

Clarification of Evaluation Criteria in relation to required documentation and proposals			
1	Annex 2 Basic Details of your Organisation	Not Marked	This information is required so that we are clear as to which legal entity is making the proposal
2	<u>Annex 2 – Financial and Commercial Criteria (including Insurance Section)</u>	Pass/Fail	<p>This information is collected to enable us to:</p> <p>a) Assess the financial stability of the company</p> <p>b) Assess whether there is a risk of non-delivery against a contract due to lack of financial stability ie the higher the value of the contract or the longer the duration the more risk there is in contracting with an organization that is in difficulty.</p> <p>For a contract of this potential value and lifespan we would be looking for:</p> <p>a) turnover – not reducing significantly ie not reduced by more than 10% per annum.</p> <p>b) Trading at a profit or at least break even.</p> <p>c) Reserves equal to 3mths expenditure. Expenditure being calculated as turnover less profit/4.</p> <p>d) Low dependency – if the loss of a contract that you are dependent upon outweighs the reserves you hold, there is a risk associated.</p> <p>e) Terms of banking facilities or loan – if not met, we will need clear details of what was done to mitigate this risk.</p> <p>f) Confirmation that obligations to pay creditors and staff have been met – to give us assurance that you have been able to do so – this is particularly important with regard to staff and continuity of supply</p> <p>g) Legal dispute – does not, in itself, immediately mean a fail but should be considered in</p>

			relation to reserves.
3	How will the maximum score (30) be awarded in relationship to submitted costings? How will an overall assessment of VFM be arrived at by using the assessment criteria 5? It could be interpreted that 30 points is allocated for providing the fully itemised costings whatever the price tag.		This will be done by formula. The lowest price given by an organization that has demonstrated it is capable of doing the work will get full marks and all other prices will be benchmarked against this using the formula (lowest price/this price x 100) x %