

## VOLUME 1

### Instructions to Tender

### Bath Park and Ride Services

<b>Project REF:</b>	DN 597729
<b>Commencing:</b>	28/08/2022
<b>Contract Term:</b>	60 + 36 Months
<b>Please submit by:</b>	21/03/2022 1000

**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:** 18/02/2022

Dear Sir, Madam

### **TENDER INVITATION**

Provision of Bah Park & Ride Services

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 Quality Questions

Appendices

Appendix A – Schedules including Timetables and Route Maps

Appendix B – Pricing Schedule

Appendix C – Service Agreement

Appendix D – TUPE Operator Contact Details

Appendix E – Tendered Routes Passenger & Revenue figures

Appendix F – Monthly Car Park Occupancy

Appendix G – Quality Evaluation Model

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 the eligibility and mandatory requirements
- it is submitted back to the Authority using The Portal no later than 1000 AM on 21/03/2022
- 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

Akin Oyedapo MCIPS

Akin.Oyedapo@westofengland-ca.gov.uk

Procurement Officer

ON BEHALF OF THE WEST OF ENGLAND COMBINED AUTHORITY

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## **West of England Combined Authority Information**

The West of England Combined Authority is creating a better, greener future for people who live and work in the region.

It's improving peoples' lives:

- helping residents secure decent jobs and homes they can afford.
- tackling climate change and the ecological emergency.
- providing access to skills and training.
- improving transport and the places people live, work and visit.
- supporting businesses to succeed.

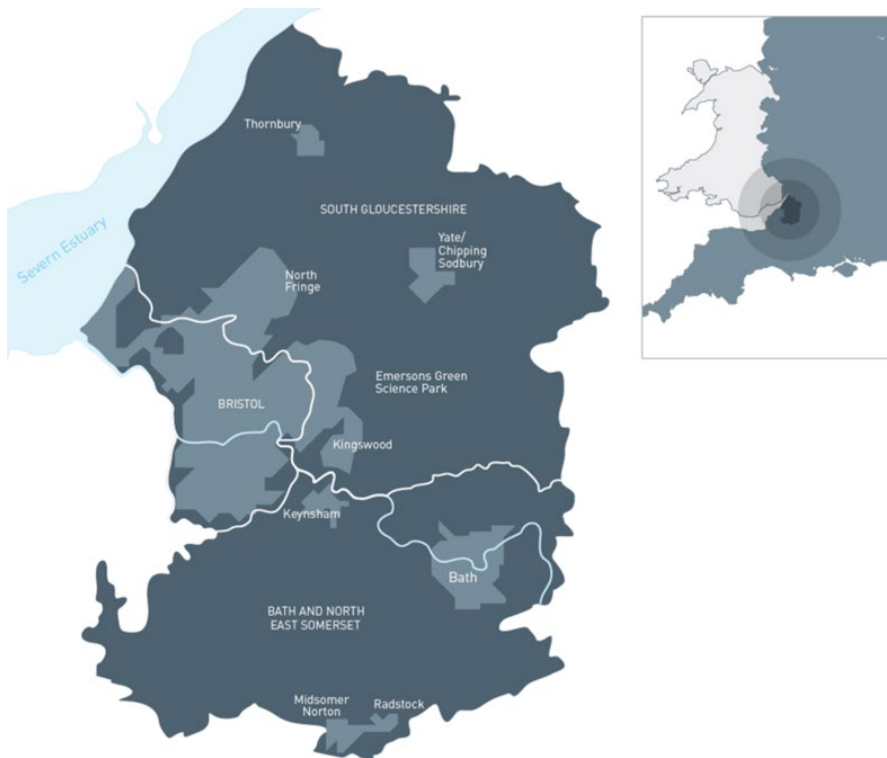
The West of England Combined Authority is creating a region to be proud of.

The West of England region:

- has a diverse population of more than 1.1million people.
- boasts a highly skilled workforce and one of the highest levels of graduates in the UK.
- is home to innovative and creative businesses
- has an economy, built on strong foundations, worth over £40bn a year.

It's a region which competes on global scale. A region where ideas flourish and businesses grow.

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



## 1. Scope of the Contract

- 1.1 Please refer to Appendix A – Schedules including Timetables and Bus route Maps

## 2. Timetable of Key Dates

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

Date	Activity
18/02/2022	ITT (Invitation to Tender) issued to Bidders.
18/02/2022	Open date for clarification questions to be submitted.
11/03/2022	Closing date for clarification questions to be submitted.
16/03/2022	The Authority responds to all open clarification questions.
21/03/2022	Closing date and time for receipt by the Authority of tenderers responses to the ITT
01/04/2022	Evaluation
03/05/2022	Award decision made.
03/05/2022	Standstill commences
13/05/2022	Standstill ends @ Midnight
16/05/2022	Award Date
30/05/2022	Contract award concluded
19 <sup>th</sup> June 2022	Start of 70 Day Registration period with LTA and Traffic Commissioner
28 <sup>th</sup> August 2022	Service Starts

## 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 The Authority 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 The Authority reserves the right to clarify any element of the submitted tender.

- 4.3 The Authority 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, Authority 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 the Authority 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 Please refer to Appendix D – TUPE Operator Contact Details

## **7. Monitoring – NOT USED**

## **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 contract the Authority is required to publish information regarding the contracts under the government transparency policy. To view details of what must be published, see the Local Government Transparency Code 2015 at the link below.

[Local Government Transparency Code 2015](#)

- 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 trail 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 The Authority takes these issues very seriously. It encourages all Bidders to contact the Procurement team 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 in Volume 2. 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. The Authority's 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 the Authority 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 the Authority must be made via the Portal only.
- 11.10 All clarification questions must be received no later than **11/03/2021 at Midday** 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 The Authority 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 The Authority 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. The Authority 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 word 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 in *Appendix B* 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 120 days from your submission.
- 13.4 Prices quoted shall be exclusive of VAT.

## **14. Communication and Clarification**

- 14.1 The Authority is utilising an electronic tendering tool to manage this procurement and communicate with Bidders with the contract being awarded using The Portal 'Supplying the Southwest.
- 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 the Authority 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 the Authority 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 The Authority 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 the Authority 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
- Invitation to Tender 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 Bus Services Team in the transport Function in the Authority 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:

70% COST

30% QUALITY

A summary of the questions and weightings can be found in the table below.

- 15.4 Quality will have weighted score of 30% 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 the Authority
- 15.7 The Authority will use a scale of 0-5 to evaluate tenders. The minimum acceptable score for your bid to be considered compliant is a 3. Scoring a 0 in any of the questions in Volume 3 will render your bid non-compliant and your bid will be rejected.

### Scoring Methodology

- 15.8 Price will have a weighted score of 70%.

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 Model

- 16.1 The Authority is using a 0,3,4,5 model to reflect that a 3 is the minimum acceptable score.
- 16.2 There are two parts to the Quality Evaluation to produce your Total Quality Weighted Score:

#### **Part 1 – Your Question Score (out of 5) X Question Weighting = Weighted Score**

The SUM Total of your weighted scores will then be used in Part 2.

Part 2 – Your Weighted Score (out of 5)

$$\frac{\text{Sum Total Weighted Scores}}{\text{Max Score Available}} \times \text{Quality Weighting} = \text{Actual Weighted Quality Score}$$

Scores will be to the nearest 2 decimal points. Please refer to *Appendix G* for an example Quality evaluation model which will be used in this Procurement.

### 17. Pricing Schedule Evaluation Model

Each tenderer will receive 100% of the available marks less the percentage by which their bid is scored above the lowest lump sum price. This means that 70 marks will be awarded to the bid that submitted the lowest lump sum price.

By way of example, if the lowest submitted price is £4,300,000.00. This tenderer will receive 70 weight price marks, the score for another tenderer's price of £5,500,000.00 will be calculated as follows:

- Calculate the percentage difference between lowest tenderer's price of £4,300,000.00 and the other tenderer's price of £5,500,00.00
- $£5,500,000.00 - £4,300,000.00 = £1,200,000.00$ , a 27.91% difference above the lowest submitted price i.e.  $(£1,200,000.00 / £4,300,000.00) \times 100$ .
- The tenderer with the higher price of £5,500,000.00 will therefore receive an unweighted score of 72.09% of the maximum weighted price score, i.e. 72.09% of 70 quality marks. This is the winning bidders score (100% minus this bidder score 27.91%).
- The maximum mark available for price 70 is multiplied by the above figure 72.09% to give a weighted quality score of 50.46 marks.

#### Another example

If the lowest submitted price is £4,300,000.00. This tenderer will receive 70 weight price marks, the score for another tenderer's price of £8,900,000.00 will be calculated as follows:

- Calculate the percentage difference between lowest tenderer's price of £4,300,000.00 and the other tenderer's price of £8,900,00.00
- $£8,900,000.00 - £4,300,000.00 = £4,600,000.00$ , over 100% difference above the lowest submitted price.
- The tenderer with the higher price of £8,900,000.00 will therefore receive an unweighted score of 0% of the maximum weighted price score, i.e. 0% of 70 quality marks. This is the winning bidders score (100% minus this bidder score 100%).
- The maximum mark available for price 70 is multiplied by the above figure 0% to give a weighted quality score of 0 marks.

NOTE: All percentage and weighted marks are rounded up or down to two decimal points (1 to 4 down & 5 to 9 up).

- 17.1 If the Authority 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. The Authority 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 The Authority 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 Akin.Oyedapo @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.



## Volume 2 Information – Qualification Questions

PART	Section	REF	Grounds	Outline	Level
1	1	1-1.3(h)	None	Potential Supplier Information	This section should be completed accurately. This section will not be scored.
2	2	2.1-2.3	Pass / Fail	Grounds for Mandatory Exclusions	The Authority will exclude any Bidder who answers 'Yes' to any of the questions.
2	3	3.1-3.2	Discretionary exclusion	Grounds for Discretionary Exclusion	The Authority may exclude any Bidder who answers 'Yes' to any of the questions.
3	4	4.1-4.2	Pass / Fail	Economic & Financial Standing (self-certification)	Please refer to 20 in Volume 1 for more detailed Economic and Financial evaluation guidance. This is a Pass/Fail requirement.
3	5	5.1-5.3	Pass / Fail	Parent Company Guarantee or other means of guarantor	You must be able to provide us with assurance of a guarantee.
3	6	6.1-6.3	Pass / Fail	Technical and Professional Ability	The responses will be judged on their relevance to this Contract opportunity. Please see the body of the question for details. This is a Pass/Fail requirement.
3	7	7.1-7.2	Discretionary exclusion	Modern Slavery Act	The Authority may exclude any Bidder who answers 'No' to 7.2. but Exclusion may only be applied where the organisation is requirement by law / relevant to the organisation.
3	8	8.1	Pass / Fail	Insurance (self-certification)	Minimum: Employers Liability £10m Million Public Liability £5m This is a Pass/Fail requirement.
3	8	8.2	Pass / Fail	Requirement to Pay National Living Wage	A No response will result in your removal from the tender
3	8	8.3	Pass / Fail	DBS Checks where applicable	A No response will result in your removal from the tender
3	8	8.4	Discretionary exclusion	Health & Safety	You must confirm compliance and declare incidents and measures taken to mitigate risk of recurrence



## **Volume 3 Information – Quality Questions**

The table below shows the evaluation criteria and number of questions in each section.

You must add the word YES next to the response area which best describes what you offer will offer as an organisation. There are a combination of questions on your current practices, policies and offering and questions specifically on what you propose to offer.

In the majority of cases you will need to provide a brief explanation to support your score. Please keep this explanation succinct but provides sufficient detail to support your response.

Where the Authority requires further information it may seek clarification from you. The Authority may at its discretion alter the score you have provided to a specific question(s) where the explanation provided does falls short in its response to the question.

Please refer to Section 16 and Appendix G as to how quality scores will be evaluated and weighted scores calculated.

<b>Quality Criteria</b>	<b>Number of Questions</b>	<b>Weighting</b>
Service delivery	8	50%
Complaints Procedure	3	10%
Social Value	1	10%
Equality & Diversity	1	10%
Environmental	1	10%
Business Continuity	1	10%

## **20.0 FINANCIAL STANDING APPRAISALS**

21.0 The Financial Information provided will be used by the Authority to assess whether the bidders possess the necessary economic and financial capacity to perform the contract.

21.1 When undertaking the assessment, the Authority 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.

21.2 The Authority reserves the right to use a variety of indicators as it considers appropriate including those from credit agencies. The Authority will also consider any additional information submitted by the applicant should the applicant consider this necessary for the Authority 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. The Authority would expect any such information to be verified by an independent source, for example, the applicant's auditors. Furthermore the Authority may (but is under no obligation) request further information or explanation from a bidder.

- 21.3 Initially basic checks are made on a bidder's name and any relevant registration details (e.g. registered number at Companies House). The Authority 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.
- 21.4 When considering profitability the Authority 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 The Authority 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 Authority looks at net assets and also at the net tangible worth (excluding intangible assets) of the organisation.
- 20.7 When looking at liquidity the Authority 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 the Authority 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. The Authority 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 the Authority 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.**
- 20.9 The Authority 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 the Authority. If the Authority decides that the financial and economic standing of the bidder represents an unacceptable risk to the Authority 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:** The Authority 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 Authority 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 the Authority their Sub-Contract payment performance.