CIPFA Procurement Webinar

Assessing Financial Health of Suppliers under the Public Contracts Regulations 2015

Webinar

18 August 2020

Purpose

This webinar has been specially developed by the CIPFA Procurement Network to help practitioners assess commercial viability and financial health of suppliers as part of the SQ stage and ongoing contract management. The Public Contracts Regulations 2015 contain provisions as to how suppliers can be assessed for different values of contracts. This webinar will bring you up to speed with the key provisions and equip you with the skills to interpret financial statements to uncover supplier risks in order to underpin a robust tender evaluation process. The webinar will also explain content of suitability assessment questionnaires for below threshold contracts as well as how the standard SQ should be used in different types of tender procedures.

Learning Outcomes

How will you benefit?

- Understand the role of the SQ documents in the tender process
- How to undertake a comprehensive SQ evaluation using financial and non-financial data supplied
- How to undertake financial assessment and the role of credit agency reports
- Offer guidance on what constitutes sufficient self-cleaning measures to demonstrate reliability
- How to undertake financial due diligence in the post Covid environment

Who Will Benefit

The webinar will support procurement, finance, solicitors, project managers, auditors and contract managers with day to day responsibilities of tenders and managing contractors.

Programme

09.45 – 10.00	**Join the Webinar**
10:00 – 11.20	**Use of Standard Selection Questionnaires under the Public Contracts Regulations 2015** ▪ Policy background ▪ What are the rules and thresholds? ▪ Financial assessment post Covid-19 ▪ Issuing procurement documents at SQ stage (Regulation 53) ▪ What to include in an above threshold SQ: technical, financial and legal questions – standard questions ▪ Current guidance from the cabinet office/ CCS ▪ What additional information do we have to provide?
11:20 – 11.35	**Break**
11.35 – 12.20	**What is Covered in the 'Standard SQ'** ▪ Incorporating the SQ to your tenders ▪ Content of the standard SQ template? ▪ What about the SQ in the open procedure? ▪ Use of SQ in LTR contracts ▪ Additional questions – adding bespoke 'modules' ▪ Use of sub-contractors – which parts to complete ▪ Deviations from the SQ – reporting obligations ▪ PASS91 – works contracts ▪ Practitioner issues – self certification, SQ/ ESPD
12.20 – 12.45	**Suitability Assessment Questions – When to use?** ▪ Supplier selection below the SQ threshold ▪ What questions can be asked? ▪ Evaluation – scoring or pass/fail? ▪ Obligations to publish on Contracts Finder
12.40 – 13.25	**Lunch**
13.25 – 14.50	**How to Undertake Financial Assessment?** ▪ What do the Regulations permit? ▪ Credit scoring – is it allowed? ▪ The approach in the standard SQ ▪ Other possible approaches ▪ Applying key financial ratios (liquidity, gearing, interest payments, profit margins, net assets) – which ones should you be using? ▪ Limitations of ratio analysis ▪ Financial warning signs and insolvency ▪ Interpreting data and grounds for rejecting bidders ▪ Notes to accounts - cash flow statements, profit & loss
14.50 – 15.20	**Online Poll Assessment** This session will include a series of questions based on the earlier sessions and delegates will be able to take part to support and enhance the learning experience.
15.20 – 15.25	**Discussion, questions & close**

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CIPFA Sustainability Policy

CIPFA is delivering all of our training courses, workshops and seminars in accordance with our sustainability strategy. We do not provide hardcopy course materials to delegates and these are now distributed by email in advance of the event. We are striving to reduce our carbon footprint in every way that we can, and we hope that we can count on your support.