

## **London Borough of Southwark**

### **Southwark Works: Employment Support Service Framework**

# **A: Supplier Selection Guidance**

<b>Project Title</b>	<b>Southwark Works: Employment Support Framework</b>
<b>Project Reference</b>	<b>DN644762</b>
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## **1 Introduction**

- 1.1** The London Borough of Southwark would like to thank you for expressing an interest in this procurement. This document provides you with general information about Southwark, the current and new Services and specific information regarding the evaluation process for the attached Standard Selection Questionnaire (SQ).

## **2 About Southwark**

- 2.1** Southwark is an exciting and vibrant borough in the heart of London. We have a hugely diverse and talented population living, working and enjoying the borough from Rotherhithe and Bermondsey in the north, through Walworth, Camberwell and Peckham to Dulwich in the south. The council is proudly ambitious, wanting the borough to be the best it can be and for the opportunities we enjoy to be available for all.
- 2.2** Southwark thrives when people have quality, well paid jobs and can play their part in our economy. Having a strong local economy benefits everyone who lives, works and visits the borough. We will continue to grow the economy by supporting local businesses, investing in those setting up new businesses and tackling low pay and inequality. We want to make sure that all Southwark residents have the opportunity to achieve their potential and that low income or lack of qualifications does not hold people back from securing good work. We continue to invest in skills and employability, to ensure residents are equipped with the tools they need to find employment and to progress to better work.
- 2.3** Since 2014 we have supported over 10,000 residents into work (including many of those furthest from the labour market), and created around 4,000 apprenticeships. Over the same period, the council has also cemented its reputation as a business friendly borough, building new strategic partnerships with local businesses. We grew the business base by one-third and increased five-fold the number of accredited London Living Wage employers in Southwark as we became London's first accredited Living Wage Borough. Despite these successes, the challenges of the past few years demand that we revisit our approach.
- 2.4** Supporting people into jobs remains a key priority for the council. Since the Southwark Works service was last commissioned in 2018, the wider national and local economy has suffered an intense shock caused by the public health crisis, Covid-19. This and Brexit have had and will continue to have a profound and far-reaching impact on Southwark's local economy. In addition, significant increases to the cost of living and UK recession threaten to drag more people into poverty and further harm those who are already struggling with daily expenses. These events have highlighted and reinforced existing economic inequalities and the manner in which these interplay with social inequalities to affect life chances in our borough.
- 2.5** Work is underway on developing Southwark 2030, the council's vision for how the borough will look and feel in the long term and the contribution residents, businesses, public sector partners, the voluntary and community sector, the Council and others will make to deliver on that vision. The delivery of employment support for those

further from work is key in helping the council shape the future of the borough. In addition, in September 2022, Cabinet adopted a new council delivery plan, which includes the commitment to a thriving and inclusive economy. The delivery plan also sets out a number of ambitions, relating to employment and skills, that the council will deliver over the next four years including:

- a. Supporting residents hit hardest by the cost of living crisis.
- b. Creating 2,000 green jobs for local people and opening a new Green Skills Centre.
- c. Supporting residents who face the most barriers to employment into jobs; delivering free support to get a job for people who face the most barriers, including young people, people with disabilities and parents and carers returning to work and third sector organisations.
- d. Supporting residents to gain skills for work, creating 2,000 apprenticeships and 3,000 training opportunities so local people can take up careers in our borough's growth industries.

- 2.6** Southwark Works is the council's longstanding employment support programme and is formed of a network of providers who offer a range of tailored employment support based on underlying needs, such as mental health, homelessness or disability. This model aims to ensure there is expertise available locally to deal with the range of issues that affect resident's ability to gain and sustain employment whilst providing a recruitment service for local employers.

### **3 The Authority's objectives**

- 3.1** The Authority strongly supports and implements its Fairer Future programme, details of which can be found on its website at [www.southwark.gov.uk](http://www.southwark.gov.uk). Further details about the authority's requirements for the contract, which are linked to the Fairer Future programme and other corporate policy will be set out in the tender and contract documentation.
- 3.2** Under the Public Services (Social Value) Act 2012 the Authority must consider how what is proposed to be procured might improve the economic, social and environmental well-being of the area where it exercises its functions, and how, in conducting the process of procurement, it might act with a view to securing that improvement. Accordingly, the subject matter of the contract has been scoped to take into account the priorities of the Authority relating to economic, social and environmental well-being. These priorities are described in the invitation to tender and are reflected in environmental and social characteristics in the evaluation criteria for the award of the contract.
- 3.3** Southwark Works is the council's longstanding employment support programme and is formed of a network of providers who offer a range of tailored employment support based on underlying needs, such as mental health, homelessness or disability. This model aims to ensure there is expertise available locally to deal with the range of challenges that affect resident's ability to gain and sustain employment whilst providing a recruitment service for local employers.

- 3.4 The Authority is seeking to appoint providers to deliver our local employment support services through a framework agreement; as set out in the service specification (Section 4).

## 4 Current and future Service requirements

### 4.1 Current Services

The current Services are managed by Southwark Council's Local Economy Team. They are provided externally through contracts procured through the existing Framework Agreement. The current contracts were awarded in May 2019 (with a start date of 1<sup>st</sup> July 2019) for a two year period with the option to extend for a further two years. With the exception of the current lot 1 contracts, which were awarded in August 2019 (with a start date of 1<sup>st</sup> October 2019) for a period of 21 months with the option to extend for a further two years. The option to extend was utilised for all contracts and the current contracts are due to expire on 30<sup>th</sup> June 2023.

### 4.2.1 Future Services

The Authority is seeking to establish a new Framework Agreement to run for a four year period. Contracts will be awarded under the Framework Agreement for a period of two years, to commence on 1<sup>st</sup> July 2023 and will include the option, at the Authority's sole discretion, to extend up to a maximum of two further years through the implementation of the extension (subject to the successful Consultants' adherence to the Agreements and yearly reviews). The Services are described in detail in specification. The estimated maximum value for each contract ranges from £77,000 to £165,000 depending on the lot (and as detailed in the Specification – Section 4).

- 4.2.2 The details of each lot are set out in Table 1 below.

**Table 1 – Framework structure**

Lot	Title	Maximum number of providers appointed to the framework	Intended number of initial call-off contracts offered per lot	Maximum individual call-off contract value per annum	Initial contract term
<b>Lot 1</b>	Vulnerable young people including care leavers  Sub lots: 1a – Learning difficulties  1b – Involvement	6	3	£143,000	2 (with option to extend for a further 2 years)

	with criminal justice system  1c – Risk of long term unemployment				
<b>Lot 2</b>	People aged 50+ or with physical health conditions / disabilities	4	1	£165,000	2 (with option to extend for a further 2 years)
<b>Lot 3</b>	Mental health	4	1	£160,000	2 (with option to extend for a further 2 years)
<b>Lot 4</b>	Learning disabilities and learning difficulties, including autism	4	1	£165,000	2 (with option to extend for a further 2 years)
<b>Lot 5</b>	Parents and unpaid carers	4	1	£165,000	2 (with option to extend for a further 2 years)
<b>Lot 6</b>	Ex-offenders	4	1	£143,000	2 (with option to extend for a further 2 years)
<b>Lot 7</b>	Substance Use	4	1	£77,000	2 (with option to extend for a further 2 years)
<b>Lot 8</b>	Homelessness	4	1	£165,000	2 (with option to extend for a further 2 years)
<b>Lot 9</b>	In work support	4	1	£150,000	2(with option to extend for a further 2 years)

**4.2.3** Potential suppliers may bid for any number of lots. A single supplier can be appointed to a maximum of 5 lots across the Framework and can hold a maximum of 3 contracts at any one time.

**4.3 TUPE:** Potential suppliers should note that the view of the Authority is that the provisions of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) are likely to apply to the award of contracts, although potential suppliers

should seek their own independent advice in that regard and the Authority offers no assurance in respect of the operation, effect or impact of TUPE on the contracts.

## 5 Procurement Route and Timetable

- 5.2 The Public Contracts Regulations 2015 apply to this procurement (the “Regulations”). The Authority is using the restricted procedure in accordance with Regulation 28 of the Regulations.
- 5.3 Services of the nature of those covered by this project are designated as “Schedule 3” Services (the Social and Other Specific Services) under the Regulations and as such are not subject to the full requirements of the Regulations. The Authority is only bound by the application of the Regulations to the extent that they are applicable to Schedule 3 services. The procurement is covered by Regulations 74 to 76 (the Light Touch Regime).
- 5.4 Allowing for the completion of the various formalities and Authority approvals, it is envisaged that the new provider will be appointed to the Framework by the date identified in Table 2.
- 5.5 A summary of the procurement timetable is set out below in Table 2.

**Table 2: Indicative Procurement Timetable**

Activity	Date
Publication of public advertisement	06/02/23
SQ clarification requests deadline	20/02/23
SQ submission deadline	27/02/23
ITT issued	13/03/23
ITT clarification request deadline	04/04/23
ITT submission deadline	11/04/23
ITT clarification meetings	25/04/23 26/04/23
ITT evaluation and clarification completed	02/05/23
Authority decision making process	02/05/23 – 15/05/23
Notice of contract award decision	15/05/23
Mobilisation Period	24/05/23
Start of contract	01/07/23
Contract End Date (initial term)	30/06/25

## 6 Instructions to Potential Suppliers

### 6.1 SQ submissions – specific requirements

- 6.2 The procurement process will commence with a pre-qualification phase. A SQ is included within the documents uploaded to the council's procurement portal.
- 6.3 The SQ sets out the information to be provided by organisations wishing to express an interest. It is structured so that the Authority obtains information on the potential supplier's experience, ability and history to assess their suitability to deliver the Authority's contract requirements. The Authority will select the shortlist to tender based on our evaluation of the responses and information made available to it. Following evaluation of responses to the SQ a short list of the top five highest ranked potential suppliers will be drawn up. The shortlisted suppliers will be selected to participate in the Invitation to Tender (ITT) phase. In the event that the sixth ranked potential supplier obtains a score that is within 2% of the fifth ranked potential suppliers' score, the Authority reserves the right to invite the sixth ranked potential supplier to tender as well.
- 6.4 Potential suppliers must complete the attached SQ in full – cross referencing to other applications is not sufficient. Failure to include information requested in mandatory fields may lead to the application being discounted. Responses must be explicit and comprehensive as this will be the single source of information on which potential suppliers will be scored and ranked. Potential suppliers are advised not to make any assumptions about their past nor current supplier relationships with the Authority, nor to assume that such prior business relationships will be taken into account in the selection procedure other than where such information is required in completing the SQ.
- 6.5 **Supporting documents:** Please include, where appropriate, any supporting documents marking clearly on all enclosures the name of your firm and the number of the question to which they refer. You should provide an index of all documents referred to in the completed SQ.
- 6.5.1 **Question 1.2(a)(iii) – Group of economic operators:** 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. Please note that the Authority 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 authority as being necessary for the satisfactory performance of the contract.
- 6.6 **Question 1.2 (b) (ii) - Sub-contracting arrangements:** Where a potential supplier proposes to use one or more sub-contractors 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 sub-contractor and the key contract deliverables each sub-contractor will be responsible for.
- 6.7 Responses to 6.4 will need to be tailored to the lot(s) that potential suppliers are bidding for and responses must be completed in the relevant appendix (e.g. if applying for Lot 1, complete Appendix 1, if you are applying for Lot 2, complete Appendix 2 etc.)



- 6.8 Responses to questions 6.2 and 6.4 have a page limit of one A4 pages for each question and must be answered in English and submitted Arial, size 11, black font. The page limit set should not be exceeded and any additional wording may be disregarded. All additional pages and all supporting information should be presented in the same order as, and should be referenced, to the relevant question.
- 6.9 All responses must be in English, and any electronic submissions must be MS Word compatible.
- 6.10 The Authority will accept a self-assessment of compliance with the exclusion and selection criteria at this early stage of procurement. The evidence is only required when the winning bidder(s) have been identified, or at an earlier stage if that is necessary to ensure the proper conduct of the procedure.
- 6.11 The authority will also accept the self-certification of the exclusion grounds via an SPD template, if a potential supplier submits one as part of this selection process.

## **7 Enquiries and Clarifications**

- 7.1 If you have any queries in relation to this document and the SQ they should be made via Authority's tender portal as soon as possible and in any case not later than 5pm on 20<sup>th</sup> February 2023. Responses to any queries raised by potential suppliers regarding this procurement will be responded to in writing within 5 working days by the authority. All exchanges must be kept strictly confidential by potential suppliers, their advisers and their consultants. Potential suppliers will be asked to enter into confidentiality agreements should it become appropriate to release confidential information. Where responses to enquiries provide further information or clarification in relation to the project, the authority will also communicate such information to other potential suppliers. The confidentiality of prospective proposals will be respected.
- 7.2 **The deadline for receipt of completed SQs is 5.00 pm on 27th February 2023.** Completed SQs must be uploaded to the Authority's tender portal before the deadline. SQs submitted after this deadline may not be considered.
- 7.3 If you do not wish to proceed, in order to help Southwark Council ensure continuous improvement in its services, we would be grateful if you would advise us of your reasons for withdrawing.

## **8 SQ – General requirements**

- 8.1 If at any time during the tender period there are any material changes to the information provided by a potential supplier in their response to the SQ, they must advise the Authority promptly in writing.
- 8.2 The Authority will not reimburse any expense incurred by the potential supplier in preparing responses to the SQ.

**8.3 Right to cancel or vary the process:** the Authority reserves the right to:

- cancel the selection and evaluation process at any stage; and/or
- require a potential supplier to clarify its submission in writing and/or provide additional information; and/or
- amend the terms and conditions of the tendering process.
- and shall not be liable for any third party costs, disbursements or otherwise arising as a direct or indirect result of such cancellation, withdrawal or non-consideration.

**8.4 Disclaimer:** this document does not constitute the whole or any part of an offer or contract. This document is supplied entirely without prejudice. The information contained within and supplied with this SQ has been prepared by the authority in good faith but does not purport to be accurate, complete and exhaustive or to have been independently verified or to contain all of the information that a potential supplier may require. Nothing in the SQ is warranted by the authority or its advisors nor shall it be deemed a promise or representation as to the future nor incur any liability arising out of any reliance being placed on it. Potential suppliers shall further be deemed to have carried out all necessary research, investigations and due diligence and all necessary enquiries in order to have satisfied themselves as to the nature, extent, volume and requirements of the Contract, their obligations described in the SQ, the extent of the personnel, equipment, assets, plant and machinery which may be required, the suitability or correctness of any statement and any other matter which may affect their bids.

**8.5 Contact with the Authority:** all contact with the Authority shall only be made through methods identified in this document. No contact shall be made with other councillors, officers or employees of the Authority or any other Authorities or statutory bodies in relation to these proposed contracts without the prior written consent of the Authority.

**8.6 Canvassing, collusion and corruption:** any potential supplier who directly or indirectly:

- canvasses any member or official of the authority, or their legal, financial or technical advisors, concerning the award of the contract,
- engages in any corrupt practice involving councillors or officials of the authority or their advisers;
- discusses any aspect of their response to this SQ with any other potential supplier, or otherwise exchanges information or colludes in respect of the contract;
- commits any offence under the Bribery Act 2010 or gives any fee or reward the receipt of which is an offence under s17(2) of the Local Government Act 1972;

will be disqualified from further participation in this procurement process.

**8.7 Freedom of Information Requests:**

8.7.1 In accordance with the obligations and duties placed upon public authorities by the Freedom of Information Act 2000 (the 'FoIA'), all information submitted to the authority may be disclosed in response to a request made

pursuant to the FoIA. In respect of any information submitted by a potential supplier that it considers being commercially sensitive the potential supplier should:

- Clearly identify such information as commercially sensitive;
- Explain the potential implications of disclosure of such information; and
- Provide an estimate of the period of time during which the potential supplier believes that such information will remain commercially sensitive

8.7.2 Where a potential supplier identifies information as commercially sensitive, the Authority will endeavour to maintain confidentiality. Potential suppliers should note however, that even where information is identified as commercially sensitive, the authority might be required to disclose such information in accordance with the FoIA. Accordingly, the authority cannot guarantee that any information marked 'commercially sensitive' will not be disclosed.

8.7.3 Potential suppliers should note that the Authority may disclose the names of any/all potential suppliers pursuant to an FoIA request and by expressing interest in this procurement, potential suppliers are deemed to give their consent to the disclosure of its name by the authority.

8.8 **Confidentiality:** potential suppliers should treat all information and documents issued by the authority and their advisors as private and confidential and the express written consent of the Authority must be obtained prior to the release of information or documents to any third party other than their own funders, advisors or proposed sub-contractors who should be made aware of the requirements of confidentiality before information or documents are released to them. If you are unable or unwilling to comply with this requirement, you are required to destroy this SQ and all associated documents immediately and not retain any electronic or paper copies.

## 9 Evaluation of the Standard Selection Questionnaire

9.1 The Authority will assess the SQ responses in three stages:

**Stage 1** – a compliance check will establish that all of the information requested has been provided and all questions answered. The Authority shall check each SQ response upon receipt to verify a complete and authority compliant submission. The Authority reserves the right to reject/disqualify any potential supplier that submits an incomplete SQ. The Authority will then check responses to the mandatory and discretionary criteria.

**Stage 2** - compliant SQ responses will then be assessed on a pass/fail basis against the Minimum Standards set out in Table 3.

**Stage 3** - SQ responses to Section 6 (specific questions to assess Technical and Professional Ability i.e. questions 6.2 and 6.4) will then be scored and weighted in accordance with the methodology set out below.

**Table 3 – SQ Evaluation Criteria**

	<b>Section</b>	<b>Maximum Score Achievable</b>
1	Potential supplier information	Info only
2	Grounds for mandatory exclusion	Pass/Fail
3	Grounds for discretionary exclusion	Pass/Fail
4	Economic and financial standing	Pass/Fail
5	Wider group details	Pass/Fail
6.1, 6.3,	Technical and professional ability	Pass/Fail
6.2, 6.4	Project Specific Questions – See table 5	Scored
7	Modern Slavery Act 2015 requirements	Pass/Fail
8.1	Insurance	Pass/Fail
8.2	Skills and Apprentices	Pass/Fail

## **9.2 Section 1 – Applicant Information – Information only**

- 9.2.1 Applicants are required to complete Section 1 (Applicant Information) of the SQ. Any Applicant who fails to provide all of the information required may, at the discretion of the Authority, be deemed non-compliant and excluded from the procurement process.

## **9.3 Section 2 - Grounds for mandatory exclusion – pass/fail**

- 9.3.1 Applicants must complete Section 2 (Grounds for mandatory exclusion) in the SQ.
- 9.3.2 Section 2 is assessed on a pass/fail basis. Applicants are required to pass Section 2 in order for their SQ Response to be considered further by the Authority.
- 9.3.3 In order to pass Section 2, Applicants must provide all of the information required in Section 2 of the SQ and pass the Minimum Standard for Section 2 described in the table below. Any Applicant who fails to satisfy the Minimum Standard will be rejected.

<b>Criteria</b>	<b>Minimum Standard and method of assessment</b>
<b>Grounds for Mandatory Exclusion</b>	<p><b>Pass/Fail</b></p> <p>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</p>

	<p>involved).</p> <p>If you have answered “yes” to question 2.3 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 using a separate appendix. You may contact the Authority for advice before completing this form.</p> <p>Any Applicant that answers ‘yes’ to question 2.1 should provide sufficient evidence, in a separate appendix, 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 Applicant has to demonstrate it has taken such remedial action, to the satisfaction of the Authority in each case.</p> <p>If such evidence is considered by the Authority (whose decision will be final) as sufficient, the economic operator concerned shall be allowed to continue in the procurement process.</p> <p>In order for the evidence referred to above to be sufficient, the Applicant shall, as a minimum, prove that it has:</p> <ul style="list-style-type: none"> <li>• paid or undertaken to pay compensation in respect of any damage caused by the criminal offence or misconduct;</li> <li>• clarified the facts and circumstances in a comprehensive manner by actively collaborating with the investigating authorities; and</li> <li>• taken concrete technical, organisational and personnel measures that are appropriate to prevent further criminal offences or misconduct.</li> </ul> <p>The measures taken by the Applicant 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 shall be given a statement of the reasons for that decision.</p>
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#### **9.4 Section 3 – Grounds for discretionary exclusion – pass/fail**

- 9.4.1 Section 3 - grounds for discretionary exclusion – is also scored on a pass/fail basis. Applicants are required to pass every question in Section 3 of the SQ in order for their responses to be considered further by the Authority. The Authority may exclude an Applicant from the procurement if the Applicant answers yes to any of the questions in Section 3 and the rejection event has

occurred in the last three years but may decide, having considered all the relevant circumstances, to allow the Applicant to proceed further.

- 9.4.2 If an Applicant answers 'yes' to any question, Applicants should set out (in a separate appendix) full details of the relevant incident and any remedial action taken subsequently. The Authority will evaluate this evidence before making a decision on whether to exclude the Applicant.
- 9.4.3 Applicants answering "yes" to any question have the opportunity to provide evidence of "self-cleaning". Should an Applicant provide sufficient evidence that robust remedial action has taken place subsequently which prevents a re-occurrence of the offence or misdeed, then the Authority will evaluate this evidence before making a decision on whether to exclude the Applicant.
- 9.4.4 The Authority is also entitled to exclude an Applicant in the event that the Applicant is guilty of serious misrepresentation in providing any information referred to within the Regulations or if the Applicant fails to provide any such information requested by the Authority.

## **9.5 Conflicts of interest**

- 9.5.1 In accordance with question 3.1 (g) of Section 3 of the SQ the Authority may exclude the Applicant 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.
- 9.5.2 Where there is any indication that a conflict of interest exists or may arise then it is the responsibility of the Applicant to inform the Authority, 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 Authority should not represent a conflict of interest for the Applicant.

## **9.6 Taking account of Applicants' past performance**

- 9.6.1 In accordance with question 3.1 (i) of Section 3 of the SQ the Authority may assess the past performance of an Applicant (through a certificate of performance provided by a customer or other means of evidence). The Authority may take into account any failure to discharge obligations under the previous principal relevant contracts of the Applicant completing the SQ. The Authority may also assess whether specified Minimum Standards for reliability for such contracts are met.
- 9.6.2 In addition, the Authority may re-assess reliability based on past performance at key stages in the procurement process (i.e. Applicant selection, Tender evaluation, contract award stage etc.). Applicants 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).

## 9.7 Minimum Standards for Section 3 of the SQ are set out in the table below.

Criteria	Minimum Standard and method of assessment
<b>Grounds for Discretionary Exclusion</b>	<p><b>Pass/Fail</b></p> <p>The Authority may exclude you from the procurement exercise if you answer “yes” to any of the questions in this section but may decide, having considered all the relevant circumstances, to allow you to proceed further. If you answer ‘yes’ to any question, please set out (in a separate appendix) full details of the relevant incident and any remedial action taken subsequently. The Authority will evaluate this evidence before making a decision on whether to exclude you.</p> <p>The Authority is also entitled to exclude you in the event that you are guilty of serious misrepresentation in providing any information referred to within the Public Contracts Regulations 2015 or you fail to provide any such information requested by us.</p> <p>Any Applicant that answers ‘yes’ to question 3.1 should provide sufficient evidence, in a separate appendix, 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 Applicant has to demonstrate it has taken such remedial action, to the satisfaction of the Authority in each case.</p> <p>If such evidence is considered by the Authority (whose decision will be final) as sufficient, the economic operator concerned shall be allowed to continue in the procurement process.</p> <p>In order for the evidence referred to above to be sufficient, the Applicant shall, as a minimum, prove that it has:</p> <ul style="list-style-type: none"> <li>• paid or undertaken to pay compensation in respect of any damage caused by the criminal offence or misconduct;</li> <li>• clarified the facts and circumstances in a comprehensive manner by actively collaborating with the investigating authorities; and</li> <li>• taken concrete technical, organisational and personnel measures that are appropriate to prevent further criminal offences or misconduct.</li> </ul>

	The measures taken by the Applicant 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 shall be given a statement of the reasons for that decision.
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## **9.8 Section 4 – Economic and Financial standing – Pass/Fail**

- 9.8.1 Applicants must be in a sound financial position to participate in a procurement of this size as set out in regulation 58 of the Regulations.
- 9.8.2 The financial assessment will be carried out in three parts. No one part or element thereof will be decisive in the final decisions. All parts covered below will be assessed “in the round” and not on an individual basis. Any “fail” will be considered and may lead to further clarification/assurances being obtained or to the exclusion from the next stage of the process, depending on the severity of the financial risk to the Authority identified.
- 9.8.3 Using the information contained in the last two years’ audited accounts (or other information supplied under the SQ) a review will be undertaken using the factors listed below. The financial assessment will consist of the following:
- Ratio analysis including:
    - Liquidity i.e. working capital ratios
    - Efficiency tests i.e. debtor and creditor collection period
    - Profitability tests i.e. return on capital employed
    - % of the contract value annually as % of turnover.
  - Assessment of movements of liquidity and funds between group companies; information on mergers and acquisitions and ownership tree.
  - Review of audited published accounts, and interpretation of any notes that may affect wellbeing of company. Review to include:
    - Charges, judgements, injunctions due to prior failings or other adverse legal findings
    - Going concern
    - Audit qualifications.
  - Assessment of general background information including:
    - The companies and directors.
    - Business type in each of the set of accounts.
    - Prior experience/ current activities.
- 9.8.4 To achieve an overall pass in the financial assessment, potential bidders will need to demonstrate the following:



For the purposes of financial assessment at SQ stage, a turnover of at least the annual value of the initial call off contract for the lot being bid for. When awarding call-off contracts, the Authority reserves the right to review the supplier's financial turnover following evaluation of the Most Economically Advantageous Tender (as set out in Section 5). The council reserves the right not to award contracts after this phase, should a supplier be in a position where their financial turnover is not at least equal to the total annual value of the call-off contracts under this framework.

A credit score and credit rating of 41 or higher (as developed and maintained by CRIF Decision Solutions Limited in conjunction with Jordans).

An acceptable level of financial risk for the Authority.

- 9.8.5 It should be noted that the authority reserves the right to reassess any potential supplier's financial position at any time up to contract award to confirm that it meets with the requirements of this SQ.

## **9.9 Section 5 - Wider Group Details**

- 9.9.1 Applicants must complete Section 5 (Wider Group Details) in the SQ.
- 9.9.2 Section 5 is assessed on a pass/fail basis. Applicants are required to pass Section 5 in order for their SQ Response to be considered further by the Authority. The Minimum Standard is set out in paragraph 9.9.3 below.
- 9.9.3 In order to pass Section 5, Applicants must either:
  - 9.9.3.1 have indicated in their response to question 1.2 that they are not part of a wider group and therefore Section 5 is not applicable to them; or
  - 9.9.3.2 if they have indicated in their response to question 1.2 that they are part of a wider group provide all of the information required in Section 5 of the SQ
- 9.9.4 Any Applicant who fails to satisfy this Minimum Standard will be excluded from the process and not be further considered.

## **9.10 Section 7 - Modern Slavery Act 2015**

- 9.10.1 Applicants must complete Section 7 (Modern Slavery Act 2015) in the SQ.
- 9.10.2 Section 7 is assessed on a pass/fail basis. Applicants are required to pass Section 7 in order for their SQ Response to be considered further by the Authority. The Minimum Standard is set out in paragraph 9.10.3 below.
- 9.10.3 In order to pass Section 7, Applicants must either:

- 9.10.3.1 have indicated in their response to question 7.1 that it does not apply to them; or
  - 9.10.3.2 have indicated in their response to question 7.1 that it does apply to them and confirmed in their response to 7.2 that it is compliant with the annual reporting requirements contained within Section 54 of the Modern Slavery Act 2015.
- 9.10.4 An Applicant who fails to satisfy this Minimum Standard will be excluded from the process and not be further considered.

#### **9.11 Section 8: Insurance**

- 9.11.1 Applicants must complete Section 8 (Insurance) in the SQ.
- 9.11.2 Section 8 is assessed on a pass/fail basis. Applicants are required to pass Section 8 in order for their SQ Response to be considered further by the Authority. The Minimum Standard is set out in paragraph 9.11.3 below.
- 9.11.3 In order to pass Section 8, Applicants must self-certify that they already have, or can commit to obtain, prior to the commencement of the contract, the levels of insurance indicated. An applicant who fails to satisfy this Minimum Standard will be excluded from the process and not be further considered.

#### **9.12 Stage 3 – Technical and professional ability and contract specific questions to assess technical and professional ability - Scored criteria**

- 9.12.1 Applicants who pass Sections 1 to 5, 7 and 8 of the SQ will then be assessed or scored on the basis of their responses to Section 6. Applicants must complete Section 6 (Technical and Professional Ability) in the SQ. The Authority is entitled to exclude an Applicant from the procurement exercise if the Applicant fails to answer any of the questions in Section 6.
- 9.12.2 The Authority is looking for evidence that the Applicant demonstrates the necessary technical resources, experience and has the technical and professional ability to perform the Services. The Minimum Standard is set out below.
- 9.12.3 Responses to questions 6.1 or 6.3 (as applicable), in Section 6 will be assessed on a pass/fail basis.
- 9.12.4 Questions 6.2, 6.4 are weighted in accordance with the stated weightings against each question set out in Table 5 and responses will be scored on a system of 0 – 5 points as indicated in Table 4.
- 9.12.5 In order to pass Section 6 of the SQ, Applicants are required to pass question 6.1 or 6.3 (as applicable), and to achieve a score of 3 or greater for questions

in 6.4 of the scored SQ questions. If a SQ Response to question 6.4 in Section 6 scores 2 or the SQ Response will fail and the Applicant will be rejected.

### 9.12.6 Scoring System – Technical and Professional Ability

9.12.7 The scoring system set out in Table 4 will be used to score the SQ Response to SQ questions 6.2, 6.4 (technical and professional ability questions of the SQ).

**Table 4 – Scoring Methodology**

Assessment	Score	Interpretation
Excellent response	5	Demonstration by the potential supplier of exceptional level of ability, understanding, experience, skills, resource, and quality measures required to provide the Services. Response identifies factors that will offer potential added value, with very good evidence to support the response.
Good response	4	Demonstration by the potential supplier of a good level of ability, understanding, experience, skills, resource and quality measures required to provide the Services. Response identifies factors that may offer potential added value, with good evidence to support the response.
Satisfactory response	3	Demonstration by the potential supplier of satisfactory level of ability, understanding, experience, skills, resource and quality measures required to provide the Services, with sufficient evidence to support the response.
Less than satisfactory response	2	Some minor reservations of the potential supplier's relevant ability, understanding, experience, skills, resource and quality measures required to provide the Services with insufficient evidence to support the response.
Poor response	1	Some serious reservations of the potential supplier's relevant ability, understanding, experience, skills, resource and quality measures

		required to provide the Services, with no evidence to support the response.
Unacceptable or no response given	0	Does not comply and/or insufficient information provided to demonstrate that the potential supplier has the ability, understanding, experience, skills, resource and quality measures required to provide the Services

9.12.8 The minimum score to be achieved against each scored question in Section 6.4 is set out in the table below.

9.12.9 Where a potential supplier does not achieve the minimum score with weighting against any of the questions (or part thereof), the Authority may reject the submission and will not continue to assess the SQ further.

9.12.10 **Clarification of Responses:** the Authority's approach to clarification will be consistent to ensure that one potential supplier does not receive an unfair advantage over the rest. In addition, there will be a clear audit trail documenting the reasoning behind any attempt to seek clarification in writing from any potential supplier. Potential suppliers should be aware that the Authority is under no obligation to seek clarification and it is the responsibility of each potential bidder to ensure that their responses are unambiguous and complete and to seek clarification if necessary of the Authority's requirements.

9.12.11 **Consensus scoring:** The Authority will conduct a 'consensus scoring process' where moderation of the scores awarded during the exercise will take place. The moderation shall give regard to any variance in the scores between the evaluators. A consensus score will be agreed by the evaluators for each of the scored criteria.

9.12.12 **Ranking sub-stage:** potential Bidders will then be ranked in numerical order against their cumulative weighted score. Following this evaluation exercise and providing it results in an adequate number of suitable potential suppliers, the authority will draw up shortlist to invite to tender. It is currently expected that the shortlist will contain up to 5 bidders.

9.12.13 **Invitation to Tender (ITT):** the evaluation of the shortlisted suppliers ITT submissions will be scored and weighted on a 80:20 quality/price basis. Further detailed information is provided in the ITT Documents issued at the same time as this Supplier Selection Guidance. Potential suppliers should be aware that although the ITT Documents have been uploaded to the Authority's portal as required by law, these are provided for information purposes only and may be subject to change. Potential suppliers are not required to complete any part of the ITT Documents at this stage of the procurement and

only the SQ application should be completed now and submitted to the authority.

**Table 5: Scoring Methodology for Section 6.4**

Criteria	Sub criteria question	Available Range of Points	Weightings for Individual Questions	Minimum / Maximum Score with Weighting
Each of the sub-criteria questions will be scored separately.				
<b>i) Outreach and engagement</b>	a) Please set out your experience of outreach and engagement with unemployed people, and people seeking to progress in work, within this lot's target group. In line with your Equality, Diversity and Inclusion Policy, include details of how your outreach and engagement has targeted different demographic groups.	0-5	15%	0-15
	b) Please set out your experience of working with Local Authority services and other local services to build effective referral pathways to support.	0-5	15%	0-15
<b>ii) Service delivery</b>	a) Please provide details of your experience of supporting people with barriers to employment specific to this target group into jobs, apprenticeships, training, work experiences, paid internships or volunteering opportunities. In line with your Equality, Diversity and Inclusion Policy, include details of how your service has addressed the particular needs of people from different demographic groups.	0-5	20%	0-20
	b) Please provide details of your experience of supporting people specific to the lot to sustain employment and progress within work.	0-5	20%	0-20
<b>iii) Local knowledge</b>	a) Please provide details of how your organisation has engaged with local services in the public, private and voluntary sector in relation to supporting clients within	0-5	30%	0-30

	the lot's target group and your experience of working with local service providers to support clients with multiple needs.			
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