

**Economic and Financial Standing Assessment**

Service provision	Insert Details
Indicative Annual Contract value (ex VAT), where applicable	£100
Turnover Multiplier	2

**Section 1 - Financial Ratio Analysis Assessment - assessment of organisation financial capability to be able to deliver the service in the short term and long term**

Assessment Criteria	Weighting	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Return on capital employed	10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Profit/Turnover %	10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Current Ratio (Assets/Liabilities)	50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gearing (Current & Long Term Liabilities/Equity)	30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Score	100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pass / Fail Assessment															

**Assessment Scoring definition**

50-100 - Pass - Supplier passes financial ratio analysis assessment

0-49 - Fail - Supplier fails financial ratio analysis assessment.

A Supplier failing to meet the threshold(s) may possibly still proceed if there are exceptional circumstances affecting their published accounts and sufficient alternative financial assurance is in place, such decision will be at the sole discretion of NHS Humber and North Yorkshire ICB.

**Section 2 - Financial Capacity to deliver contract**

Indicative Annual Contract value	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Organisation Turnover		PASS	£0	0	0	0	0	0	0	0	0	0	0	0	0

The Contract should never dominate an organisation's business. Therefore in the case of a large / strategic contract at least 2 times the level of annual turnover tends to be used as minimum target.

Pass - Supplier turnover is more than at least 2 times the indicative annual contract value

Fail - Supplier turnover is less than 2 times the indicative annual contract value.

**Section 1 - Financial Ratio Assessment Weighting**

ROCE	
15.0% and more	100%
10.0% less than 15.0%	75%
5.0% less than 10.0%	50%
0.01% less than 5.0%	25%
0% & less	0%

Net Profit/Turnover %	
15.0% and more	100%
10.0% less than 15.0%	75%
5.01% less than 10.0%	50%
0.01% less than 5.0%	25%
0% or less	0%

Current Ratio	
1.50 and more	100%
1.25-1.49	75%
1.01-1.24	50%
0.50-1.00	25%
0.49 or less	0%

Gearing	
Less than 15%	100%
15% to less than 30%	75%
30% to less than 50%	50%
50% to less than 100%	25%
100% and more	0%

Example 1	Supplier Accounts	Weighting	Score
ROCE	0.01% less than 5.0%	10	2.50%
Net Profit/Turnover %	0.01% less than 5.0%	10	2.50%
Current Ratio	0.50-1.00	50	12.50%
Gearing	50% to less than 100%	30	7.50%
			25.00%
Example 2	Supplier Accounts	Weighting	Score
ROCE	0.01% less than 5.0%	10	2.50%
Net Profit/Turnover %	0.01% less than 5.0%	10	2.50%
Current Ratio	1.25-1.49	50	37.50%
Gearing	50% to less than 100%	30	7.50%
			50.00%

