**VOLUME 1**

**Instructions to Tender**

**Technology Adoption Fund**

**Commencing:** Upon Award

**Contract Term**: 24 Months

**NOTE:** Before preparing to submit a bid, you are advised to complete the Selection Questionnaire document (Volume 2). The SSC contains questions which can result in either mandatory or discretionary grounds for exclusion.

**Invitation to Tender**

**Date:** 24th March 2021

Dear Sir, Madam

**TENDER INVITATION**

Provision of Provision of Technology Adoption Support to SMEs

I have pleasure in enclosing the following documents in order that you may submit a tender for the above contract:

A downloadable copy of the Invitation to Tender document Volumes One and Two and three.

Volume 1 being the instructions to Tender

Volume 2 Selection Questionnaire

Volume 3 being the Form of Tender and Qualification sections.

Bidders are advised that a tender shall only be considered when;

 all requirements of the tender documentation are completed and returned

* It has met all of the eligibility and mandatory requirements
* it is submitted back to WECA using The Portal no later than **6th April 2021**
* it is accompanied by an undertaking which shall become a condition of the contract that the amount of the tender has not been calculated by agreement or arrangement with any other person other than the authority and that the amount of the tender has not been communicated to any other person until after the closing date for the submission of tenders (see Certificate of Non-Collusion).

You are required to hold all information pertaining to this contract confidential and to limit the dissemination of information within your organisation on a need-to-know basis.

Yours faithfully

Sam Scarisbrick

[sam.scarisbrick@WestOfEngland-CA.gov.uk](mailto:sam.scarisbrick@WestOfEngland-CA.gov.uk)

Procurement Officer

ON BEHALF OF THE WEST OF ENGLAND COMBINED AUTHORITY

**Contents**

1. Scope of Contract

2. Timetable of Key Dates

3. Bidder’s Responsibility

4. Clarifications

5. Anti-collusion Certificate

6. TUPE

7. Monitoring

8. Freedom of Information Act

9. Transparency

10. Whistleblowing

11. Instructions to Bidders

12. Completing the Invitation to Tender

13. Pricing Schedule

14. Communication & Clarification

15. Format of Tender

16. Tender Evaluation

17. Submission of Tender – Electronic Tendering

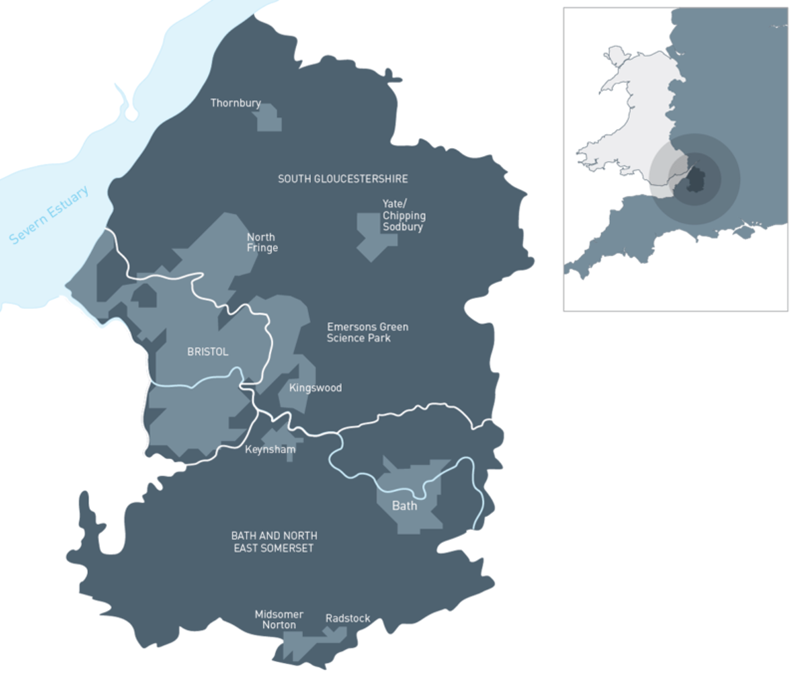
18. Method of Evaluation

19. Collaboration Arrangements

**West of England Combined Authority Information**

The West of England is one of the UK’s most prosperous regions with an economy worth over £31 billion a year. A net contributor to the national purse, with a population of over 1 million and over 43,000 businesses, our region competes on a global scale.

The West of England Combined Authority (WECA) is made up of three of the local authorities in the region – Bath & North East Somerset, Bristol and South Gloucestershire. Working with our partners including the West of England Local Enterprise Partnership, North Somerset Council and other partners, our aim is to deliver economic growth for the region and address some of our challenges, such as productivity and skills, housing and transport.



WECA is chaired by Tim Bowles (Conservative), the West of England Mayor, who was elected in May 2017. He and the Combined Authority have been given powers over spending, previously held by central government, on the region’s transport, housing, adult education and skills.

Scrutiny and Audit Committees have been established scrutinise and hold to account the new Combined Authority and West of England Mayor.

WECA will also provide support to the West of England LEP Board and to the West of England Joint Committee, which includes North Somerset Council.

WECA has the following funding to support delivery over the next 30 years:

1. Investment Fund (gainshare): This fund, which is 50% capital and 50% revenue, amounts to £30m per year for 30 years (subject to 5 yearly government gateway reviews)
2. Transforming Cities Fund (TCF): The West of England Combined Authority has also secured £103m TCF, (which has to be spent by March 2023), to deliver strategic transport enhancements in the region

In addition to the £1billion over 30 years agreed in the devolution deal, we have secured circa £100 million in extra funding for the region and have applied for other significant funding streams, such as the Housing Infrastructure Fund.

Following the COVID–19 crisis, the West of England Combined Authority (WECA) is committed to supporting the region’s recovery and we have introduced a range of support measures to help businesses adapt to the new economic landscape and improve resilience, as well as support for residents to develop new skills, training and employment opportunities.

Technology adoption is part of WECAs approach to challenging the issues of low business productivity in the West of England and is integral to delivering the Local Industrial Strategy, Productivity Challenge programme.

The Tech Adoption Support service was launched as a pilot project in June 2020 for a period of three months to support c34 SME businesses with tech adoption and business recovery in response to the impact of COVID-19. The project proved extremely popular and due to high levels of business demand, a contract extension was approved for a second cohort of 30 business to be supported up to 30th November 2020. Demand has continued be strong for the service and a third phase (via a second contract extension) of the pilot has been approved to support a further 25 businesses ending on the 31st March 2021. The principle of the pilot has now been proven through the consistent demand for this service and the positive impact statements completed by the participating businesses.

[www.westofengland-ca.gov.uk](http://www.westofengland-ca.gov.uk)

1. **Scope of the Contract**

1.3 **Specification**

Objective -

The project will provide dedicated, targeted, demand-led consultancy and solutions, delivered by a third-party expert in the market. The project has been designed to be a service managed by an organisation, that can engage a range of consultancy within the region, working in partnership with WECA Growth Hub, in developing leads and referrals to the project.

The objective of the support is to enable businesses to not only put in place new systems to improve their productivity and competitiveness, but also approaches to entering new markets, attracting new customers and increasing sales, with the aim of supporting growth in turn over and employment. All of which are essential to support business growth and the route to recovery post COVID -19.

The scope has been designed to encourage applicants to propose innovative approaches to technology adoption and increases in productivity and resilience. We welcome applications that can demonstrate a real understanding of the needs of businesses across the West of England, which will deliver interventions that can ensure a genuine business benefit.

WECA is working with a number of providers on additional technology support initiatives, including Be the Business with their ‘Tech Adoption Lad’ and Founders4Schoolds ‘Digital Boost’ platform. The successful applicant will be expected to work in partnership, alongside these organisations and WECA, ensuring that business receive a cohesive package of support and are seamlessly referred across projects.

Requirements of the Contract –

The successful applicant will need to -

* Provide an innovative solution to increase the revenue generating capability of SMEs from any sector, using the resources of local independent experts (who could be SMEs or sole-traders). Supporting exploration and adoption of technology including understanding risks, resilience and the significant opportunity and productivity gains achievable.
* Focus on digital systems and products, that can have a tangible benefit to the business.
* Ensure that service delivery is via 1-2-1 contact and **not subject to online ‘white box’ diagnostic and training tools**. (Acceptably this will have to be online, until such time as social distancing regulations have been relaxed).
* Market the project and independently engage business onto the project and coordinate referrals from WECA Growth Hub and its delivery partners.
* Deliver a coordinated service with WECA Growth Hub and its delivery partners, ensuring a smooth onboarding to the project and contra referral back to the Growth Hub, once the business has completed the project.
* Undertake all necessary project reporting required by WECAs project manager, this will include progress with onboarding, direct recruitment, progress on delivery, the support provided and the subsequent products and services put in place.
* Support the ongoing quality and performance review of the project by ensuring that business satisfaction surveys are completed by each graduating participant and shared with the project manager.

Scope of the Contract –

The successful applicant will be expected to deliver -

* A detailed delivery plan including the process of onboarding businesses both directly and via referral via the Growth Hub, assessing needs/ demand of the business, how the support service will be implemented and how it will work in partnership with WECA Growth Hub and its delivery partners. This will include how local expert consultancy will be engaged and managed.
* A network of expert consultancy, that can deliver advice and guidance on specific technologies, required by the participant.
* A detailed marketing and communications strategy, identifying how business will be engaged and the key stakeholders involved.
* Appropriate monitoring and evaluation, including selection process for SMEs to support.

Business Eligibility –

* Based in Bath & North East Somerset, Bristol or South Gloucestershire
* Have the potential to ‘scale up’ or represent a genuine growth opportunity
* Have at least one years submitted accounts
* Not employ in excess of 249 employees or have a turnover exceeding £41m
* Be able to demonstrate they have not received in excess of Article 3.2(4) aid limit (£344,000) in the relevant period of three fiscal years

**2.** **Timetable of Key Dates**

* 1. Set out below is the proposed procurement timetable. This is intended as a guide and whilst WECA does not intend to depart from the timetable it reserves the right to do so at any stage.

|  |  |
| --- | --- |
| **Date** | **Activity** |
| 24th March 2021 | ITT (Invitation to Tender) issued to Bidders. |
| 10am 8th April 2021 | Closing date for clarification questions to be submitted. |
| 9th April 2021 | The Authority responds to clarification questions. |
| 11:30am 19th April 2021 | Closing date and time for receipt by the Authority of  tenderers responses to the ITT |
| W/C 26th April 2021 | Award decision made |
| 10 days after award | Contract award concluded |
| Upon signatures being affixed to the contract | Commencement Date of Contract |

**3.**  **Bidder’s Responsibility**

3.1 It is the responsibility of the Bidder to satisfy themselves as to the nature, extent and circumstances of the services to be provided and satisfy themselves as to their ability to fulfil the requirements.

3.2 Bidders will be taken to have, by their own examination of the contract documents, satisfied themselves as to the full requirements of the specification and contract terms.

**4. Clarifications**

4.1 WECA may wish to make enquiries of your existing customers and/or require further information of you at any stage during the selection process.

4.2 WECA reserves the right to clarify any element of the submitted tender.

4.3 WECA may reject non-compliant tender responses. Non-compliant tenders may include, but will not be limited to, late responses, qualified bids, or bids that do not follow the requested format.

**5. Anti-collusion Certificate**

5.1 You must complete the Anti-Collusion Certificate found in Volume 2, SSC PART 4. If you do not do so, WECA reserves the right at its own choice and without consulting you either to reject the tender or to treat you as having agreed, by submitting your tender, to bind yourself to the Anti-Collusion Certificate as though you had completed it. You should also note that WECA will regard the lodging of a false Anti-Collusion Certificate as grounds justifying immediate rejection of your tender without further reference to you or for immediate termination of the Agreement with you in the event of a successful tender.

**6.**  **Transfer of Undertakings and Protection of Employment**  **Regulations**

6.1 N/A

**7.** **Monitoring**

7.1 The successful Bidder(s) are required to collaborate fully with WECA to achieve continuous improvement in the quality and delivery of the services to ensure all obligations and conditions set by WECA for the purposes and objectives of this contract are met.

**8. Freedom of Information Act**

8.1 Bidders should note that the Authority is subject to the ‘Freedom of Information Act 2000’ and provisions are in force allowing any person access to information held by the Authority. There are limited exemptions to this. The exemptions include information, the disclosure of which would be an actual breach of confidence or likely to prejudice the commercial interests of any person, or information that constitutes a trade secret. Tenderers are requested to state which part, if any, of the information supplied with their tenders is confidential or commercially sensitive or should not be disclosed in response to a request for information. Where Bidders state that any information is confidential or commercially sensitive, they must also state why they consider the information to be confidential or commercially sensitive. Bidders statements will be considered in the context of the exemptions provided for under the Act and the Authority is unable to give any guarantee that the information in question will not be disclosed.

**9. Transparency**

9.1 Bidders and those organisations who bid should be aware that if they are awarded a place on the pilot WECA and the Authorities may be required to publish information about the procurement process under the government transparency policy. To view details of what must published, see the Local Government Transparency Code 2015 at the link below.

[Local Government Transparency Code 2015](https://www.local.gov.uk/our-support/guidance-and-resources/data-and-transparency/local-transparency-guidance)

9.2 Details will be published on the Participating Authority’s website and the government’s transparency website (Data.gov.uk) and Contracts Finder.

9.3 In submitting a tender, the Bidder accepts the Authority’s right to publish details of expenditure as well as information contained within the Bidders tender.

**10. Whistleblowing**

10.1 The place on the contract will be terminated if the Bidder or anyone on its behalf bribes or tries to bribe anyone in connection with any aspect of the tender process or commits an offence under the Prevention of Corruption Acts 1889-1916.

10.2 There are stringent similar provisions under both UK and European law in respect of money laundering and misconduct in respect of European funding.

10.3 WECA takes these issues very seriously. It encourages all Bidders to contact the Procurement team it if any authority representative, employee or other Bidder or potential Bidder approaches them and either attempts to engage them in any such activity or infers that they could do so.

10.4 You should not attempt to canvass any Member or Officer of any Participating Authority about your tender or try and obtain confidential information relating to the service or the tendering process from anyone associated with the Contract or from any other past or present contractor to the Authority. If you do so your tender is likely to be rejected.

**11.**  **Instructions to Bidders**

11.1 Tenders must be submitted in accordance with the following instructions. Any tenders not complying with the requirements of the tender in any way may be rejected by the Authority, whose decision in the matter shall be final.

11.2 Before preparing to submit a tender you are advised to complete the SSC document. The SSC will determine whether you are eligible to submit a bid. The SSC asks questions which are either mandatory or discretionary grounds for exclusion.

11.3 Bidders should read the instructions and guidance carefully before completing the tender documentation. Failure to comply with these requirements for completion and submission of the tender response may result in the rejection of the tender.

11.4 All tender documents must be completed in their entirety.

11.5 By submitting a tender, you will be taken to have agreed that your tender will remain open for acceptance for a minimum of 120 days from the closing date.

11.6 Bidders may modify their submission prior to the deadline for receipt. Bidders may withdraw their submission at any time prior to accepting the notification of award.

11.7 Tenders must not:

* + - Be qualified;
    - Be conditional;
    - Be accompanied by statements which could be construed as rendering them equivocal and/or placed on a different footing to those of other tenders.

Only tenders submitted without qualification strictly in accordance with these instructions will be accepted for consideration. WECAs decision on whether or not a tender is acceptable will be final and the Bidder concerned will not be consulted. If a tender is excluded from further consideration the Bidder concerned will be so notified.

11.8 If WECA suspects that there has been a technical or arithmetical error in the submission, it reserves the right to seek such clarification as it considers necessary from that Bidder only.

11.9 All clarifications either by the Bidder or WECA must be made via the Portal only.

11.10 All clarification questions must be received no later than **11:30am 19th April 2021** to allow time within the Invitation to Tender period for a detailed response to be distributed.

11.11 The majority of clarifications will be shared with all Bidders, only clarifications that are commercially sensitive to one Bidder will be kept private.

11.12 All documentation supplied by the Authority shall remain its property and confidential to it. Bidders may not without the Authority’s written consent at any time use for your own purposes or disclose to any other person (except as may be required by law) the tender or contract documents or any information or material which the Authority may make available to Bidders all of which shall remain confidential to the Authority.

11.14 WECA shall not be liable for any loss or expense incurred by any Bidder in the production of the tender or as a result of its decision not to award a place on the contract to any Bidder.

11.15 WECA reserves the right to accept or reject any written tender and to abort the tender process and reject all written tenders at any time prior to award of contract without incurring any liability to the affected Bidders. WECA is not bound to accept the lowest or any tender response made as a result of this invitation and reserves the right to accept all or part of an offer, unless the Bidder expressly stipulates to the contrary.

**12. Completing the Invitation to Tender**

12.1 These instructions are designed to ensure that all Bidders are given equal and fair consideration. It is important therefore that Bidders provide all the information asked for in the format and order specified. Please do not make changes to any part of the tender document. Failure to adhere to this request may invalidate your tender.

12.2 You must complete the SSQ in the format outlined in the SSQ Volume Two and the ITT in VOLUME Three and return it via the online procurement portal, to arrive not later than the date specified on the front page.

12.3 You should provide your responses to the questions in Volume Three in the areas below the questions. Please note due to the timescales associated with this project we cannot accept responses to questions in any other format.

12.4 Where a word limit has been indicated for a specific response, please do not exceed this limit. Where a response exceeds the number stated in the question, the additional words will not be read and will be disregarded from the evaluation. Due to timescales involved with the evaluation process we need you to keep responses succinct.

12.5 Where a word limit has been indicated; the Bidder should add their word total at the end of each response. Should you need to add any document to amplify any word limit response, the work count of the document would have to be within the specified word count. Random checks will be made by the Authority.

12.6 Tenders should be submitted in pounds Sterling and exclusive of Value Added Tax (VAT).

12.7 If there is any question in the tender documentation you cannot answer or any requested information you cannot provide, you should give a full explanation as to why within your tender documentation.

12.8 Please do **NOT** submit your tender as one PDF file or provide your responses to method statements or other questions in PDF files. This makes the evaluation process very difficult. Please note that submitting a brochure will not be considered a bona fide tender and therefore will forfeit evaluation.

12.9 You are strongly encouraged to review the documents in their entirety before commencing completion, paying special attention to the Pass/Fail elements, which may lead to your tender being rejected.

**13.** **Pricing Schedule**

13.1 The pricing schedules can be found attached, please ensure you complete a pricing schedule which covers all elements / routes for which you are bidding.

13.2 Please sign and date the pricing schedules. Electronic signatures are accepted following the Electronic Signatures Directive 1999.

13.3 Prices must be kept open for a period of 90 days from your submission.

13.4 Prices quoted shall be exclusive of VAT.

**14. Communication and Clarification**

14.1 WECA is utilising an electronic tendering tool to manage this procurement and communicate with Bidders with the contract being awarded using The Portal ‘Supplying the South West’.

14.2 During the tender process, any communication with the Authority shall be via the on-line portal. After the closing date for receipt of tenders WECA expects only to make contact with Bidders for the following purposes:

* + - To clarify a response or document received as part of the Bidder’s submission.
    - To inform Bidders of the award decision.
    - To agree the commencement date.

14.3 If you have any enquiries about the contract documentation which might have any bearing on your tender, you should raise these through the online portal within the Clarification period. Where such an enquiry has been made, the Authority will circulate a copy of the enquiry and its written reply to all Bidders but will preserve the anonymity of the enquirer.

14.4 Bidders should notify WECA promptly of any perceived ambiguity, inconsistency or omission in the tender documents, any of its associated documents and/or any other information issued to them during the procurement process. All questions and/or requests for information regarding this tender should be made via the on-line portal, using the messaging function.

14.5 Where such queries require revision of the tender/contract documents, a tender amendment shall be issued via The Portal.

14.6 WECA may make changes to the tender documentation with any such changes notified to the Bidder via the on-line portal as tender amendments. Where such tender amendments are issued the Authority shall extend the deadline of the tender period where significant changes are made.

14.7 Bidders will be notified of the outcome of their tendering according to the indicative timetable provided at 2.0 above.

14.8 Any tenders received after the specified deadline will not be considered unless the closing date for receipt of tenders is formally extended by the Authority and communicated. Submissions received after the closing date may be considered in exceptional cases where submission is not possible for reasons outside of the Bidders control, however this will be permitted only at the discretion of WECA and their decision on this will be final.

14.9 Tenders must be based upon the conditions set out in the following documents, otherwise they may be rejected technically, commercially, or both on the grounds of non-compliance.

* Instructions for Tendering Volume One
* SSQ Requirements Volume Two
* Technical Questionnaire Volume Three

(together referred to as the tender documentation)

14.10 Any information provided that has not been asked for will not be taken into consideration.

14.11 Tenders will only be accepted electronically if issued on [www.supplyingthesouthwest.org.uk](http://www.supplyingthesouthwest.org.uk) (The Portal). Tenders will not be accepted by fax or email.

14.12 The tender documents must not be amended by the Bidder and no altered or erased figures should appear on the Pricing Schedule.

14.13 The submission of a tender by the Bidder is deemed to mean that they have understood the nature and extent of the service required. No claim founded on a Bidder’s failure to obtain interpretation of the Contract prior to submission of their tender will be considered.

**15. Tender Evaluation**

15.1 Representatives from the applicable team in WECA shall evaluate submissions using the published scoring methodology and evaluation criteria resulting in the most economically advantageous bids.

15.2 There are a number of mandatory and discretionary Pass/Fail sections contained within the SSQ Document (Volume Two). These sections will be evaluated first before evaluating your response to Volume 3 (ITT). Any tender that fails the initial Pass/Fail sections will not have their quality submission assessed.

15.3 Most economically advantageous bids will be identified through the combined score of the following weighted criteria:

30% COST

70% QUALITY

15.4 Quality will have weighted score of 70% quality questions can be found in VOLUME 3.

15.5 The weighting attributed to each of these questions is given alongside.

15.6 To ensure a robust evaluation process, the quality element will be evaluated by subject matter experts within WECA and by an external consultant in for the Equality and Diversity criteria.

15.7 To ensure a suitable quality level, you must achieve an average quality score of 3 in the area of Service Delivery. If a Bidders fail to achieve this score their bid will be rejected outright, and their pricing will not be evaluated. They will forfeit any further consideration in this process.

15.8 Each of the questions with the quality and social value submission will be scored using the scoring matrix shown below.

**Scoring Methodology**

|  |  |  |
| --- | --- | --- |
| **Scoring Matrix** | | |
| **Assessment** | **Scores 0-5** | **Score Descriptor** |
| **Unacceptable** | **0** | Does not meet the requirement; Does not comply and/or insufficient information provided to demonstrate that the tenderer has the ability, understanding, experience, skills, resource & quality measures required to provide the service, with little or no evidence to support the response. Does not submit a reply to the question; Scoring a 0 for any question will result in your bid being deemed to be non-compliant and it will be rejected. |
| **Major reservations** | **1** | Meets some of the requirement with major reservations; Considerable reservations of the Tenderer’s relevant ability, understanding, experience, skills, and resource & quality measures required to provide the service, with little or no evidence to support the response. Scoring 1 for any question will require significant clarification with you which may result in your bid being deemed to be non-compliant and may be rejected. |
| **Minor reservations** | **2** | Satisfies the requirement with minor reservations; Some minor reservations of the Tenderer’s relevant ability, understanding, experience, skills, and resource & quality measures required to provide the service with little or no evidence to support the response. |
| **Satisfactory** | **3** | Satisfies the requirement; Demonstration by the Tenderer of the relevant ability, understanding, experience, skills, resource & quality measures required to provide the service with evidence to support the response |
| **Good** | **4** | Satisfies the requirement with minor additional benefits; Good demonstration by the Tenderer of the relevant ability, understanding, experience, skills, resource & quality measures required to provide the service; Response identifies factors that will offer potential added value, with evidence to support the response. |
| **Excellent** | **5** | Satisfies the requirement with major additional benefits; Exceptional demonstration by the Tenderer of the relevant ability, understanding, experience, skills, resource & quality measures required to provide the service; Response identifies factors that will offer potential added value, with evidence to support the response |

15.11 Price will have a weighted score of 30%.

The tender with the lowest total price will receive the maximum score of 70% and the prices of all other tenders will be expressed as a percentage of the maximum score.

**16. Quality Evaluation**

16.1 Please see the attached evaluation model.

**17. Price Evaluation**

17.1 Please see the attached evaluation model.

17.2 If WECA considers a Tender to be abnormally low priced, it will exercise the right to clarify as permitted to do so under ‘abnormal bids’ set out in the Public Contracting Regulations 2015. WECA reserves the right to challenge how the Bidder can deliver the expected quality at that price. If the Authority is satisfied that the tender price is indeed unsustainable, then it is at liberty to reject the tender. A similar principle applied to Tenders considered abnormally high.

**18.0 Submission of Tender - Electronic Tendering**

18.1 WECA is utilising an electronic tendering tool to manage this procurement and communicate with Bidders. Accordingly, there will be no hard copy documents issued to Bidders and all communications with the Authority including the submission of Bidders responses will be conducted via the Portal.

18.2 Please allow sufficient time to upload documentation. It would be unwise to commence uploading documents less than two hours before the deadline. If you experience any technical difficulties in the lead up to the deadline, please contact Andrew.Brentley@westofengland-ca.gov.uk.

18.3 Pro Actis who provide The Portal also offer supplier support. For all support issues Bidders must in the first instance log their query via the following email:

* [procontractsuppliers@proactis.com](mailto:procontractsuppliers@proactis.com)

If the query is of a time sensitive nature, they also have an Emergency Contact number:

* 0330 0050352

In the first instance Bidders should log their call using the email address provided

18.4 It is the Bidders responsibility to ensure that all documents are uploaded on time. The e-tendering system ‘Pro Contract’ will hold all the information that Bidders upload securely until the Tender opening date.

**19.0 Method of Evaluation**

19.1 This section seeks to clarify further how each of the sections in Volume Two & Volume Three will be evaluated i.e. whether they are scored or constitute a Pass/Fail. For avoidance of doubt, any response that fails, in a Pass/Fail question, may result in a Bidder being excluded from the process.

19.2 **Additional guidance with regards to the Financial Evaluation**

The Bidder will be requested to submit evidence of their economic and financial standing which will be assessed by WECA prior to the final Contract award.

If the Bidder fails to supply the required evidence within the set timescale, or the evidence proves unsatisfactory, the award of the contract will not proceed to that Bidder.  WECA has the right to then choose to amend its award decision and award Bidder below in the ranking, provided that they have submitted satisfactory evidence.  Alternatively, WECA may terminate the procurement process.

1. **FINANCIAL STANDING APPRAISALS**
   1. The Financial Information provided will be used by WECA to assess whether the bidders possess the necessary economic and financial capacity to perform the contract.
   2. When undertaking the assessment, WECA looks at the Bidders’ most recent financial statements along with those of any ultimate parent company (if applicable).  These would be checked for general audit issues and then analysed to give an indication of profitability, net worth, liquidity, capacity and general stability.
   3. WECA reserves the right to use a variety of indicators as it considers appropriate including those from credit agencies.  WECA will also consider any additional information submitted by the applicant should the applicant consider this necessary for WECA to have a fuller understanding of its financial position.  This may be appropriate, for example, to obtain a fuller understanding of an applicant’s financial structure or funding arrangements.  WECA would expect any such information to be verified by an independent source, for example, the applicant’s auditors.  Furthermore WECA may (but is under no obligation) request further information or explanation from a bidder.
   4. Initially basic checks are made on a bidder’s name and any relevant registration details (e.g. registered number at Companies House).  WECA would check whether the bidder is trading or dormant and whether it has a parent company.  The status of the financial statements is also determined to check whether information submitted is for the last accounting period.
   5. When considering profitability WECA looks at whether the organisation has made a profit or a loss in the year, which indicates the efficiency of the organisation.  A loss in the year would be looked at in conjunction with the balance sheet resources available to cover this loss.

20.6 WECA would look at the bidder’s balance sheet and determine the net worth of the organisation and that element that can be mobilised in a financial crisis.  To do this the WECA looks at net assets and also at the net tangible worth (excluding intangible assets) of the organisation.

20.7 When looking at liquidity WECA uses the current ratio and the acid test ratio.  The current ratio is a measure of financial strength and addresses the question of whether the bidder has enough current assets to meet the payment schedule of its current debts with a margin of safety for possible losses in current assets.  The Acid Test ratio measures liquidity and excludes stock to just really include liquid assets.  Generally WECA would expect a bidder to have a current ratio of at least 1:1.

20.8 Contract limit is the size of contract that is considered ‘safe’ to award to a bidder, based on a simple comparison of the estimated annual contract value to the annual turnover of the organisation.  This gives an idea of financial strength to ensure that the bidder can cope financially with this size of contract.  WECA assesses the capacity issue of whether the bidder has the resources to carry out the work and also considers whether the bidder will become over-dependant on the contract in question. **Generally WECA would expect a bidder to have a turnover of two times the value of the annual value of the total or sum total of the routes for which it is bidding.**

* 1. WECA would consider all of the above in relation to the bidder and that of any ultimate parent company and then a judgement would be made as to the risk that the organisation would represent to WECA.  If WECA decides that the financial and economic standing of the bidder represents an unacceptable risk to WECA then the bidder will be excluded from further consideration in this process.

**21.0 Collaboration Arrangements**

21.1 Providers may wish to submit a collaborative bid. The possible methods for such collaboration are considered below.

21.2 Collectively, each entity that wishes to bid (whether it is a single entity, the lead partner or a joint and several liability consortium) is referred to as a “Bidder”. The Bidder is responsible for ensuring that the bid submission is fully completed, and the required information provided in respect of consortium members (as appropriate).

21.3 A consortia proposal requires either a clear lead organisation with whom the Authority will contract or evidence of a consortia structure where all members are joint and severally responsible for the performance of the Contract, in which case all consortia members will sign the Contract

21.4 The following models of collaborative arrangements are indicative of possible collaborative working arrangements:

* Lead partner consortium
* Joint and several liability consortiums.
* Sub-contracting

21.5 **Lead partner consortium:** A lead partner consortium is a consortium of organisations who are working together to bid for, and if successful, gain a place on the Contract. One partner will enter on to the Contract, on behalf of the other consortium members, and will be the conduit by which the Contract is delivered by the consortium members.

21.6 It is for the consortium members to assess whether their proposed partners have the capacity and capability likely to be able to deliver the requirements of this Contract. This is not the responsibility of the Authority.

21.7 **Joint and several liability consortia:** WECA will have a Contractual relationship with all members of the consortium. It is usual for one consortium member to be nominated to co-ordinate the consortium bid – which may be referred to as the lead organisation. However, in these circumstances, the lead is for administrative purposes only and all members of the consortium are equally responsible for the delivery of the Contract.

21.8 Whilst there is a lead/administrative partner for bid co-ordination purposes, this organisation is not solely liable as the WECA signs the Contract Agreement with all the members of the consortium; thus, all members are jointly and severally liable.

21.9 It should be noted that the ultimate responsibility for any sub-contracted obligations would always rest with the Bidder. It is recognised that arrangements in relation to sub-contracting may be subject to future change. However, Bidders should be aware that where, in the opinion of the Authority, sub-contractors are to play a significant role, any changes to those sub-contracting arrangements may constitute a material change for the purposes of procurement law, and therefore may affect the ability of the Bidder to proceed with the procurement process and/or to perform their duties under the Contract Agreement. For the avoidance of doubt, in the event that the Authority considers that such a change constitutes a material change for the purposes of procurement law, then the Authority reserves the right to disqualify the Bidder from the procurement process.

21.10 There is an expectation with this model that only minor and / or specialist elements of the service will be sub-contracted; i.e. the lead provider will deliver the core elements of the service.

21.11 The commissioning Authority will make payments to the provider; that provider is responsible for payments to its sub-contractors. However, the would expect payments to sub-contractors to mirror the payment conditions to the provider.

21.12 The Authority would not usually expect to see evidence of the administrative arrangements between the provider and sub-contractor, however, may wish to see evidence of performance monitoring, due diligence and subcontractor agreements and/or policies.

21.13 Whilst the commissioning Authority does not have a contractual arrangement with the sub-contractors, it does reserve the right to veto a choice of sub-contractor, if they are deemed to be unacceptable or inappropriate.

21.14 It is expected that successful Suppliers will have signed up to the Prompt Payment Code and/or will be willing to report to WECA their Sub-Contract payment performance.