



Bid Assessment Framework

Final: March 2020

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1. INTRODUCTION

1.1 – BACKGROUND

South Staffordshire Water Plc. acquired Cambridge Water in April 2013. For clarity, both companies combined will be referred to as SSC.

The South Staffordshire (SST) regional area serves large parts of over 1,500 square km in the West Midlands, South Staffordshire, South Derbyshire, North Warwickshire and North Worcestershire areas. In total, it serves a population of 1.3 million and supplies 330 million litres of potable water every day across a network of pipes that total 6,000 km in length to approximately 500,000 homes and 35,000 commercial customers in an area covering 1,500km².

The Cambridge (CAM) regional area covers a population of 315,000 and has 130,000 customers of potable water. As well as operating in one of the driest areas of the UK it also operates in one of the fastest growing areas with its population predicted to increase by 50,000 over the next 25 years.

We operate 24 hours a day, trapping the rain that falls, controlling the amount of water taken from rivers and underground aquifers, treating the water so that it is safe to drink and then transporting a constant supply of water to homes, shops, offices, factories, hospitals and schools. When a customer turns on their tap, they are completing a cycle that has involved hundreds of people, many kilometres of water mains and millions of pounds of investment.

For further details regarding South Staffordshire Water or Cambridge Water please visit the websites:

<http://www.south-staffs-water.co.uk>

<http://www.cambridge-water.co.uk/>

1.2 – OBJECTIVE

South Staffordshire Water PLC (SSC), incorporating South Staffs Water (SST) and Cambridge Water (CAM), are keen to engage third parties that may have water resources or innovative products as part of the PR19 bid assessment framework to support our water resources management planning over the period 2020 to 2025.

The types of works we are interested in include, but are not limited to:

- potable water resources;
- capital maintenance and electrical engineering;
- civil engineering; and
- design.

Potential suppliers should familiarise themselves with the detail on our website at www.south-staffs-water.co.uk (South Staffs region) or www.cambridge-water.co.uk (Cambridge region) to understand more about the challenges we face as a business and our strategy for addressing these challenges now and over the long term.

Please read and complete this document with reference to our Bid Assessment Framework guidance document.

2. PROCESS

2.1 – TIMELINE

Participants should note that the following timescales are estimates only and SSC reserves the right to amend these dates from time to time.

| Stage Ref | Stage Description | Anticipated Timing |
|-----------|---|--------------------|
| 1 | Receive completed Bid Assessment Document Confirm receipt to bidder, log on register, save securely. | 3 days |
| 2 | Forward to Executive Team for review Forward the submission and evaluation document to Exec for review. | 30 days |
| 3 | Provide Feedback Provide feedback to the bidder and confirm if the submission is accepted or rejected including if SSC intention to engage as part of a formal procurement process or direct, depending on the proposal and associated regulatory requirements. | 30 days |

2.2 – ASSESSMENT CRITERIA

Our Executive Team – or individual members of our Executive Team – will take the decision for preferred options to be formally considered by the procurement process. Our Executive Team is agile and flexible; we consider that this approach is proportionate to the size of our business and the resources and expertise we have available.

The decisions our Executive makes will be independent to ensure all options are treated equally and without discrimination. The key areas the Executive will consider when reaching a decision are:

- practicality;
- strategic fit;
- financial viability;
- environmental implication; and
- customer impact.

We will assess all the options we receive using the option appraisal process as detailed in the Bid Assessment Framework guidance document. We have not specified any minimum requirements as we are keen to encourage bids from a wide range of third parties. We will treat all bids equally.

SSC uses this process to ensure that all participants meet our minimum requirements for specific criteria such as financial stability, health and safety and legal compliance.

The responses will be evaluated against predetermined criteria, from which appropriate participants will be invited to proceed. The assessment criteria for the BAF as follows:

| Initial Assessment Criteria | Percentage Weighting |
|---|-------------------------------|
| Part A: Company Background | For information purposes only |
| Part B: Previous Experience | Marked by Exec |
| Part C: Financial | Pass/Fail |
| Part D: Option Appraisal | Marked by Exec |
| Part E: Quality, Health, Safety and Environment | Pass/Fail |
| Summary Total | 100% |

Please do not hesitate to contact us should you have any questions around the completion of this document.

Scoring Framework

Responses to questions in Part B and Part D will be marked by Exec using the below scoring framework, whilst considering the above listed key areas:

- 0 FAIL** Unacceptable, lacks enough detail to mark the response, does not answer the question adequately
- 1 BELOW PASS** Below expectation, does not show enough detail or provides little evidence and assurance
- 2 PASS** Fit for purpose, provides satisfactory information to prove can complete the requirement
- 3 HIGH PASS** Above expectation, provides good levels of detail with evidence the requirement can be completed to a good level
- 4 COMPELLING** Best in class; provides high levels of detail and assurance that requirement will be completed to a very high standard
- 5 EXCEPTIONAL** Best in class and illustrates additional value add; provides exceptional levels of detail and assurance that the requirement will be completed to a very high standard with additional benefits identified

Financial Pass / Fail

Failure to complete and return form with required supporting documents will result in an automatic fail. Suppliers who are provide a credit assessment score of below 7 (or equivalent score on D&B/Equifax/Experian 4A3/3A2/2A1/B/B-/70-79) will not be shortlisted and deemed a fail.

2.3 – COMPLETION INSTRUCTIONS

All questions must be answered using the form supplied, which is located under Section 3 – Bid Assessment Framework Questionnaire (BAF). Failure to answer any question, or to provide the required documentation as requested, may affect the ability to review your offering and lead to your elimination from the process.

BAF submissions are to be emailed to procurement@south-staffs-water.co.uk . The file must be zipped and less than 10mb, if more than 10mb please split over two emails and title 1 of 2, 2 of 2 etc.

All supporting documentation must also be emailed and clearly marked with your company name and the section to which it refers. Please indicate if you have provided supporting documents under the appropriate question.

Questionnaires that are not electronically submitted will NOT BE ACCEPTED.

Please refer to Section 4 – BAF Return Checklist which is intended as guidance to help ensure you have provided all of the requested documentation. Please note that failure to sign and submit the NDA will lead to your company's elimination from this process.

Note: All enquiries must be addressed via email to procurement@south-staffs-water.co.uk .

3. PRE QUALIFICATION QUESTIONNAIRE

3.1 – PART A: COMPANY BACKGROUND (FOR INFORMATION ONLY)

All sections must be completed, please state N/A where not applicable.

| A | Company Background | |
|----|--|--|
| A1 | Organisation Name: | |
| A2 | Type of organisation (e.g. sole trader, partnership, limited company): | |
| A3 | Company Number (if applicable): | |
| A4 | VAT Registration Number: | |
| A5 | What is the principal business of your organisation? | |
| A6 | If the applicant is a consortium or joint venture, then please state a) The names of legal entities within the consortium/JV and shareholders. b) Relevant ownership divisions. c) Details of which element of the goods/service each consortium member would be responsible for delivering <i>(note that SSC requires all JV members to be both jointly and severally liable)</i> : | |
| A7 | Please provide the name, address and company registration number of any parent company: | |
| A8 | Please confirm the levels of any relevant insurances e.g. public, employers, etcetera: | |
| A9 | Please confirm the contact details of the primary contact with respect to this opportunity: | Name: Organisation: Position: Address: Contact No: Email: |

3.2 – PART B: PREVIOUS EXPERIENCE

| B | Previous Experience | |
|----|---|--|
| B1 | Please list the water companies that your organisation has worked with over the past three years or which your organisation currently has frameworks/ contracts in place. | |
| B2 | If your organisation currently has frameworks/ contracts in place what is the duration and value of these (£M/Year) | |

3.3 – PART C: FINANCIAL (PASS/FAIL)

| | | | |
|----|--|-------|-------|
| C | Financial | | |
| C1 | SSC wishes to make an assessment of the financial risk associated with each participant. Please tick the box to confirm that you are including your last financial year's accounts (please provide full accounts and not an abbreviated version): | | |
| C2 | Please complete the summary Table below for the last three financial years: | | |
| | Item | Year: | Year: |
| | Annual Turnover | | |
| | Profit/Loss before tax (+/-) | | |
| | Profit/Loss after tax (+/-) | | |
| | Fixed Assets | | |
| | Current Assets | | |
| | Current Liabilities | | |
| | Total Borrowing (excluding current liabilities) | | |
| | Shareholder Funds | | |
| C3 | What percentage of your annual turnover is related to the option you are proposing? | | |
| C4 | Has your organisation been notified of any breach of its banking or loan terms/covenants/undertakings in the last 12 months? If so, please provide brief details: | | |
| C5 | Has the organisation or any director, partner, member been involved in insolvency, relevant proceedings, bankruptcy, winding up or receivership? If so, please provide brief details: | | |
| C6 | Has any of the director, partner or member been convicted of a criminal offence relating to business or professional conduct? If so, please provide brief details: | | |
| C7 | Please provide contact details for your bankers and please provide permission to approach the contact for a reference if necessary: | | |
| C8 | Should you be required to do so, would you be willing and capable of providing a performance bond or other surety bond to a sum of not less than 10% of the contract value, OR parent company guarantee from parent company which has a credit rating of at least BBB+ by Standard & Poors or an agreed equivalent agency? | | |
| C9 | Please confirm, the value of works that you will be capable of undertaking for SSC in £Millions on an annual basis: | | |

3.4 – PART D: OPTION APPRAISAL

| D | Option Appraisal | |
|-----|---|--|
| D1 | Please provide a brief summary of the option explaining how it fulfils the requirement we may have identified. <i>(maximum 500 words)</i> | |
| D2 | What is the total whole-life cost of the option? Please provide evidence to demonstrate that the option is financially viable. | |
| D3 | How will the option help us to deliver our strategic objectives? Can it be adapted to fit the needs of our business and the requirement we have identified? | |
| D4 | Please demonstrate the robustness of the proposed option, including an assessment of whether it will deliver resilience on terms of secure and reliable suppliers. <i>(maximum 500 words)</i> | |
| D5 | Please identify and explain any risks associated with delivery. <i>(maximum 500 words)</i> | |
| D6 | What is the timescale for delivering the option? | |
| D7 | Does the option depend on the delivery of any other schemes? | |
| D8 | Are there environmental impacts associated with the option? If so, please provide details with the mitigations in place to address this? <i>(maximum 500 words)</i> | |
| D9 | Are there any wider sustainability impacts associated with the option? If so, please provide brief details of the mitigation in place to address this. <i>(maximum 500 words)</i> | |
| D10 | Are there any other factors or constraints specific to the option (e.g. abstraction licenses or the risk of transfer of invasive non-native species)? If so, please provide brief details of these. <i>(maximum 500 words)</i> | |
| D11 | Is there customer/stakeholder support for the option? Please provide evidence to demonstrate levels of support from customers or any other stakeholders. | |
| D12 | For options around addressing a water deficit, are there any water quality issues we should be aware of? If so, please provide brief detail of the plans to mitigate this. <i>(maximum 500 words)</i> | |

3.5 – PART E: QUALITY, HEALTH, SAFETY AND ENVIRONMENT (PASS/FAIL)

| E | QUALITY, HEALTH, SAFETY AND ENVIRONMENT | |
|----|--|--|
| E1 | Does your organisation have a certified Quality Assurance System in place? If so, please detail to what level e.g. ISO 9001 | |
| E2 | Does your organisation have Certification to OHSAS 18001? | |
| E3 | Are all of the services that you are applying for covered by the scope of your Quality Assurance System? | |
| E4 | Please provide a current copy of your organisation's Health and Safety Policy (Executive Summary and a copy of the certificate only). Please tick if attached | |
| E5 | Please describe how your organisation <ul style="list-style-type: none"> • Identifies • Evaluates • Manages Health and Safety risks associated with its principal activities (max 500 words). | |
| E6 | List 4 leading health and safety indicators used within your organisation to monitor performance | |
| E7 | Please complete the table below for the past 3 full years and the current year: | |

| Ref | Events | 2014 | 2015 | 2016 | 2017 |
|-----|---|------|------|------|------|
| A | Number of Employee (FTE) | | | | |
| B | RIDDOR events involving death | | | | |
| C | RIDDOR events involving major injury | | | | |
| D | RIDDOR events involving dangerous occurrences | | | | |
| E | RIDDOR events involving over 7 day lost time accidents | | | | |
| F | Other lost time incidents (3 days or less) | | | | |
| G | All accident frequency rate per 1,000 employees | | | | |
| H | Number of hazard reports submitted | | | | |
| I | Number of near misses reported (health & safety) | | | | |
| J | Number of occurrences of occupational ill health (HAVS, Noise Induced Hearing loss, MSD, Stress) | | | | |
| K | Number of days lost due to accidents and incidence of occupational ill health (HAVS, Noise Induced Hearing loss, MSD, Stress) per 1,000 employees | | | | |
| L | Prosecutions, Prohibition or Improvement Notices from enforcing authorities (including pending) | | | | |
| M | Environmental near misses | | | | |
| N | Environmental incidents | | | | |
| O | Prosecutions, Environmental enforcement orders | | | | |
| P | Number of near misses reported (environmental) | | | | |

| | | |
|-----|--|--|
| E8 | Does your organisation have Certification to ISO 14001? | |
| E9 | Please describe how your organisation <ul style="list-style-type: none"> • Identifies • Evaluates • Manages Environmental risks associated with its principal activities (max 500 words). | |
| E10 | List 4 leading environmental indicators used within your organisation to monitor performance. | |
| E11 | Please complete the table below for the past 3 full years and the current year: | |

4. RETURN CHECKLIST

Please ensure the below documents are included when you return this Bid Assessment Framework submission.

| Item | Document | Relates to | Provided |
|------|----------------------------------|------------|----------|
| 1 | Two years fully audited accounts | Part C | Yes / No |
| 2 | Credit Assessment Document | Part C | Yes / No |

END OF DOCUMENT