 3.1(a) | Are you able to provide a copy of your audited accounts for the last two years, if requested?  If no, can you provide **one** of the following: answer with Y/N in the relevant box. | Yes ☐  No ☐ |
| (a) A statement of the turnover, Profit and Loss Account/Income Statement, Balance Sheet/Statement of Financial Position and Statement of Cash Flow for the most recent year of trading for this organisation. | Yes ☐  No ☐ |
| (b) A statement of the cash flow forecast for the current year and a bank letter outlining the current cash and credit position. | Yes ☐  No ☐ |
|  | (c) Alternative means of demonstrating financial status if any of the above are not available (e.g. forecast of turnover for the current year and a statement of funding provided by the owners and/or the bank, charity accruals accounts or an alternative means of demonstrating financial status). | Yes ☐  No ☐ |
| 3.1(b) | Where we have specified a minimum level of economic and financial standing and/ or a minimum financial threshold within the evaluation criteria for this procurement, please self-certify by answering ‘Yes’ or ‘No’ that you meet the requirements set out. | Yes ☐  No ☐ |

| Part 3 Section 2 - Group of Economic Operators | | | | |
| --- | --- | --- | --- | --- |
|  | | If you have indicated in the SQ question 1.2 that you are part of a wider group, please provide further details below: | | |
| Name of organisation | | |  | |
| Relationship to the Applicant completing these questions | | |  | |
| 3.2(a) | Are you able to provide parent company accounts if requested to at a later stage? | | | Yes ☐  No ☐ |
| 3.2(b) | If yes, would the parent company be willing to provide a guarantee if necessary? | | | Yes ☐  No ☐ |
| 3.2(c) | If no, would you be able to obtain a guarantee elsewhere (e.g. from a bank)? | | | Yes ☐  No ☐ |

|  |  |  |
| --- | --- | --- |
| Part 3 Section 3 - Technical and Professional Ability | | |
| 3.3(a) | Please confirm if your organisation is registered with or, working towards becoming registered with the following professional accredited organisation (or an equivalent recognised accredited organisation) | For information only  Yes ☐  No ☐ |
| 3.3(b) | Relevant experience and contract example (Pass / Fail)  Please provide one example contract that your organisation has delivered for clients in either the public or private sector which are similar to what is required by Highways England in this opportunity. Wherever possible, this should not be from Highways England. If using a Highways England reference is unavoidable, for example if Highways England is your only client for this survey type, please provide detail of the reasoning within your example.  The work relied on to provide examples should have been performed during the past three years and should be relevant to the scope of the contract(s) you are applying for. Applicants must provide the name of a referee for the contract they rely on.  The named contact provided should be able to provide written evidence to confirm the accuracy of the information provided. Do not provide any commercially confidential information in your responses.  Your case study should include but is not limited to, the planning, managing and monitoring of work and resources to deliver the project that are relevant to our requirements.  Your example should be no longer than 1 page (2 sides) of A4 paper and be no more than 1000 words.  Consortia bids should provide relevant examples of where the consortium has delivered similar requirements. If this is not possible (e.g. the consortium is newly formed or a Special Purpose Vehicle is to be created for this contract) then two separate examples should be provided between the principal member(s) of the proposed consortium or Special Purpose Vehicle (examples are not required from each member).  Where the Supplier is a Special Purpose Vehicle, or a managing agent not intending to be the main provider of the services, the information requested should be provided in respect of the main intended provider(s) or sub-contractor(s) who will deliver the contract.  If you cannot provide examples, see question 3.3(c). | |

|  |  |
| --- | --- |
|  | **Contract (Information required )** |
| **Name of customer organisation** |  |
| **Point of contact in the organisation** |  |
| **Position in the organisation** |  |
| **E-mail address** |  |
| **Description of contract setting out how the contract meets the requirements** |  |
| **Contract Start date** |  |
| **Contract completion date** |  |
| **Estimated contract value** |  |

|  |  |
| --- | --- |
| 3.3(c) | If you cannot provide at least one example for question 3.2(b), in no more than 500 words please provide an explanation for this e.g. your organisation is a new start-up, or you have provided services in the past but not under a contract. |

|  |  |  |
| --- | --- | --- |
| Part 3 Section 4 - Modern Slavery Act 2015: Requirements under Modern Slavery Act 2015 | | |
| 4.1(a) | Are you a relevant commercial organisation as defined by section 54 ("Transparency in supply chains etc.") of the Modern Slavery Act 2015 ("the Act")?  Note: A relevant commercial organisation is one that carries on a business in the UK with a total annual turnover of £36m or more. | Yes ☐  N/A ☐ |
| 4.1(b) | If you have answered yes to question 4.1 (a) are you compliant with the annual reporting requirements contained within Section 54 of the Act?  Note: The relevant organisation must prepare a slavery and human trafficking statement for each financial year. The statement sets out the steps the organisation has taken in the financial year to ensure that slavery and human trafficking is not taking place:   * + - * + in any of its supply chains, and         + in any part of its own business. | Yes ☐  Please provide the relevant URL  No ☐  Please provide an explanation |
| Section 54 of the Act is available at [http://www.legislation.gov.uk/ukpga/2015/30/section/54/enacted#section-54-2](http://www.legislation.gov.uk/ukpga/2015/30/section/54/enacted" \l "section-54-2)  Further guidance is available at  <https://www.gov.uk/government/publications/transparency-in-supply-chains-a-practical-guide> | | |

### **Part 3 Section 5 Additional Questions**

### Applicants who self-certify that they meet the requirements to these additional questions will be required to provide evidence of this if they are successful at contract award stage.

|  |  |  |
| --- | --- | --- |
| Part 3 Section 5 - Additional Questions | |  |
| 5.1 – Insurance | |  |
| 5.1 (a) | Please self-certify whether you already have, or can commit to obtain, prior to the commencement of the contract, the level of insurance cover indicated below:  Property Insurance being “All Risks” cover from any cause not excluded of physical loss, destruction or damage to the insured property being any plant, materials and equipment provided by the *Client*.  The sum insured to represent the reinstatement or replacement cost of the relevant insured property. | □ Yes  □ No |
| 5.1 (b) | Please self-certify whether you already have, or can commit to obtain, prior to the commencement of the contract, the level of insurance cover indicated below:  Third Party Public and Products Liability Insurance to indemnify the insured in respect of all sums which the insured may become legally liable to pay as damages, including claimant's costs and expenses, in respect of accidental death or bodily injury to or sickness, illness or disease contracted by any person (other than employees of the insured) and / or loss of or damage to property happening during the period of insurance and arising out of or in connection with the contract.  A limit of indemnity of not less than £10,000,000 in respect of any one occurrence without limit to the number of occurrences in any annual policy period, but £10,000,000 any one occurrence and in the aggregate per annum in respect of liability arising out of products and pollution or contamination liability (to the extent insured by the relevant policy). | □ Yes  □ No |
| 5.1 (c) | Please self-certify whether you already have, or can commit to obtain, prior to the commencement of the contract, the level of insurance cover indicated below:  Professional Indemnity Insurance to indemnify the insured for all sums which the insured may become legally liable to pay (including claimants costs and expenses) as a result of claims first made against the insured during the period of insurance by reason of any negligent act, error or omission arising out of or in connection with the provision of professional services in connection with the contract.  A limit of indemnity of not less than £5,000,000 in respect of any one claim. | □ Yes  □ No |
| 5.1 (d) | Please self-certify whether you already have, or can commit to obtain, prior to the commencement of the contract, the level of insurance cover indicated below:  Employer’s (Compulsory) Liability Insurance. Limit of indemnity £10,000,000 in respect of any one occurrence the number of occurrences being unlimited in any annual policy period.  It is a legal requirement that all companies hold Employer’s Liability Insurance of £5,000,000 in respect of any one occurrence the number of occurrences being unlimited in any annual policy period as a minimum.  Please note this requirement is not applicable to Sole Traders. | □ Yes  □ No |
| 5.1 (e) | Please self-certify whether you already have, or can commit to obtain, prior to the commencement of the contract, the level of insurance cover indicated below:  Motor Third Party Liability Insurance. Limit of indemnity unlimited each and every occurrence the number of occurrences being unlimited in any annual policy period for third party death / bodily injury claims and £5,000,000 any one occurrence the number of occurrences being unlimited in any annual policy period for third party property damage claims.  It is a legal requirement that all companies operating vehicles hold Motor Third Party Liability Insurance | □ Yes  □ No |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 5.2 - Skills and Apprentices | | | (please refer to supplier selection guidance) | |
| 5.2(a) | | For contracts with a full life value of over £3 million;  Please confirm you will be supporting apprenticeships and skills development through this contract. | | Yes ☐  No ☐  N/A ☐ |
| 5.2(b) | If yes, can you provide documentary evidence to support your commitment to developing and investing in skills, development and apprenticeships to build a more skilled and productive workforce and reducing the risks of supply constraints and increasing labour cost inflation? | | | Yes ☐  No ☐ |
| 5.2(c) | Do you have a process in place to ensure that your supply chain supports skills, development and apprenticeships and can provide evidence if requested? | | | Yes ☐  No ☐ |

| 5.3 - Compliance with Equality Legislation | | |
| --- | --- | --- |
| For organisations working outside of the UK please refer to equivalent legislation in the country that you are located. | | |
| 5.3(a) | In the last three years has your organisation;  1) Had any finding of unlawful discrimination been made against your organisation by any court or industrial or employment tribunal or equivalent body;  2) been subject to a compliance action by the Equality and Human Rights Commission or an equivalent body on grounds of alleged unlawful discrimination;  3) been found in breach of section 15 and or 21 of the Immigration, Asylum and Nationality Act 2006; or  4) been found to be in breach of the National Minimum Wage Act 1998. | Yes ☐  No ☐ |
| 5.3(b) | If yes, please provide details of any findings and what steps your organisation took as a result of that finding or investigation. |  |
| 5.3(c) | If you use sub-contractors, do you have processes in place to check whether any of the above circumstances apply to these other organisations? | Yes ☐  No ☐ |

| 5.4 - Environmental Management | | |
| --- | --- | --- |
| 5.4(a) | You may claim an exemption from answering the Environmental Management Policy section of this SQ if:  1) you have an up to date CL account (Gold Level) with verified Environmental Management information; and  2) you have provided your CL registration number in paragraph 1.3.1 above. |  |
| 5.4(b) | Do you wish to claim an exemption from answering the Environmental Management Policy section? | Yes ☐  No ☐ |
| 5.4(c) | Has your organisation been convicted of breaching environmental legislation, or had any notice served upon it, in the last three years by any environmental regulator or Authority (including local Authority)?    If your answer to this question is “Yes”, please provide details in a separate Appendix of the conviction or notice and details of any remedial action or changes you have made as a result of conviction or notices served.  The Authority will not select bidder(s) that have been prosecuted or served notice under environmental legislation in the last 3 years, unless the Authority is satisfied that appropriate remedial action has been taken to prevent future occurrences/breaches. | Yes ☐  No ☐ |
| 5.4(d) | If you use sub-contractors, do you have processes in place to check whether any of these organisations have been convicted or had a notice served upon them for infringement of environmental legislation? | Yes ☐  No ☐ |
| 5.4(e) | Do you check, review and where necessary improve your environmental management performance? | Yes ☐  No ☐ |
| 5.4(f) | If 'Yes', please provide evidence that your organisation has a system for monitoring environmental management procedures on an ongoing basis and for updating them at periodic interval. |  |
| 5.4(g) | Do you have arrangements for ensuring that any suppliers you engage, apply environmental protection measures that are appropriate to the activity for which they are being engaged? | Yes ☐  No ☐ |

| 5.5 – Quality Management Policy and Capability | | |
| --- | --- | --- |
| 5.5(a) | You may claim an exemption from answering the Quality Management Policy and Capability section of this SQ if:  1) you have an up to date CL account (Gold Level) with verified Quality Management information; and  2) you have provided your CL registration number in paragraph 1.3.1 above |  |
| 5.5(b) | Do you wish to claim an exemption from answering the Quality Management Policy and Capability section? | Yes ☐  No ☐ |
| 5.5(c) | Do you have a policy and organisation for quality management? | Yes ☐  No ☐ |
| 5.5(d) | If 'Yes' Please provide evidence that your organisation has and implements a quality management policy that is authorised by the Chief Executive or equivalent and periodically reviewed at a senior management level. The policy should be relevant to the nature and scale of the work to be undertaken and set out responsibilities for quality management throughout the organisation. |  |
| 5.5(e) | Do you have arrangements for ensuring that your quality management is effective in reducing/ preventing incidents of sub-standard delivery? | Yes ☐  No ☐ |
| 5.5(f) | If 'Yes' Please provide evidence that your organisation keeps copies of documentation setting out quality management organisation and procedures that meet currently agreed good practice. These should include the arrangements for quality management throughout the organisation. They should set out how the company will carry out its policy, with a clear indication of how the arrangements are communicated to the workforce. |  |
| 5.5(g) | Do you have arrangements for providing your workforce with quality-related training and information appropriate to the type of work for which your organisation is likely to bid? | Yes ☐  No ☐ |
| 5.5(h) | If 'Yes' Please provide evidence that your organisation has in place and implements, training  arrangements to ensure that its workforce has sufficient skills and understanding to discharge their various responsibilities. These arrangements should include a programme of training that will keep the workforce up to date with required knowledge about quality related issues, including copies of job profiles; training manuals and training records. |  |
| 5.5(i) | Do you have procedures for periodically reviewing, correcting and improving quality performance? | Yes ☐  No ☐ |
| 5.5(j) | If 'Yes' Please provide evidence that your organisation has a system for monitoring quality management procedures on an on-going basis. Your organisation should be able to provide evidence of systematic, periodic review and improvement of quality in respect of construction output and general performance. |  |
| 5.5(k) | Do you have arrangements for ensuring that your own suppliers apply quality management measures that are appropriate to the work for which they are being engaged? | Yes ☐  No ☐ |
| 5.5(l) | If, “Yes”, please provide evidence that your organisation has arrangements for monitoring supplier’s quality management arrangements and ensuring that quality performance appropriate for the work to be undertaken is delivered throughout the whole of your organisations supply chain. |  |

| 5.6 - Health and Safety Policy and Capability | | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| You must provide all the information/evidence required in this section. | | | | | | |
| **Exemptions:** If you meet the criterion below and you can provide supporting evidence, you do not need to complete the following health and safety questions 5.6 (c) to 5.6(l).  Exemption criterion - You hold a UKAS or equivalent, accredited independent third-party certificate of compliance with ISO 45001. | | | | | | |
| 5.6(a) | Are you claiming exemption? | Yes | No | What is the name of the scheme/certificate? | | |
| 5.6(b) | Are you providing a copy of the certificate? | Yes | No |
|  | Question | | | Response | | |
| 5.6(c) | Are you able to demonstrate that you have a policy/ procedure for health and safety (H&S) management?  If 'Yes', please provide evidence that you or your organisation has a Health & Safety policy authorised by the Chief Executive or equivalent that is regularly reviewed. The policy should be relevant to the nature and scale of the activity and set out the responsibilities and arrangements for Health and Safety throughout the organisation. | | |  | | |
| Evidence provided? | Yes | No |
| 5.6(d) | Are you able to demonstrate arrangements/ procedures for ensuring that your H&S measures are effective in reducing/preventing incidents, occupational ill-health and accidents?  These should set out the arrangements for health and safety management within the organisation and should be relevant to the nature and scale of your work.  They should set out how the company will discharge their duties under Construction and Design Manual (CDM) 2015 where applicable.  There should be a clear indication of how these arrangements are communicated to the workforce. | | |  | | |
| Evidence provided? | Yes | No |
| 5.6(e) | Do you have access to competent H&S advice/assistance – both general and construction sector related?  The HSE define competence as “the combination of training, skills, experience and knowledge that a person has and their ability to apply them to perform a task safely”  Your organisation, and your employees, must have ready access to competent health and safety advice, preferably from within your own organisation.  The advisor must be able to provide general health and safety advice, and also (from the same source or elsewhere) advice relating to construction health and safety issues. | | |  | | |
| Evidence provided? | Yes | No |
| 5.6(f) | Do you have a policy and process for providing your workforce with training and information appropriate to the type of work for which your organization is likely to bid?  You should have in place, and implement, training arrangements to ensure your employees have the skills and understanding necessary to discharge their duties as contractors, designers or principal designers.  You should have in place a programme for refresher training, for example a Continuing Professional Development (CPD) programme or life-long learning which will keep your employees updated on new developments and changes to legislation or good health and safety practice. This applies throughout the organisation - from Board or equivalent, to trainees. | | |  | | |
| Evidence provided? | Yes | No |
| 5.6(g) | Does your workforce have H&S or other relevant qualifications and experience sufficient to implement your H&S policy to a standard appropriate to the work for which your organization is likely to bid?  Employees are expected to have the appropriate qualifications and experience for the assigned tasks, unless they are under controlled and competent supervision. | | |  | | |
| Evidence provided? | Yes | No |
| 5.6(h) | Do you check, review and where necessary improve your H&S performance?  You should have a system for monitoring your procedures, for auditing them at periodic intervals, and for reviewing them on an ongoing basis. | | |  | | |
| Evidence provided? | Yes | No |
| 5.6(i) | Do you have procedures in place to involve your workforce in the planning and implementation of H&S measures?  You should have, and implement, an established means of consulting with your workforce on health and safety matters. | | |  | | |
| Evidence provided? | Yes | No |
| 5.6(j) | Do you operate a process of risk assessment capable of supporting safe methods of working and reliable project delivery where necessary?  You should have a formal means of recording and communicating safe systems of work. Identification and control of any significant occupation health (not just safety) issues should be prominent | | |  | | |
| Evidence provided? | Yes | No |
| 5.6(k) | Do you have arrangements for co-operating and co-ordinating your work with others (including other suppliers notably contractors)?  You should have arrangements in place to ensure co-operation and co-ordination between you and others you are working with. | | |  | | |
| Evidence provided? | Yes | No |
| 5.6(l) | Do you have arrangements for ensuring that on-site welfare provisions meet legal requirements and the needs/expectations of your employees or contractors?  You should be able to demonstrate how you ensure suitable welfare facilities will be in place before starting work on site. | | |  | | |
| Evidence provided? | Yes | No |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Section 5.7- Approach to payments. | | | | |
| This section covers payment approaches and how they are taken into account in the procurement of ‘in scope’ central Government contracts. For further information see PPN 04/19 <https://www.gov.uk/government/publications/procurement-policy-note-0419-taking-account-of-a-suppliers-approach-to-payment-in-the-procurement-of-major-contracts--2>  **Question 5.7(a) is for information only**. If the answer to this question is “No”, the bidder is not required to answer the remaining questions.  Questions 5.7(b) - (g) are assessed on a pass/fail basis based using self-declarations. | | | | |
| 5.7(a) | Please confirm if you intend to use a supply chain for this  contract. If you answer “No” you do not need to complete the  rest of this section | Yes ☐  No ☐ | | |
| 5.7(b) | Please confirm that you have systems in place to pay those in  your supply chain promptly and effectively, i.e. within your  agreed contractual terms | Yes ☐  No ☐ | | |
| 5.7(c) | Please confirm you have procedures for resolving disputed  invoices with those in your supply chain promptly and  effectively. | Yes ☐  No ☐ | | |
| 5.7(d) | Please confirm that for public sector contracts awarded under  the Public Contracts Regulations 2015 you have systems in  place to include (as a minimum) 30-day payment terms in all of  your supply chain contracts and require that such terms are  passed down through your supply chain. | Yes ☐  No ☐ | | |
| 5.7(e) | Please provide the percentage of invoices paid by you to those in your immediate supply chain on all contracts for **each** of the two previous six month  reporting periods. This should include the percentage of invoices paid within each of the following categories: | | | |
|  |  | | 1st 6 months | 2nd 6 months |
|  | 1. within 30 days | |  |  |
|  | 2. in 31 to 60 days | |  |  |
|  | 3. in 61 days or more | |  |  |
|  | 4. due but not paid by the last date for payment under agreed contractual  terms. | |  |  |
| 5.7(f) | If you are unable to demonstrate that all invoices have been paid within the agreed contractual terms, please explain why in no more than 500 words. | | | |
| 5.7(g) | If you are unable to demonstrate that ≥95% of invoices payable to your  supply chain on all contracts have been paid within 60 days of the receipt of the invoice in at least one of the last two six months reporting periods please provide an action plan for improvement which includes (as a minimum) the following:  1. Identification of the primary causes of failure to pay:  (a) 95% of all supply chain invoices within 60 days; and  (b) all invoices within agreed terms.  2. Actions to address each of these causes.  3. A mechanism for and commitment to regular reporting on progress to the  bidder’s audit committee (or equivalent).  4. Plan signed off by director.  5. Plan published on its website (this can be a shorter, summary plan).  If you have an existing action plan prepared for a different purpose, it is  acceptable to attach this but it should contain the above features. | | | |

# Selection QUESTIONNAIRE EValuation Process

## General

### The Tender Assessment Panel will assess the responses to the mandatory and discretionary rejection criteria described in Part 2 of this Selection Questionnaire entered in the Bravo Qualification Envelope.

### In the event of a ‘yes’ response being given against one or more of the discretionary rejection criteria questions, along with details of the relevant incident and remedial actions taken by the Tenderer, the Tender Assessment Panel will decide whether the tender should be rejected.

### For those Tenderers whose Tenders have not been excluded the Tender Assessment Panel will then proceed to assess the remainder of the response to this Selection Questionnaire.

# PART 1 – APPLICANT INFORMATION

## Section 1 – Applicant Information

### This section is for information only, but if it is not fully completed or relevant additional information is not provided, the Applicant may be excluded.

## Section 2 – Bidding Model

### This section is for information only, but if not fully completed or relevant additional information is not provided, the Applicant may be excluded.

## Section 3 – Declaration and Contact Details

### The Applicant must:

* make a declaration about the accuracy and completeness of its SQ responses,
* commit to providing evidence to support its responses if asked and,
* complete basic contact detail information.

# Part 2 – Exclusion Grounds

## Sections 1 and 2 – Grounds for Mandatory and Discretionary Exclusion

### This is a pass/ fail section and the detailed grounds for mandatory and discretionary exclusion of an Applicant are set out in this link, which should be referred to before completing these questions:

### <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/551130/List_of_Mandatory_and_Discretionary_Exclusions.pdf>

### Mandatory exclusion - Please indicate if, within the past five years you, your organisation or any other person who has powers of representation, decision or control in the organisation has been convicted anywhere in the world of any of the offences within the relevant section and listed at the web page above.

### Discretionary exclusion - Please indicate if, within the past three years, any of the situations within the relevant section have applied to you, your organisation or any other person who has powers of representation, decision or control in the organisation.

‘Self-cleaning’

### If an Applicant has answered ‘Yes’ to any questions in Section 2, it must provide sufficient evidence (via conditional questions that follow) to explain the circumstances and describe any remedial “self cleaning” action that has taken place subsequently. The Applicants must demonstrate that it has taken such remedial action, to the satisfaction of the Authority in each case.

### Self-cleaning (as described in regulation 57(15) of the Public Contracts Regulations 2015) requires that the Applicant has;

##### paid or undertaken to pay compensation in respect of any damage caused by the criminal offence or misconduct;

##### clarified the facts and circumstances in a comprehensive manner by actively collaborating with the investigating authorities; and

##### taken concrete technical, organisational and personnel measures that are appropriate to prevent further criminal offences or misconduct.

### The measures taken shall be evaluated taking into account the gravity and particular circumstances of the criminal offence or misconduct. Where the measures are considered by the Authority to be insufficient, the Applicant will be given a statement of the reasons for that decision.

### If the evidence cannot demonstrate to the Authority’s satisfaction that appropriate remedial action has been taken to prevent further non-compliances, the Applicant will be excluded from further consideration.

### If such evidence is considered by the Authority (whose decision will be final) as sufficient, the Applicant shall be allowed to continue in the procurement process.

Conflicts of interest

### The concept of a conflict of interest includes any situation where relevant staff members of the Applicant have, directly or indirectly, a financial, economic or other personal interest which might be perceived to compromise their impartiality and independence in the context of the procurement procedure.

### Where in the answer given to question 2(2)(h) there is any indication that a conflict of interest exists, or may arise then it is the Applicant’s responsibility to inform the Authority, detailing the conflict via the details in box 2.2(o).

### Provided that it has been carried out in a transparent manner, routine pre-market engagement carried out by the Authority should not represent a conflict of interest for the Applicant.

### Applicants are required to notify the Authority of any actual or potential conflicts of interest. Where a ‘no’ response is provided for question2(2)(h) the Applicant will receive a pass. Where a ‘no’ response cannot be given and the Applicant fails to satisfactorily explain how it dealt with the conflict of interest the Authority is entitled to exclude it from the procurement process.

### A separate document may be submitted by the Applicant explaining that the factors that might give rise to a conflict of interest are not capable of distorting competition or detrimentally affecting contract delivery and management or that appropriate measures can be put in place to minimise the risk. The Authority will consider such a submission but will exclude the Applicant if it does not satisfy the Authority that any risk arising from the conflict of interest can be fully mitigated.

# Part 3 – SELECTION QUESTIONS

## Part 3 Section 1 – Economic and Financial Standing

#### Financial Assessment

### The economic and financial standing assessment is designed to take an informed view of an Applicant’s financial status. The assessment methodology comprises three steps:

#### Step 1 is a pass/fail assessment using a Dun & Bradstreet comprehensive report;

#### Step 2 is a pass/fail assessment using the amount of the Applicant’s turnover;

#### Step 3 is a pass/fail assessment of four calculated ratio analyses using information from the Applicant’s most recent audited financial statements, conducted as follows:

### The Authority reserves the right, at its sole discretion

### to change a provisional fail of any Step into a pass having had regard to using any mitigating information that Applicant has provided; or

### to change a provisional pass of any Step into a fail having regard to any information that the Applicant has made publicly available since its last published financial statements (e.g. an official profit warning).

### Step 1: Dun and Bradstreet information

### The Dun and Bradstreet Comprehensive report: Dun and Bradstreet Scores and Ratings are produced using a combination of mathematical modelling, expert rules, skilled business analysis and many years of experience of insolvency trends. Dun and Bradstreet carefully analyse all business failures and compare them with the normal population of actively trading companies, to identify those events which are most significant and predictive in nature, and which could affect the status of a business.

### The Dun and Bradstreet Risk Indicator: The Dun and Bradstreet Risk Indicator is based on daily monitoring of both the company's financial and other key strategic activities and is therefore reflective of the company’s current financial status. The Dun and Bradstreet Risk Indicator is a score from 1 to 4, where 1 is minimum risk and 4 is high risk.

### An Applicant will achieve a pass for Step 1 where its Dun and Bradstreet Risk Indicator is less than 4. A Dun and Bradstreet Risk Indicator of 4 is a Provisional Fail.

### Step 2: Turnover Assessment

### Step 2 is a pass/fail assessment, evidenced by an Applicant’s turnover as disclosed in its most recently published audited financial statements.

### An Applicant will achieve a pass for Step 2 where its annual turnover (for the most recent year of its published financial statements) is at least twice the estimated annual contract value.

### A turnover of less than the turnover threshold described in paragraph 2.6.7 is a Provisional Fail.

### Step 3: Ratio analysis

### Step 3 is a pass/fail assessment of an Applicant’s financial standing, using information from its audited financial statements to calculate the following ratios and analyse its profit or loss as follows:

A. Current ratio;

B. Total Liabilities/Shareholder Funds ratio;

C. Interest cover ratio; and

D. Pre tax loss in last three years.

### An Applicant will achieve a pass for Step 3 where its ratios meet the required thresholds A, B and C in paragraph 2.6.11 – 2.6.13 and its pre-tax losses are no greater than the limits shown in paragraph D in paragraph 2.6.14 below.

### A. Current Ratio (Current Assets/Current Liabilities)

### This indicates whether the Applicant has sufficient current assets, e.g. cash, short term debtors and stock to meet its outstanding current liabilities e.g. trade creditors, bank overdraft, lease payments, interest due.

The test is applied to each of the Applicant’s last 3 years audited financial statements.

A current ratio of less than 0.8 for any year is a Provisional Fail

### B. Total Liabilities/Shareholder Funds Ratio

### This is a basic test of the Applicant’s solvency.

### The test is applied to each of the last 3 years audited financial statements.

### A total liabilities/shareholder funds ratio of more than 4 for any year is a Provisional Fail.

### C Interest Cover Ratio (Profit before interest and tax/Interest expense)

### This is a test of whether the Applicant is generating enough profit to service its interest-bearing debt.

### The test is applied to each of the last 3 years audited financial statements.

### An interest cover ratio of less than 2 for any year is a Provisional Fail.

### D. Profit/Loss before tax

### The test is applied to each of the Applicant’s last 3 years audited financial statements.

### A pre-tax loss of more than 50% of net assets in any one year is a Provisional Fail.

### A pre-tax loss of more than 5% of turnover in any one year is a Provisional Fail.

### Pre-tax lossed in all 3 years is a Provisional Fail.

### A final pass/fail for Step 3 shall be determined by the Authority at its sole discretion based upon:

### the extent to which the Applicant has passed or failed the ratio and pre-tax loss analyses in paragraphs A, B, C and D in paragraphs 2.6.11 to 2.6.14.

### an assessment by the Authority of any explanations and mitigating information that the Applicant has provided in respect of a provisional fail that has been assessed against the tests in paragraphs A, B, C and D; and

### any information that the Applicant has made publicly available since its last published financial statements, such as any official profit warnings.

### Where an Applicant has provided its CL details and this information is verified, the Authority reserves the right, at its sole discretion, to determine that the Applicant achieved a pass of the step 3 assessment if its CL notation value in the relevant category is at least equal to the estimated annualised contract value.

**Parent Company Guarantee**

### If the applicant has a parent company that itself passes the economic and financial standing tests stated above and which confirms that it will provide a parent company guarantee in respect of the Applicant in the form set out in the Scope Appendix B, then a provisional fail of the Step 1, 2 or 3 financial assessment shall be converted into a pass.

## Part 3 Section 2 – Group of Economic Operators

### Applicants are to complete the information as requested. This is for information purposes only

## Part 3 Section 3 – Technical and Professional Ability

### Applicants are to complete the information as requested.

### This is assessed on a Pass/Fail basis.

### The assessment of an Applicant’s Technical and Professional Ability will be based on the information supplied by it in the Reference Contract sheet, using the evaluation criteria in the table below. The Reference Contract cited must achieve a Pass.

|  |  |
| --- | --- |
| Technical and Professional Ability | Evaluation Guidance |
| Pass | Each requirement of this contract has been met by something delivered by the Applicant in the performance of the Reference Contract |
| Fail | One or more of the requirements of this contract has failed to be delivered by the Applicant in the performance of the Reference Contract |

## 

## Part 3 Section 4 – Modern Slavery Act 2015

### This is Assessed as pass/fail based on the Applicant satisfying the Authority that it is complying with, and has at all times complied with, the Modern Slavery Act 2015.

## Part 3 Section 5 – Additional Questions

### Insurance. This Assessed as pass/fail that the required insurances are in place or that Applicants can commit to obtaining them by time of contract award.

### Skills and Apprentices. Assessed as pass/fail based on satisfying the Authority that skills development and apprenticeships will be supported.

### Compliance with Equality Legislation. An Applicant will be rejected if it is unable to demonstrate that it is compliant and has failed to provide relevant policies and evidence.

### Environmental Management. An Applicant will be rejected if it is unable to demonstrate that that it is compliant and has failed to provide relevant policies and evidence.

### Quality Management Policy and Capability. An Applicant will be excluded from further consideration if it is unable to provide the supporting evidence as outlined in Part 3 of Section 5.5 of this SQ.

### Health and Safety Policy and Capability. An applicant answering ‘No’ to any questions in section 5.6, or being unable to provide supporting evidence on request, will be marked as a ‘fail’ and the Applicant will be excluded from further consideration.

### Approach to Payment.

### For questions 5.7(b) - (d) are assessed on a pass/fail basis using the Applicant’s self-declarations.

|  |  |  |
| --- | --- | --- |
| Applicant’s performance | Assessment criteria and methodology | Outcome |
| Applicant pays all supply chain agreed invoices within terms. | Meets the required standard | Pass |
| Applicant does not pay all supply chain invoices within agreed terms but provides a satisfactory explanation why. | Meets the required standard | Pass |
| Applicant does not pay all supply chain invoices within agreed terms and does not provide a satisfactory explanation why. | Does not meet the required standard | Fail |

For Questions 5.7(e) - (g) if an Applicant has not met the required standard of payment of 95% of all invoices in 60 days in at least one reporting period (6 months) it will still pass provided:

* + - * after removing intercompany payments from the calculations, the Applicant paid 95% of all invoices within 60 days in at least one of the previous two reporting periods.
    - the Applicant has paid between 75% and 95% of all invoices within 60 days in at least one of the previous two reporting periods (after removing intercompany payments if relevant) and can demonstrate that it has a compliant action plan to achieve the required standard in future.
    - the Applicant is a new entrant to the market (trading for less than 12 months).

|  |  |  |
| --- | --- | --- |
| Applicant’s performance | Assessment criteria and methodology | Outcome |
| The Applicant pays ≥95% of all supply chain invoices in 60 days in at least one of the previous two six-month reporting periods. | Meets required standards | Pass |
| The Applicant pays ≥95% of all supply chain invoices in 60 days in at least one of the two previous six-month reporting periods after removing intercompany payments. | Meets required standards | Pass |
| The Applicant pays ≥75% < 95% of all supply chain invoices in 60 days in at least one of the two previous six-month reporting periods after removing intercompany payments (if relevant). | Demonstrates action plan that includes (as a minimum) the following:  1. Identification of the primary causes of failure to pay:  (a) 95% of all supply chain invoices within 60 days; and  (b) (if relevant) all supply chain invoices within agreed terms.  2. Actions to address each of these causes.  3. Regular reporting on progress to the bidder’s audit committee (or equivalent).  4. Plan signed off by a director.  5. Plan published on its website | Pass |
| No action plan or action plan does not include all of the above features. | Fail |
| The Applicant does not pay ≥75% of all supply chain invoices in 60 days in at least one of the two previous six-month reporting periods after removing intercompany payments (if relevant). | Payment performance falls substantially below the required standard. | Fail |

1. See EU definition of SME <https://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition_en> [↑](#footnote-ref-1)
2. UK companies, Societates European (SEs) and limited liability partnerships (LLPs) will be required to identify and record the people who own or control their company. Companies, SEs and LLPs will need to keep a PSC register, and must file the PSC information with the central public register at Companies House. [See PSC guidance](https://www.gov.uk/government/publications/guidance-to-the-people-with-significant-control-requirements-for-companies-and-limited-liability-partnerships). [↑](#footnote-ref-2)
3. Central Government contracting authorities should use this information to have the PSC information for the preferred supplier checked before award. [↑](#footnote-ref-3)