

Invitation To Tender (Open)

Boiler Replacement at Carterton Gateway School

I-1877

Closing date for return of ITT

Friday 2nd September 2022 @ 12pm

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**PART A – GENERAL INFORMATION**

1. DEFINITION OF TERMS

|  |  |  |
| --- | --- | --- |
|  | Council | means Oxfordshire County Council |
|  | Council’s Representative | Means Ana Lacerda, Mechanical Engineer, Minor Works the Council’s representative who will coordinate all communications with the Tenderer in relation to this ITT. |
|  | Invitation to Tender  (ITT) | means this document and all its appendices which has been sent to all Tenderers. |
|  | Portal | means the e-tendering system accessed via the South East Business Portal. |
|  | Services | means the goods, works and/or services sought by the Council in accordance with the provisions of this ITT. |
|  | Specification | means the description of the Services contained in Appendix 1 to this ITT. |
|  | Tender | means a Tenderer’s response to this ITT. |
|  | Tenderer | means the entity responding to this ITT. |
|  | Tenderer’s Representative | means the Tenderer’s representative who will coordinate all communications with the Council’s Representative in relation to this ITT. |

1. BACKGROUND TO THE PROCUREMENT

**Contract Notice reference: Carterton Gateway School Boiler Replacement**

**SSMP 2606**

**I-1877**

2.1 Boiler Replacement works at Carterton Gateway School with air source heat pump hybrid systems.

2.2 Tenderers are invited to tender for the provision of the Services described at Appendix 1 Specification for a term of approximately 12 weeks, anticipated to commence on 19th September 2022.

1. INSTRUCTONS FOR COMPLETION AND RETURN OF ITT

3.1 Please use the question and answer section of the Portal from where you downloaded this document to ask any question(s) regarding this document and/or the ITT process. Please note that the Council will issue all questions and answers to all Tenderers unless a Tenderer specifies that a question is confidential and the Council accepts that the question is confidential. The Council reserves the right to amend questions where necessary such that answers can be released without disclosing confidential material.

3.2 The ITT documentation that needs to be returned by potential bidders is listed as Sections A, B, C, D and E of this ITT. Failure to submit all documentation may result in your Tender being deemed non-compliant and not further considered by the Council.

* 1. Additional attachments should be clearly labelled in relation to the Section and question. In addition please indicate under the relevant question that this has been done.
  2. Tenders must be in English.
  3. If you reproduce the ITT, the paragraph numbering, content or wording of the questions must not be changed in any way.
  4. Where a question is not relevant to your organisation, you should respond “Not Applicable”.
  5. Please do not supply general marketing, promotional or similar material in response to a question, unless such material is specifically requested or the material supplied is particularly relevant to the question. In either event, the material should be marked clearly to show your name, the number of the question to which it relates and, if appropriate, the page number or the section of the material which is relevant.
  6. Please return an electronic copy of your Tender including any supporting material via the Portal from where you downloaded this ITT. Please allow sufficient time to upload all documents to the Portal before the deadline.
  7. Failure to submit your Tender by the closing time and date may result in your Tender not being considered.
  8. Tenders must remain valid and open for acceptance for six months from the closing date for return of the Tender.
  9. The Council may require you to clarify any part of your Tender or to supply additional information if it considers this appropriate.
  10. Where this ITT refers to UK legislation, qualifications, codes or similar matters you should, if you are established outside the UK, base your response on the equivalent legislation, qualifications or codes that apply in the relevant domestic jurisdiction.
  11. If you are a member of a group of companies (e.g. sister organisation, subsidiary etc.), the information in Section A of Part B of this Invitation to Tender should be completed on behalf of your organisation only and not on behalf of the group as a whole (except where group information is specifically requested).
  12. The Council will not accept a Tenderer’s terms of business in lieu of or in addition to the conditions included at Appendix 2. By submitting a Tender, Tenderers are agreeing to be bound by the conditions at Appendix 2 without further negotiation or amendment should their Tender be accepted, unless changes are agreed by the Council and such changes notified to all Tenderers prior to Tender submission.
  13. The ITT documentation must be accepted in its entirety and no alteration or modification by the Tenderer can be allowed unless notified and confirmed in writing by the Council’s Representative before the closing date for submission of Tenders. If any alteration is made or if the instructions are not fully complied with the Tender may be deemed non-compliant and not further considered by the Council.
  14. It is the Tenderer’s responsibility to ensure that all calculations and prices and other data in the Tender are correct at the time of submission. No amendment to the Tender documents will be allowed after the closing date for submission of Tenders. Unless otherwise explicitly set out, prices should be fully inclusive of all costs involved in delivering the Services and complying with the contract.

* 1. The Council reserves the right to:
     1. waive or change the requirements of this ITT from time to time without prior (or any) notice;
     2. withdraw this ITT at any time, or to re-invite Tenders on the same or any alternative basis;
     3. choose not to award any contract as a result of the current procurement process or award the contract in part.
  2. The Council will not be liable for any Tender costs, expenditure, work or effort incurred by a Tenderer in proceeding with or participating in this ITT process including if the process is terminated or amended by the Council.
  3. Although the information contained in this ITT is provided in good faith, the Council accepts no liability for any inaccuracy of information given or for any loss or damage arising therefrom.

1. SUBCONTRACTING AND CONSORTIA ARRANGEMENTS

Subcontracting arrangements

* 1. Where you propose to use one or more subcontractors to deliver some or all of the contract requirements, a separate Appendix should be used to provide details of the proposed bidding model that includes members of the supply chain, the percentage of work being delivered by each subcontractor and the key contract deliverables each subcontractor will be responsible for.
  2. The Council recognises that arrangements in relation to subcontracting may be subject to future change, and may not be finalised until a later date. However, Tenderers should be aware that where information provided to the Council indicates that subcontractors are to play a significant role in delivering key contract requirements, any changes to those subcontracting arrangements may affect the ability of the Tenderer to proceed with the procurement process or to provide the supplies and/or services required. Tenderers should therefore notify the Council immediately of any change in the proposed subcontractor arrangements. The Council reserves the right to deselect the Tenderer prior to any award of contract, based on an assessment of the updated information.

Consortia arrangements

* 1. If you are completing this ITT as part of a proposed consortium, the following information must be provided:
* names of all consortium members;
* the lead member of the consortium who will be contractually responsible for delivery of the contract (if a separate legal entity is not being created); and
* if the consortium is not proposing to form a legal entity, full details of proposed arrangements within a separate Appendix.
  1. Please note that the Council may require the consortium to assume a specific legal form if awarded the contract, to the extent that a specific legal form is deemed by the Council as being necessary for the satisfactory performance of the contract.
  2. All members of the consortium will be required to provide the information required in Section A as part of a single composite response to the Council i.e. each member of the consortium is required to complete the form.
  3. Where you are proposing to create a separate legal entity, such as a Special Purpose Vehicle (SPV), you should provide details of the actual or proposed percentage shareholding of the constituent members within the new legal entity in a separate Appendix.
  4. The Council recognises that arrangements in relation to a consortium bid may be subject to future change. Tenderers should therefore respond on the basis of the arrangements as currently envisaged. Tenderers are reminded that the Council must be immediately notified of any changes, or proposed changes, in relation to the bidding model so that a further assessment can be carried out by applying the selection criteria to the new information provided. The Council reserves the right to deselect the Tenderer prior to any award of contract, based on an assessment of the updated information.

1. SELECTION AND EVALUATION CRITERIA

Each compliant Tender received will be evaluated against a range of scored and mandatory criteria comprising the following:

**Phase 1** - **Mandatory Criteria (Pass/Fail) (Section A)**

Each Tender returned will be evaluated against mandatory criteria as set out in Table 1:

Table 1 Criteria for Phase 1 and respective weightings:

|  |  |  |
| --- | --- | --- |
| Section | **Criteria** | **Weighting %)** |
| 1 | Potential Supplier Information | Information only |
| 2 | Grounds for Mandatory Exclusion | Pass/Fail |
| 3 | Grounds for Discretionary Exclusion | Pass/Fail |
| 4 & 5 | Economic & Financial Standing | Pass/Fail |
| 6 | Technical & Professional Ability | Information Only |
| 7 | Modern Slavery Act 2015 | Pass/Fail |
| 8 | Additional Questions | Pass/Fail |
| 9 | Service Area Additional Questions | Pass/Fail |

Any Tenderer scoring a Fail will be non-compliant and their Tender failed.

Where a Tenderer answers Yes to questions 8.2.2, 8.3.2, 8.4.4, 8.5.3 and 8.6.1, a Pass will be subject to evidence of investigation and/or corrective action implemented to the satisfaction of the Council’s officers.

**Phase 2 – Tender Proposals (Section B and C)**

Tenderers must pass Phase 1 for their Tenders to be evaluated in Phases 2 and 3:

Any decision to award a contract(s) as a result of this ITT will be made on the basis of the Most Economically Advantageous Tender having regard to the following criteria:

The scored criteria set out in Table 2 using the mechanism for scoring set out in Tables 3 and 4

Table 2 Scored criteria for this ITT and respective weightings:

|  |  |  |  |
| --- | --- | --- | --- |
| **Criteria** | **Weighting (%)** | **Sub-criteria** | **Sub-criteria weighting (%)** |
| Quality | 40 |  |  |
| Price | 60 |  |  |

Table 3 Scoring mechanism for the scored criteria of this ITT:

|  |  |  |
| --- | --- | --- |
| **Comment** | **Judgement** | **Marks available** |
| Clear, relevant and well detailed response that addresses all the requirements and provides the evaluator with confidence that the service will be provided to an excellent standard. Demonstrates in detail how all the relevant requirements of the specification will be met. | Excellent | 5 |
| Clear and relevant response that addresses all the requirements and provides the evaluator with confidence that the service will be provided to a good standard. Demonstrates how all or most of the relevant requirements of the specification will be met. The information may lack relevant detail in areas, but this does not cause the evaluator concern over the future delivery of services. | Good | 4 |
| Response addresses all or most of the requirements and provides the evaluator with confidence that the service will be provided to an acceptable standard. Demonstrates how all or most of the relevant requirements of the specification will be met. However, the information lacks some relevant detail and/or raises issues which causes the evaluator minor concern over the future delivery of services. | Satisfactory | 3 |
| Response addresses all or some of the requirements but does not provide the evaluator with confidence that the service will be provided to an acceptable standard. Demonstrates how all or most of the relevant requirements of the specification will be met. However, the information is lacking relevant detail and/ or raises issues which gives the evaluator more than minor concern over the future delivery of the services. | Unsatisfactory | 2 |
| Response addresses all or some of the requirements but does not provide the evaluator with confidence that the service will be provided to an acceptable standard. Fails to demonstrate how most of the relevant requirements of the specification will be met. | Poor | 1 |
| Response does not address any of the requirements. Response fails to provide the evaluator with confidence that the service will be provided to an acceptable standard. Does not demonstrate how any of the relevant requirements of the specification will be met. | Failed | 0 |

Minimum Pass Threshold

Each Tender will be scored using the scoring matrix set out in Table [3]. The evaluation team will agree a consensus position on the scoring for each question/method statement. A moderator will record the evaluation scores and the rationale for the score.

Please note that if there are any mandatory requirements in the Specification which are not met, the Council will treat your Tender as non-compliant.

Any Tenderer scoring [2] or lower on any quality question will be non-compliant and their Tender failed.

Table 4 Scoring mechanism for Price

Tenderer’s price scores will be calculated based upon the lowest price submitted by Tenderers.

The Tenderer with the lowest price will be awarded the full score of 60%, with the remaining Tenderers gaining a pro-rated score in relation to how much higher their prices are when compared to the lowest price.

In the example below price is weighted as 60%:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Tenderer | Price | (price - lowest price) / lowest price = % above lowest price | 100% - % above lowest price | Score  Maximum points x (100% - % above lowest price) |
| 1 | £100 | (£100 - £100) / £100 = 0.00% | 100% - 0.00% = 100.00% | 60 x 100% = 60.00 |
| 2 | £125 | (£125 - £100) / £100 = 25.00% | 100% - 25.00% = 75.00% | 60 x 75% = 45.00 |
| 3 | £150 | (£150 - £100) / £100 = 50.00% | 100% - 50.00% = 50.00% | 60 x 50% = 30.00 |
| 4 | £175 | (£175 - £100) / £100 = 75.00% | 100% - 75.00% = 25.00% | 60 x 25% = 15.00 |
| 5 | £200 | (£200 - £100) / £100 = 100.00% | 100% - 100.00% = 0.00% | 60 x 0% = 0.00 |

Please note that no bidder will receive a minus score, so if the calculation does result in a minus score for price, a 0 will automatically be awarded.

**Phase 3 – Economic & Financial Standing (Pass/Fail) (Section D)**

Tenderers must be identified as the Most Economically Advantageous Tender at Phase 2 to be evaluated in Phase 3.

The Council will carry out assessment using three ratings models available via Procurement Dun and Bradstreet reports and 2 years of accounts. Tenderers will be assessed using the criteria set out in Table 5:

Table 5 Scoring mechanism for Financial Standing

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Criteria** | **Sub-Criteria** | **Weighting** | **Pass Mark** | **Ratios** |
| Ratio Analysis | Profitability | 30% | 15/30 | Gross & Net profit to Turnover |
| Liquidity | 30% | 15/30 | Interest Cover & Gearing |
| Gearing | 30% | 15/30 | Current Ratio & Quick Ratio |
| Turnover | | 10% | 5/10 | Contract Percentage of Turnover |
| **Total** | | **100%** | **50** |  |

Please refer to Section D of this ITT for more information on economic and financial requirements.

Where a Tenderer fails the financial stability test on their own financial information, a Parent Company Guarantee (PCG) may be offered. The Parent Company’s financial information will be assessed and must meet the pass criteria of Phase 3. Failure to provide a PCG in would be deemed a fail.

1. ADDITIONAL INFORMATION
   1. Freedom of Information

All information provided by you in your response to this ITT will remain confidential and will not be disclosed to any other party except where required for official audit purposes or to the extent that the Council considers that disclosure is required pursuant to the Freedom of Information Act 2000 or any other applicable legislation, legal requirement or code of practice.

* 1. Confidentiality

By receiving this ITT you agree to keep confidential the information contained in the ITT or made available in connection with further enquiries and questions. Such information may be made available to your employees and professional advisers for the purpose only of responding to this ITT.

When providing details of contracts in answering Section A5 (Technical and Professional Ability), the Tenderer agrees to waive any contractual or other confidentiality rights and obligations associated with these contracts.

The Council reserves the right to contact the named customer contact in Section A5 regarding the contracts nominated. The named customer contact does not owe the Council any duty of care or have any legal liability, except for any deceitful or maliciously false statements of fact.

The Council 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 Public Contracts Regulations.

* 1. Material Changes

At any time before the award of the contract, the Council reserves the right to disqualify any organisation whose circumstances change to the extent that it ceases to meet the selection criteria or makes a material change in respect of its Tender unless substantial justification can be provided to the satisfaction of the Council. Where a Tenderer becomes aware after having submitted a Tender of a change in circumstances or information supplied, it should notify the Council of this as soon as possible.

* 1. Armed Forces Covenant

The council is committed to the Armed Forces Covenant and encourages its Providers and Contractors to also add their support. Sign up is not mandatory and does not form part of any tender evaluation. Information can be accessed via:

<https://www.gov.uk/government/collections/armed-forces-covenant-supporting-information>

1. INDICATIVE ITT TIMETABLE

The deadline for the return of the ITT is as set out here unless otherwise notified by the Council. All other dates are indicative only and subject to change.

|  |  |
| --- | --- |
| **Activity** | **Target Date** |
| Advert placed on e-tendering Portal | Friday 12th August 2022 |
| Final date for submission of ITT questions | Thursday 25th August 2022 |
| Time period in which questions will be answered | ASAP |
| ITT closing time and date | Friday 2nd September 2022 12pm |
| Notification of award outcome to Tenderers | W/C 12th September 2022 |
| Contract start date | W/C 19th September 2022 |

**Appendix 1 - Specification**

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**Appendix 2 - Contract Conditions**

The conditions governing any contract awarded under this ITT are to be procured through a JCT Minor Works 2016 form of contract with amendments.



**PART B – INVITATION TO TENDER**

**SECTION A MANDATORY CRITERIA (PHASE 1) PASS/FAIL**

**SECTION 2 MANDATORY REJECTION CRITERIA**

You will be excluded from the procurement process if there is evidence of convictions relating to specific criminal offences including, but not limited to, bribery, corruption, conspiracy, terrorism, fraud and money laundering, or if you have been the subject of a binding legal decision which found a breach of legal obligations to pay tax or social security obligations (except where this is disproportionate e.g. only minor amounts involved).

If you have answered “yes” to question 2.3(a) on the non-payment of taxes or social security contributions, and have not paid or entered into a binding arrangement to pay the full amount, you may still avoid exclusion if only minor tax or social security contributions are unpaid or if you have not yet had time to fulfil your obligations since learning of the exact amount due. If your organisation is in that position please provide details. You may contact the Council for advice before completing this form.

**SECTION 3 DISCRETIONARY REJECTION CRITERIA**

The Council may exclude any Tenderer who answers ‘Yes’ in any of the following situations set out in section 3.

**Conflicts of interest**

In accordance with question 3.1(g), the Council may exclude the Tenderer if there is a conflict of interest which cannot be effectively remedied. The concept of a conflict of interest includes any situation where relevant staff members 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 there is any indication that a conflict of interest exists or may arise then it is the responsibility of the Tenderer to inform the Council, detailing the conflict in a separate Appendix. Provided that it has been carried out in a transparent manner, routine pre-market engagement carried out by the Council should not represent a conflict of interest for the Tenderer.

**Taking Account of Tenderers’ Past Performance**

In accordance with question 3.1(i), the Council may assess the past performance of a Tenderer (through a Certificate of Performance provided by a Customer or other means of evidence). The Council may take into account any failure to discharge obligations under the previous principal relevant contracts of the Tenderer responding to this ITT. The Council may also assess whether specified minimum standards for reliability for such contracts are met.

In addition, the Council may re-assess reliability based on past performance at key stages in the procurement process (e.g. contract award stage). Tenderers may also be asked to update the evidence they provide in this section to reflect more recent performance on new or existing contracts (or to confirm that nothing has changed).

**Please read the Guidance at Annex A**

**‘SELF-CLEANING’**

Any Tenderer that answers ‘Yes’ to questions in Sections 2, 3 & 8 should provide sufficient evidence that provides a summary of the circumstances and any remedial action that has taken place subsequently and effectively “self cleans” the situation referred to in that question. The Tenderer has to demonstrate it has taken such remedial action, to the satisfaction of the Council in each case.

If such evidence is considered by the Council (whose decision will be final) as sufficient, the economic operator concerned shall be allowed to continue in the procurement process.

In order for the evidence referred to above to be sufficient, the Tenderer shall, as a minimum, prove that it 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 by the Tenderer shall be evaluated taking into account the gravity and particular circumstances of the criminal offence or misconduct. Where the measures are considered by the Council to be insufficient, the Supplier shall be given a statement of the reasons for that decision.

**SECTION B SERVICE QUESTIONS (PHASE 2) 40%**

In order to progress to Phase 2 of the evaluation process, Tenderers must pass Phase 1 – Mandatory Criteria (Section A).

**Please complete separate attachment titled Appendix 3 Response Pack**

**SECTION C PRICING SCHEDULE (PHASE 2) 60%**

In order to progress to Phase 2 of the evaluation process, Tenderers must pass Phase 1 – Mandatory Criteria.

**Please complete separate attachment titled Appendix 3 Response Pack/ Pricing Document**

**COMPLETING THE PRICING DOCUMENT**

You should identify all potential cost components anticipated in your delivery of the Services described in Appendix 1 Specification. No additional costs will be considered by the Council unless these are clearly stated in your Pricing Schedule response.

All prices should exclude VAT.

**EVALUATION**

Tenders will be evaluated on whole life costs.

Tenderer’s price scores will be calculated based upon the lowest price submitted by Tenderers.

The Tenderer with the lowest price will be awarded the full score of [70%], with the remaining Tenderers gaining a pro-rated score in relation to how much higher their prices are when compared to the lowest price.

**SECTION D ECONOMIC & FINANCIAL STANDING (PHASE 3) (Pass/Fail)**

In order to progress to Phase 3 of the evaluation process, Tenderers must pass Phase 1 – Mandatory Criteria, and be identified as the Most Economically Advantageous Tender at Phase 2.

Where a Tenderer fails the financial stability test on their own financial information, a Parent Company Guarantee (PCG) may be offered. The Parent Company’s financial information will be assessed and must meet the pass criteria. Failure to provide a PCG would be deemed a fail.

Where a Tenderer fails the financial stability test(s) above the contract(s) will be awarded to the next Most Economically Advantageous Tender subject to Phase 3 evaluation.

**Please complete the table in Section D of Appendix [4 ] –Tender Response Pack**

**Please Note: Tenderers do not need to submit the selected financial information as part of their submission. Please have this information ready to submit from 12th September 2022.**

**GUIDANCE**

1. Introduction
   1. The Council will assess the potential service provider’s finances as follows; -

For tenders above the Public Contract Regulations 2015 (“PCR 2015”) threshold (£177,897.50 at the time of publication of this ITT), the test will include an assessment of the finances as per section 3 below, and an assessment via Dun and Bradstreet as per section 4 below.

For tenders below the PCR 2015 threshold, the assessment will be via Dun and Bradstreet as per section 4 below. If the potential service provider fails the section 4 assessment, the assessment in section 3 will be conducted.

1. **Financial Submission Documents**
   1. There is no requirement to submit financial documents with your Tender return. The potential service provider will be asked to submit their latest 2 years audited or signed accounts[[1]](#footnote-1). These must include both a statement of income & expenditure and balance sheet and be provided as a separate set of accounts for each year. See also paragraph 2.3.
   2. Where it is not possible to submit the documents stated in paragraph 2.1 an income and expenditure account shall be submitted for the two most recent financial years and be provided as a separate set of accounts for each year1. These must either be signed by the potential service provider 's accountant or accompanied by the tax return to validate the figures. See also paragraph 2.3.
   3. Where the most recent financial year end for the documents specified in paragraphs 2.1 or 2.2 is greater than 6 months prior to submission, either an interim set of accounts (which reduces the period to less than 6 months) or a statement (which either confirms no significant change or states significant changes to the finances) signed by your Financial Director, Accountant or Company Director must also be submitted. For example, if the most recent accounts submitted have a year-end date of 31 March 2016 and the submission date is after 30 September 2016 this would be required.
   4. If the potential service provider has not been operating for long enough to have 2 sets of financial statements, the requirements are set out in section 5 below relating to new companies.
   5. When assessing charitable or not for profit organisations an allowance will be made in the tests, particularly the profitability test. It is therefore important that this status is made clear in any submissions.
   6. The Council may also seek further evidence of the financial viability of the organisation to inform a risk assessment to determine whether the Council can be sufficiently satisfied of financial standing. The Council’s determination of financial viability within these thresholds will be final and failure to satisfy the Council of sound financial standing will disqualify the potential service provider.
   7. The Council will, when undertaking the assessment in section 3 and 4 below, check for any indicators that suggest there are any potential breaches of obligation to pay taxes as part of the due diligence of the potential provider’s bid.
2. **Financial Accounts Evaluation**

3.1.Accounts will be assessed using the below criteria for the potential service provider.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Criteria** | **Sub-Criteria** | **Weighting** | **Pass Mark** | **Ratios** |
| Ratio Analysis | Profitability | 30% | 15/30 | Gross & Net profit to Turnover |
| Liquidity | 30% | 15/30 | Interest Cover & Gearing |
| Gearing | 30% | 15/30 | Current Ratio & Quick Ratio |
| Turnover | | 10% | 5/10 | Contract Percentage of Turnover |
| **Total** | | **100%** | **50/100** |  |

Financial accounts and supporting information should wherever possible be provided in English and GBP Sterling. Where this is not possible, the Council will use an exchange rate where necessary as part of the assessment of financial standing. The source of the exchange rate will usually be www.xe.com and the rate used can be notified to the potential service provider by the Council at the time the assessment is made.

3.2.The potential service provider must score the minimum pass mark for each test in the table above and meet the criteria to pass Procurement Dun and Bradstreeet assessment in section 4 below. Where a company fails any of the sub criteria or the Procurement Dun and Bradstreet assessment the Council will carry out further analysis and may request further information to assure itself that the additional risk this poses is acceptable.

1. Procurement Dun and Bradstreet Evaluation

4.1.The Council will carry out assessment using ratings models available via Procurement Dun and Bradstreet reports:

• D&B Risk Indicator

• D&B Financial Strength Indicator

4.2.The potential service provider will be classified as financially stable if a pass rating is achieved on the checks identified and included above. The minimum pass ratings for each model is outlined below and a summary Table is also provided showing the Pass/Fail list that is created by this check.

• D&B Risk Indicator – Equals 1 or 2

• D&B Financial Strength Indicator – Must not be “negative” or “undetermined”.



* 1. A potential service provider not achieving a pass rating on two or more of the models due to fail ratings or unavailable ratings will be subject to the assessment in section 3.
  2. Please note that this company check is not a credit check search and will have no impact on your credit rating. The Council reserves the right to carry out company checks on your company throughout the life of this contract.

1. **New Organisations**
   1. For organisations with less than 2 years’ accounts available, the financial submission documentation is:

* As much of the financial documentation set out under section 2 above as possible.
* Business plans and projections for the length of the contract.
  1. Where a new company is created as a result of a merger the financial submission documentation is:
* As much of the financial documentation set out under section 2 above as possible.
* Accounts for the remainder of the prior two years for all businesses which were involved in the merger, along with an explanation of significant accounting or operational changes.
  1. Based on the documents submitted testing will be carried out and an analysis of the risk level to the Council considered.

1. **Parent Company Guarantee** 
   1. If a company wishes to rely on the accounts of their parent company, the above requirements and tests will apply to the parent company’s accounts.
   2. A letter from the parent company stating that they are willing to provide a parent company guarantee must also be submitted.
   3. The parent company accounts will only be assessed where the Council deems this to be appropriate. The Council will normally rely on the accounts of the company itself.
   4. Where a company fails to pass these tests on their own accounts they may be offered the opportunity to submit parent company accounts.
2. **Contract Value Limits**
   1. All tenderers will be eligible to be awarded a minimum contract value of £25,000, as described in paragraph 2.5 if they are successful within other parts of the assessment.
   2. Where tender documents submitted match those described in paragraph 2.2 above, tenderers may only be awarded a contract up to a maximum of £177,897.50. A turnover test listed in section 3 above will be applied to risk assess the maximum annual contract value for each tenderer. This will be a minimum of £25,000 and a maximum of £177,897.50.
   3. Where tender documents submitted match those described in paragraph 1.1 above, there will be no capped maximum contract value. The tests listed in section 3 below will be used by the Council to assess the risks presented by the annual contract value for each tenderer.
   4. Where a Dun and Bradstreet (see 4.2 above) pass is achieved tenderers in any of the above categories will automatically be awarded up to £177,897.50 as described in paragraph 7.3 above. Further testing may however increase this limit.
   5. The table below provides a summary of tenderer contract value limits:

|  |  |
| --- | --- |
| **Financial Documentation Submitted** | **Maximum Contract Value** |
| None | £25,000 |
| Income & Expenditure Statement | £177,897.50 |
| Dun & Bradstreet Pass Alone | £177,897.50 |
| Income & Expenditure Statement and Balance Sheet | Unlimited[[2]](#footnote-2) |

**SECTION E FORM OF TENDER**

**Please complete separate attachment titled Appendix 3 Tender Response Pack**

**Annex A – Mandatory and Discretionary Exclusion Grounds Guidance**

**MANDATORY EXCLUSION GROUNDS**

**Public Contract Regulations 2015 R57(1), (2) and (3)**

**Public Contract Directives 2014/24/EU Article 57(1)**

**Participation in a criminal organisation**

Participation offence as defined by section 45 of the Serious Crime Act 2015

Conspiracy within the meaning of

* section 1 or 1A of the Criminal Law Act 1977 or
* article 9 or 9A of the Criminal Attempts and Conspiracy (Northern Ireland) Order 1983

where that conspiracy relates to participation in a criminal organisation as defined in Article 2 of Council Framework Decision 2008/841/JHA on the fight against organised crime;

**Corruption**

Corruption within the meaning of section 1(2) of the Public Bodies Corrupt Practices Act 1889 or section 1 of the Prevention of Corruption Act 1906;

The common law offence of bribery;

Bribery within the meaning of sections 1, 2 or 6 of the Bribery Act 2010, or section 113 of the Representation of the People Act 1983;

**Fraud**

Any of the following offences, where the offence relates to fraud affecting the European Communities’ financial interests as defined by Article 1 of the convention on the protection of the financial interests of the European Communities:

* the common law offence of cheating the Revenue;
* the common law offence of conspiracy to defraud;
* fraud or theft within the meaning of the Theft Act 1968, the Theft Act (Northern Ireland) 1969, the Theft Act 1978 or the Theft (Northern Ireland) Order 1978;
* fraudulent trading within the meaning of section 458 of the Companies Act 1985, article 451 of the Companies (Northern Ireland) Order 1986 or section 993 of the Companies Act 2006;
* fraudulent evasion within the meaning of section 170 of the Customs and Excise Management Act 1979 or section 72 of the Value Added Tax Act 1994;
* an offence in connection with taxation in the European Union within the meaning of section 71 of the Criminal Justice Act 1993;
* destroying, defacing or concealing of documents or procuring the execution of a valuable security within the meaning of section 20 of the Theft Act 1968 or section 19 of the Theft Act (Northern Ireland) 1969;
* fraud within the meaning of section 2, 3 or 4 of the Fraud Act 2006;
* the possession of articles for use in frauds within the meaning of section 6 of the Fraud Act 2006, or the making, adapting, supplying or offering to supply articles for use in frauds within the meaning of section 7 of that Act;

**Terrorist offences or offences linked to terrorist activities**

Any offence:

* listed in section 41 of the Counter Terrorism Act 2008;
* listed in schedule 2 to that Act where the court has determined that there is a terrorist connection;
* under sections 44 to 46 of the Serious Crime Act 2007 which relates to an offence covered by the previous two points;

**Money laundering or terrorist financing**

Money laundering within the meaning of sections 340(11) and 415 of the Proceeds of Crime Act 2002

An offence in connection with the proceeds of criminal conduct within the meaning of section 93A, 93B or 93C of the Criminal Justice Act 1988 or article 45, 46 or 47 of the Proceeds of Crime (Northern Ireland) Order 1996

**Child labour and other forms of trafficking human beings**

An offence under section 4 of the Asylum and Immigration (Treatment of Claimants etc.) Act 2004;

An offence under section 59A of the Sexual Offences Act 2003

An offence under section 71 of the Coroners and Justice Act 2009;

An offence in connection with the proceeds of drug trafficking within the meaning of section 49, 50 or 51 of the Drug Trafficking Act 1994

An offence under section 2 or section 4 of the Modern Slavery Act 2015

**Non-payment of tax and social security contributions**

Breach of obligations relating to the payment of taxes or social security contributions that has been established by a judicial or administrative decision.

Where any tax returns submitted on or after 1 October 2012 have been found to be incorrect as a result of:

* HMRC successfully challenging the potential supplier under the General Anti – Abuse Rule (GAAR) or the “Halifax” abuse principle; or
* a tax authority in a jurisdiction in which the potential supplier is established successfully challenging it under any tax rules or legislation that have an effect equivalent or similar to the GAAR or “Halifax” abuse principle;
* a failure to notify, or failure of an avoidance scheme which the supplier is or was involved in, under the Disclosure of Tax Avoidance Scheme rules (DOTAS) or any equivalent or similar regime in a jurisdiction in which the supplier is established

**Other offences**

Any other offence within the meaning of Article 57(1) of the Directive as defined by the law of any jurisdiction outside England, Wales and Northern Ireland

Any other offence within the meaning of Article 57(1) of the Directive created after 26th February 2015 in England, Wales or Northern Ireland

**DISCRETIONARY EXCLUSION GROUNDS**

**Obligations in the field of environment, social and labour law.**

Where an organisation has violated applicable obligations in the fields of environmental, social and labour law established by EU law, national law, collective agreements or by the international environmental, social and labour law provisions listed in Annex X to the Directive (see copy below) as amended from time to time; including the following:-

* Where the organisation or any of its Directors or Executive Officers has been in receipt of enforcement/remedial orders in relation to the Health and Safety Executive (or equivalent body) in the last 3 years.
* In the last three years, where the organisation has had a complaint upheld following an investigation by the Equality and Human Rights Commission or its predecessors (or a comparable body in any jurisdiction other than the UK), on grounds of alleged unlawful discrimination.
* In the last three years, where any finding of unlawful discrimination has been made against the organisation by an Employment Tribunal, an Employment Appeal Tribunal or any other court (or incomparable proceedings in any jurisdiction other than the UK).
* Where the organisation has been in breach of section 15 of the Immigration, Asylum, and Nationality Act 2006;
* Where the organisation has a conviction under section 21 of the Immigration, Asylum, and Nationality Act 2006;
* Where the organisation has been in breach of the National Minimum Wage Act 1998.

**Bankruptcy, insolvency**

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;

**Grave professional misconduct**

Guilty of grave professional misconduct

**Distortion of competition**

Entered into agreements with other economic operators aimed at distorting competition

**Conflict of interest**

Aware of any conflict of interest within the meaning of regulation 24 due to the participation in the procurement procedure

Been involved in the preparation of the procurement procedure**.**

**Prior performance issues**

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.

**Misrepresentation and undue influence**

The organisation has influenced 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.

**ADDITIONAL EXCLUSION GROUNDS**

**Breach of obligations relating to the payment of taxes or social security contributions.**

**ANNEX X Extract from Public Procurement Directive 2014/24/EU**

**LIST OF INTERNATIONAL SOCIAL AND ENVIRONMENTAL CONVENTIONS REFERRED TO IN ARTICLE 18(2) —**

* ILO Convention 87 on Freedom of Association and the Protection of the Right to Organise;
* ILO Convention 98 on the Right to Organise and Collective Bargaining;
* ILO Convention 29 on Forced Labour;
* ILO Convention 105 on the Abolition of Forced Labour;
* ILO Convention 138 on Minimum Age;
* ILO Convention 111 on Discrimination (Employment and Occupation);
* ILO Convention 100 on Equal Remuneration;
* ILO Convention 182 on Worst Forms of Child Labour;
* Vienna Convention for the protection of the Ozone Layer and its Montreal Protocol on substances that deplete the Ozone Layer;
* Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (Basel Convention);
* Stockholm Convention on Persistent Organic Pollutants (Stockholm POPs Convention)
* Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade (UNEP/FAO) (The PIC Convention) Rotterdam, 10 September 1998, and its 3 regional Protocols.

**Consequences of misrepresentation**

A serious misrepresentation which induces a contracting authority to enter into a contract may have the following consequences for the signatory that made the misrepresentation:-

* The potential supplier may be excluded from bidding for contracts for three years, under regulation 57(8)(h)(i) of the PCR 2015;
* The contracting authority may sue the supplier for damages and may rescind the contract under the Misrepresentation Act 1967.
* If fraud, or fraudulent intent, can be proved, the potential supplier or the responsible officers of the potential supplier may be prosecuted and convicted of the offence of fraud by false representation under s.2 of the Fraud Act 2006, which can carry a sentence of up to 10 years or a fine (or both).
* If there is a conviction, then the company must be excluded from procurement for five years under reg. 57(1) of the PCR (subject to self-cleaning).

1. [↑](#footnote-ref-1)
2. The lifetime contract value is unlimited; however an annual limit may be imposed or risk assessed following the assessment described in section 3.3. [↑](#footnote-ref-2)