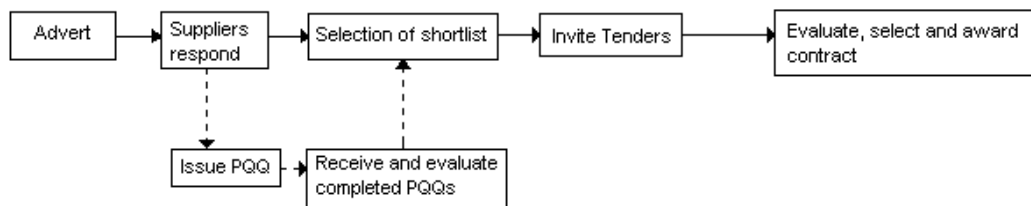


PRE-QUALIFICATION QUESTIONNAIRE – GUIDANCE FOR COMPLETION

Introduction and Purpose

Sometimes when buyers advertise a requirement asking suppliers to express an interest in tendering, the buyer will include an initial sifting stage in the overall tendering process (occasionally referred to as “long listing”, more often as “Pre-Qualification”). This serves the purpose of fairly reducing the number of competing suppliers to a manageable number. This is particularly appropriate where buyers anticipate that a large number of suppliers are likely to want to bid.

In order to evaluate suppliers’ ability to meet the advertised requirement the buyer will ask them to submit information about themselves, usually focussing on the supplier’s capabilities and resources. The buyer will then examine each supplier’s response and decide which firms they will issue the Invitation to Tender (ITT) to on the basis of this high-level evaluation. The simple document that asks firms to provide the information needed to carry out the process is called a Pre-Qualification Questionnaire (PQQ). The flow chart below illustrates how Pre-Qualification fits within a simple competitive procurement process.



OGC has developed the document which this guide accompanies specifically for procurements of a lower complexity and a financial value below the OJEU threshold with the purpose of simplifying the Pre-Qualification process for suppliers and buyers alike. It does this by making the necessary questions easy to answer and thus evaluate, and by not asking firms to provide a wealth of accompanying information with their response to the PQQ. This is effectively known as “self-certification” - clarifying information supporting the response may be requested by the buyer at the Tender stage but doesn’t have to be submitted with the PQQ.

When a buyer wants to assess suppliers’ suitability to tender for a particular contract they will need to consider a wide range of information about the interested firms. The OGC PQQ tries to gather all of the necessary information whilst not making too much work for those responding to it.

The specific areas in which the PQQ seeks information are described below.

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Section 1 - Organisation Identity and Basic Details

A buyer will need some basic contact details for each supplier and some background information about who they are.

Section 2 - Financial Information

A buyer needs to know about a possible supplier's financial situation. They will want to be sure that the firm has the financial resources and stability to carry out the required work, and that they are likely to be around to complete the contract satisfactorily. The PQQ therefore asks for some basic company financial information to allow a buyer to assess a supplier in this area. You don't need to provide copies of accounts when answering the PQQ. If you are invited to tender you can provide them then.

Section 3 - Business Activities

A buyer will want to know what a potential supplier's main lines of business are when deciding if that supplier should be invited to tender. The buyer will also want to be sure the firm is likely to have sufficient resource to perform the contract properly or if the supplier would intend to sub-contract. Section 3 of the PQQ asks for information to help the buyer carry out this assessment.

Section 4 - References

When a supplier wants to be invited to tender for a contract the buyer will want to know if it has done similar jobs of a similar size to a good standard in the past. The PQQ therefore asks for details of up to three previous jobs done by the firm. The more similar these are to the buyer's current requirement the better.

The buyer will also want to know about any problems the supplier has had on previous contracts. It may be there are reasonable explanations in justification so it is best to be honest and open in answering these questions rather than have details scrutinised later.

Section 5 - Insurance

With the best will in the world there are sometimes problems with contracts for one reason or another. A buyer needs to know that possible suppliers have the necessary insurance policies to adequately cover any such problems.

Section 6 - Quality Assurance

Quality management is all about making sure that work is done in a planned, controlled way to ensure that the results are satisfactory. There are various schemes and standards that define how a firm can make sure it meets its customers' needs.

Buyers want to know if possible suppliers have thought about how they can make sure their work is up to the mark in terms of quality. This may mean the firm indicating it has been formally checked against a recognised

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standard (benchmarked) or it may involve the firm giving a description of how it makes sure its work is done repeatedly to high standard.

Section 7 - Health and Safety

A buyer will want to be sure that a supplier takes care to ensure the health and safety of its workers and others when carrying out its work. This will be especially important for construction work, for example. There are also legal requirements in this area that the buyer will need to know that the supplier meets. The PQQ therefore asks suppliers to provide some information about their policies on health and safety.

Section 8 - Equal Opportunities

Public bodies have a special responsibility to make sure that all members of the community are treated fairly and equally in the field of their work. They will therefore want to know that a possible supplier accepts its legal duties in this area and takes them seriously.

Section 9 - Environmental Management

Some business operations can have a big impact on the environment, but all firms can help to ensure that they minimise any harmful effects of their work on the environment, for example by recycling where appropriate and properly disposing of hazardous materials.

A firm's policies in this area will be more important for some types of contract than others, but the PQQ provides for buyers to gather information from suppliers in this area.

Section 10 - Professional & Business Standing

Public bodies have a duty to maintain high standards of professional behaviour and honesty. They need to be sure that potential suppliers can show that they meet the same standards. The PQQ asks suppliers to answer some important questions on this subject.

Section 11 – Requirement Specific Questions

Buyers will inevitably have some questions to ask of suppliers which fall outside of the above categories and relate specifically to the subject matter of the procurement they are currently undertaking (for example, typical delivery lead times, or interoperability with existing IT systems). Any such questions are appropriate for inclusion in this section.

Section 12 – Declaration

This is simply the confirmation to the buyer by the supplier that the information provided is valid and correct and is the final section of the PQQ with the exception of explanatory notes and supplementary modules.

Optional Modules for inclusion by Buyers:

The following 3 Modules are available for buyers to select one or more to issue alongside the core PQQ as appendices. Its the buyer's decision which, if

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any, to include and this should be considered in the context of the requirement itself (for example, contract value/importance and relevance).

Module 1 – Additional Financial Questions

The questions in this Module build on those already asked in Section 2 of the core PQQ and go into greater depth with respect to profit and loss, Parent Companies and guarantees.

Module 2 – Additional Health and Safety Questions

The questions in this Module build on those already asked in Section 7 of the core PQQ and ask for details of the supplier's Health and Safety processes.

Module 3 – Additional Equal Opportunities Questions

The questions in this Module build on that already asked in Section 8 of the core PQQ and ask for details of the supplier's policies on, and approach to, Equal Opportunities for its staff.