

The Procurement Guide

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Preface

Partners Procurement Service (“PPS”) is the NHS shared service that provides procurement support to four provider trusts in North London.

Whether you buy a lot of goods and services, or very infrequently, this guide aims to help you understand the policies and procedures surrounding this area.

More than that, it seeks to explain why things are done the way they are and what is important.

We want to help you get the best value for your respective trusts, to support delivery of excellent patient care and to make the procurement process as easy to understand and use as possible.

We are spending public money and so it is important that we ensure we are getting and can demonstrate value for money, and that we have been fair, non-discriminatory and transparent in our choice of suppliers.

There are quite complex pieces of legislation relating to procurement in the public sector and the NHS, but this guide aims to keep you on the right side of the law and your local Trust policies and make procurement process as easy as possible.

PPS has a procurement helpdesk and whenever you require assistance then please do contact us:

Helpdesk: Log your enquiry online at: www.nhspps.uk

Tel: 020 3322 1935

We also have a team of Business Partners, and for more complex or escalated issues then they are also there to help:

Moorfields – Lyndsey Flenley,
North Middlesex – Gary Wingrave,
Royal Free – Sandy Mehta,
Whittington Health – Phill Montgomery,

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I hope you find this guide useful.

A quick flow chart to procurement routes is given in the very first Annex, Annex A.

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1. Introduction

There are things we must all do when we buy goods or services for our Trusts, as part of the NHS

- Seek to secure the best ‘value for money’
- Ensure we comply with the rules and regulations
- Be professional, fair and accountable in our business relationships

This guide is to help you understand the requirements and offer advice and guidance to support you in meeting these.

The guidance contained within these procedures has been formulated based on the Trusts normal business audit requirements; local Standing Financial Instructions and UK law as it applies to procurement in the NHS. It would be wise to assume therefore that if any of the guidelines are breached, then it is likely that applicable audit regulations, local instructions or even the law are also being breached with the resulting risk to both the individual breaching them and to the Trust. Because of the implications of this, it is important that this document is circulated as widely as possible amongst those involved in procurement across each Trust that PPS supports.

This good practice guidance applies to all staff and covers all areas of expenditure. They should only be varied with specific written authority from your Chief Finance Officer.

2. Basic Principles of Procurement

All medical and non- medical products and services – including items bought with donated money – must be bought using the official procurement process.

The procedures for procurement apply to all departments and to all staff who have authority to order goods and services.

All goods and services must be ordered via an appropriate contract.

PPS will guide departments to ensure that we get the goods and services we need, when and where we need them making sure that:

- We comply with National regulations
- We comply with the Trust’s Standing Financial Instructions (“SFIs”)
- We secure the best value for money
- The spend is covered by an approved budget
- Appropriate terms and conditions are applied to all contracts

There is a more comprehensive list of the UK public procurement principles in **Annex B**.

3. Value for Money & the Role of Competition

Trusts need to ensure the effective competition of their spend with suppliers to demonstrate VFM. The level and scale of competition shall be proportionate to the level of spend, complexity and risk associated with the procurement activity.

Each trust has a set of Standing Financial Instructions which set the levels at which formal action is required. The process becomes more rigorous the more money you want to spend.

The thresholds for procurement activity (as at June 2019) are:

	EXISTING PARTNER TRUST THRESHOLDS			
	WH	MEH	NMUH	RFL
Supplies & Services				
1 quote	up to £10,000	Less than £5,000	Up to £15,000	up to £5,000
3 quotes	from £10,001 to £50,000	from £5,000 to £49,999	from £15,001 to £24,999	from £5,001 to £30,000
4 quotes		from £50,000 to OJEU limit		
Tender process	from £50,001	from OJEU limit	from £25,000	from £30,001

Works			<i>identical to goods & services</i>	<i>identical to goods & services</i>
1 quote	up to £10,000	Less than £10,000		up to £5,000
3 quotes	£10,001 to £50,000	from £10,000 to £299,999	from £15,000 to £24,999	from £5,001 to £30,000
4 quotes		£300,000 to £499,999		
Tender process	from £50,001	from £500,000	from £25,000	from £30,001

Table 1 – procurement thresholds.

Each Trust has clear rules on who has authority to agree to a financial commitment with a third party supplier.

Financial commitments may only be made in accordance with the limits of delegation included with the Trusts Standing Financial Instructions.

If you are a budget holder then it is incumbent on you to be familiar with the Standing Financial Instructions of your Trust.

All trusts have to follow the guidance of the NHS Counter Fraud Authority. Their guidance is quite lengthy – but if you undertake a lot of procurement activity then it is highly recommended you read this.

<https://cfa.nhs.uk/resources/downloads/guidance/NHSCFA%20Pre-contract%20procurement%20fraud%20guidance%20-%20v1.0%20July%202018.pdf>

The key elements of this guidance are in turn reflected in this document.

4. Contracts and Purchase Orders

Most people think of a Purchase Order (“PO”) when thinking about procurement and how suppliers are instructed.

However, a Purchase Order on its own may not always suffice in terms of the formal documentation that lays out the relationship between the Trust and the supplier.

A contract and a Purchase Order are different things.

In procurement terms, a contract is an agreement between two sides where one side provides goods or services and the other side pays for these. In the NHS, a contract should always be a written document and **never** a verbal agreement.

A contract generally comprises the specification or scope of services, any associated service levels and/or performance indicators, the pricing schedule or pricing mechanism that determines what the trust will pay, and a set of legal terms and conditions that covers things like data protection, indemnities, termination rights, and change control mechanisms. Generally we use the standard terms and conditions drafted and maintained by the Department of Health.

For ongoing (typically more than a year), higher value and more complex purchases then a specific contract is likely to be the appropriate way of engaging the supplier. Otherwise it is possible that a single Purchase Order might be appropriate.

A Purchase Order is first and foremost a financial control mechanism. It is an instruction to a supplier to provide something in return for a specific payment. POs are generated electronically with a specific order number and will only be generated when the right level of financial approval has been given.

A Purchase Order usually is an offer to buy something, which becomes legally binding (i.e. turns into a contract) only when it is accepted by the supplier. As always there are exceptions, as a PO may sometimes be generated under the terms of a contract which is already in place – for example a ‘call off order’ which is used to schedule deliveries but that is subject to the terms of the over-riding contract or framework agreement. The ordering of products from the national supply chain solution would be a good example of this. See section 9 for detail on frameworks.

A Purchase Order will have standard NHS terms and conditions associated with it, but these are not as comprehensive as the long form terms and conditions used in Contract.

Any service that includes staff transfer, any products or equipment that require acceptance testing or commissioning, any areas where there are complexities or risk around personal data (the supplier is handling patient or employee data); intellectual property (something clever or unique is being developed in the provision of the service or delivery of the product, i.e. ownership rights that the trust may wish to secure); termination provisions (i.e. under what circumstances exactly the trust can

walk away from a contract); will all probably require a Contract rather than just a PO.
Healthcare services will always require a contract.

But if you're not certain, ask PPS and we will advise.

IMPORTANT ADVICE

What you should never do without proper consideration is accept the terms and conditions of purchase from a supplier. NHS terms and conditions are drafted by the Department of Health and are designed to be fair. But they are also there to protect trusts. Supplier terms and conditions may also be fair, but there is no guarantee of this. Many supplier drafted terms create obligations on the buying trust that they would never knowingly accept.

Whether a specific Contract or a simple PO, then the contract is very important as this lays out what the trust is buying, from who and for how much. You should always ask yourself if it is clear. If it isn't then the trust isn't ready to enter into the arrangement. See also the later section on specifying requirements for further advice.

Many Trusts operate a "No P.O. No Pay" policy which means that invoices will not be paid without a P.O.

5.0 How Do I make a purchase?

PPS is working across its members to introduce an on-line purchase order processing system (PeCOS) and all requests to purchase goods or services must be processed via this system. The PeCOS system has built in financial authorisation limits and ensures we have appropriate governance over the Trusts expenditure.

It is very important that an official Purchase Order is always raised in advance of receiving goods, services and works.

Many thousands of items that the Trust requires are held inside catalogues within the PeCOS system. These are pre-selected and pricing established. The catalogue is searchable and these items may be ordered without intervention from PPS. All that is required is the appropriate budget holder approval which is automatically sought by an email generated when a requisition is raised.

PECOS TRAINING AND GUIDANCE MATERIALS

Quick user guides to PeCOS are available in **Annex C** and also on the PPS Website:
www.nhspps.uk.

If you are ordering an item or product for the first time that you know may need to be ordered again, then you should be considering if this is better added to the trust catalogue.

There is a separate process for adding items to the trust catalogue and a New Product Request form is available from the PPS helpdesk (www.nhspps.uk).

NOTE: that clinical products will need to be approved by the clinical consumables committee whether or not they are a one off purchase and you will need to allow time for this or secure a chairs approval in lieu of the committee sitting.

There is also a separate process for Medical Equipment where purchases of these items will need to follow the Medical Devices Policy and again you have to factor in time for this process. **If you are buying Medical Equipment you should contact PPS at the earliest point.**

Loan equipment (i.e. equipment provided to the trust with no charge) also has a specific process. This is very important as we have to follow this process to ensure the equipment is adequately insured when in use.

The same process has to be followed in respect of consumables supplied free of charge. The process ensures that loan and / or free of charge arrangements have adequate legal and financial protection for trusts.

More details are provided in **Annex D**.

New suppliers will need to be added to the supplier database. Every PPS member trust uses a slightly different finance system, so the new supplier request forms differ slightly. You can again request one from the PPS helpdesk.

Ordering goods/services other than through the official channels is contrary to the Trust's Standing Financial Instructions.

If you do breach policy then you may find yourself in front of the Trust Audit Committee, or worse. If you are unsure about Procurement, then contact the PPS helpdesk.

There are certain categories of 3rd party expenditure for which a Purchase Order is not required (e.g. HMRC payments) and a list of the common ones are shown in **Annex E**. If you are ordering anything else you should assume you will need a Purchase Order generated within the PeCOS eProcurement system and should check with PPS if you believe that not to be the case.

6.0 Competition: "Going Out to Market"

All goods and services should be purchased by competition, unless they are of low value (typically less than £10,000), or there are convincing reasons for the contrary. Competition avoids any suggestion of favouritism, discourages monopolies and demonstrates that value for money has been sought.

Competition can help promote economy, efficiency and effectiveness in public expenditure. Under the public procurement rules competition can be a legal requirement. Even outside of this legal requirement the trusts own Standing Financial Instructions generally require competition.

Typically, a competition is carried out through seeking tenders from several suppliers, by inviting them to make an offer to supply specified goods and services at a stated cost or rate. The prerequisites are described below.

PPS can help you to assemble a timetable and programme of events, and will also agree with you the level of assistance that they can give to help you achieve a successful outcome. Decisions will need to be taken on:

- Whether to use an existing contract/agreement (as arranged elsewhere in the Trust or by another NHS/government department),
- Whether Public Contract Regulations apply,
- The type and form of contract,
- Sourcing potential suppliers,
- Duration of contract; and opportunity to review/extend,
- Payment schedules,
- How to minimise any risks with the chosen strategy, including supplier appraisal, and evaluation / clarification of suppliers' bids.

If the Public Contract Regulations do apply (generally this will be the case for any contract with a value in excess of £118k for non-Foundation trusts or £181k for Foundation Trusts) then you absolutely need to contact PPS at the earliest opportunity.

Reminder:

A flowchart is given in Annex A that shows the different routes to market.

6.1 Single Tender Actions - can approaching just one supplier be justified?

Usually not - because it is contrary to achieving value for money through open and fair competition. The table showing thresholds for different procurement activity details out the number of bidders required and only very low value purchases can be based on a single tender action.

Therefore, single tender actions should normally be avoided. However, exceptionally single tendering might be justified where:

- a. The work concerns a new contract that is directly related to a recently completed contract, and the added value gained from the additional work being given to the same contractor outweighs any potential reduction in price that may be derived through competitive tendering.
- b. The expertise required is only available from one source. This may be due to ownership of exclusive design rights or patents but, nonetheless, the specification should be reviewed to ensure that no other product / service would meet user requirements.

All requests to waive the tendering/quotation process must be made on the relevant waiver form (see links below).

Please note that no-one can waive the requirements of the Public contract Regulations.

IMPORTANT ADVICE

Waiver requests need to be approved before attempting to put the contract in place or raise a Purchase Order. Attempts to do either without the pre-requisite approval will result in delays.

Royal Free London

Internet link - [Waiver \(RFL\)](#)

Intranet page - <http://freenet/freenetcms/Default.aspx?&s=55&p=1680&m=2329>

Moorfields

Internet link - [Waiver \(MEH\)](#)

Intranet page - <http://mehhome/about/departments-a-to-z/department/supplies-and-procurement/>

Whittington Healthcare

Internet link - [Waiver \(WHH\)](#)

Intranet page - <http://whittnet.whittington.nhs.uk/default.asp?c=28056>

North Middlesex University Hospital

Internet link - [Waiver \(NMUH\)](#)

If you do not secure a waiver approval prior to instructing the work and an invoice is received without a Purchase Order reference, then you may technically be in breach of your trust Standing Financial Instructions.

Users may have to submit a breach notification form in the event of such a situation.

6.2 Can I extend a contract?

It is a common misconception that any contract can be extended to finish a job that has overrun, or has been deflected by external or unforeseen circumstances or indeed that is approaching its expiry date with no service or other issues.

However, a contract can only be extended if there is provision to do so (for advice on what constitutes provision, you should contact PPS). Otherwise, a new contract will have to be created, in which case it will most likely be necessary to go out to tender.

7.0 Quotes

Written quotes should be sought for lower value work. See table 1 repeated below.

	EXISTING PARTNER TRUST THRESHOLDS			
	WH	MEH	NMUH	RFL
Supplies & Services				
1 quote	up to £10,000	Less than £5,000	Up to £15,000	up to £5,000
3 quotes	from £10,001 to £50,000	from £5,000 to £49,999	from £15,001 to £24,999	from £5,001 to £30,000
4 quotes		from £50,000 to OJEU limit		
Tender process	from £50,001	from OJEU limit	from £25,000	from £30,001

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1 quote	up to £10,000	Less than £10,000		up to £5,000
3 quotes	£10,001 to £50,000	from £10,000 to £299,999	from £15,000 to £24,999	from £5,001 to £30,000
4 quotes		£300,000 to £499,999		
Tender process	from £50,001	from £500,000	from £25,000	from £30,001

Table 1 – procurement thresholds.

For small purchases you should always check the catalogue to see if an equivalent already exists. Otherwise where the amount is below the minimum threshold you are able to seek a single quote, although if time allows then you should try and seek more quotes.

We have the ability to request quotations via an electronic system called MultiQuote. This is generally to be preferred rather than seeking quotes via email or other means

as a full audit trail is created. If you therefore create a lot of RFQ (Request for Quotes) you should speak to PPS about access to MultiQuote and some training or guidance.

If a quotation is below the relevant threshold; has been sought competitively and is the lowest price – then the purchase can go ahead with a requisition submitted in the eProcurement system for financial approval.

The winning quotation and the unsuccessful quotes will need to be included with the requisition.

If the preferred option is not the cheapest quote received, then a recommendation report will need to be created which demonstrates why the selected option offers best value for money. Care needs to be taken to ensure fair and transparent treatment of all bidders.

The quotation process is shown in full in **Annex F** or the team in PPS can run a RFQ (“request for quotation”) exercise on your behalf. Do not forget if you regularly run RFQ exercises then you can be given access to and training on MultiQuote and you should request this via the PPS helpdesk.

IMPORTANT QUOTATION ADVICE #1

Quotes on their own may not be sufficient supporting documentation when purchasing clinical products or equipment. In these instances then further approval will be required. The trust local clinical consumables or clinical reference group will need to approve new consumable or medical devices. The trusts Medical Physics or EBME (“electrical and biomedical engineering”) will need to approve Pre-Acquisition Questionnaire (“PAQ”) for new medical equipment.

Note also that if you are managing a Request for Quotation exercise then you will need to be able to justify the selection of suppliers that you have issued the requests to. If you continually send RFQs to the same few suppliers then you could be open to accusations of bias or favouritism.

If you are regularly issuing RFQs for the same types of product or service, then in this situation it may be appropriate to consider the use of an appropriate existing framework (see section on Frameworks); or explore whether it might be advantageous to develop a local framework or ensure that you have the basic controls in place to manage an approved list of suppliers.

IMPORTANT QUOTATION ADVICE #2

If any trust is placing multiple orders for similar goods or services with the same supplier over a period of time – then in the eyes of the law these individual purchases will be added together (up to a maximum period of 48 months) to determine the overall contract value. If this value exceeds the thresholds for tendering then the trust will be expected to tender.

More complex and higher value purchases require a tender. Tenders are evaluated against a range of pre-agreed and published evaluation criteria that are wider than price alone.

8.0 Tenders

8.1 Tender Readiness

PPS can assist you with all key stages through any tender activity.

Where a tender has to be through a public procurement route, the timescales can be lengthy. This guide does not provide detailed information on public procurement routes and you should discuss any public procurement requirements with PPS as soon as possible.

Before commencing any tendering activity then the following questions will need to be understood:

- i. What is the proposed contract term?
- ii. What is the estimated total expenditure?
- iii. Is this a capital purchase? If so have the Capital Steering Group approved the activity? Do you otherwise have clear authority to make a capital purchase?
- iv. Are there any IT implications?
- v. Are there any works/estates implications?
- vi. Will the supplier be handling “Personal Data” (either patient or staff)?
- vii. Is TUPE likely to apply? (it is if you are transferring a service either from trust to supplier or from supplier to supplier where you can identify resources that are responsible for the delivery of specific service at your trust).
- viii. What are the current costs, and the projected usage?
- ix. Is there a current agreement in place?
- x. Do we have a robust specification
- xi. Is there a national or regional agreement we can utilize?
- xii. Who is the lead stakeholder for communication purposes?

- xiii. And a primary question will be “Can we collaborate with any other trust?”
Either other members of PPS, others within the STP or another network we may be part of.

From this information PPS will discuss the best way forward. For most initiatives we will ask for a new Project Form to be completed.
A copy of the new project form is located at **Annex G**.

PPS is a shared service and we have to manage the complexity of workload across 4 trusts.

We cannot simply accept all work that comes our way regardless of size, complexity, timing and source. The New Project Form allows us to work with the executive sponsors of PPS in each of our members trusts to flex and manage our resources in a pragmatic and appropriate fashion given the demands placed on us.

8.2 Key events in a Tender Process

Whatever causes a purchase to be initiated, the process to be followed will typically involve the following stages:

- Identifying the need and developing an outline specification for inclusion in the business case;
- Obtaining financial approval/authority to proceed;
- Identifying prospective suppliers/contractors/consultants;
- Finalising the specification and preparing the rest of the invitation to tender (ITT) documents;
- Issuing ITTs and handling enquiries;
- Evaluating tenders; and,
- Awarding and managing the contract.
- Raising the purchase order
- Add the contract to the central PPS contract register

PPS has templates for all of ITT documentation (and guidance on much of it) and you should contact us for access to this.

This includes things such as the covering letter, standard instructions, statutory declarations and certification and so on. A user department should not generally attempt to draw together a set of tender documentation without some support from PPS.

8.3 Specifying the requirement

The Scope of Work (or Specification) should be clear and concise, with enough information to enable tenderers to decide what goods and services to offer, and at what cost. Also, the Scope of Work should be unbiased (so that all tenderers have an equal opportunity to offer the goods/services they regard as capable of meeting it), yet flexible enough to allow innovative solutions.

The Scope of Work needs to be drafted by the end users/customers, for they will be the ultimate beneficiaries of the tender exercise. You are, however, welcome to discuss what to include in it with PPS, who can also help you to establish if the final product is unambiguous and credible. Remember that there may be several items to redraft or add so, if you would like assistance; it is best to send the document for comments as soon as possible.

A brief guide and template for specification writing is available at **Annex H**.

Can I use a supplier who may tender for the requirement to assist me in writing the specification?

The Trust needs to comply with the principle of “equal treatment” of all potential bidders,

- In view of the complexity of most of the projects - some of which may require solutions never attempted before - a technical dialogue before the calls for tender between the awarding authority and private parties involved may be necessary.
- We must refrain from using information supplied that will fundamentally restrict competition.
- What we should do is:
- Certainly not to give any supplier who has taken part in an appraisal exercise any promise of success in the ensuing selection process;
- Not to use information gained from any supplier who has taken part in an appraisal exercise in framing the contracting authority's requirements (e.g. its technical specifications) so as to favour that supplier;
- Not to give any supplier who has taken part in the appraisal exercise information about the authority before that information is made available to all bidders where this could give that supplier an unfair advantage over other bidders in preparing his bid; or, failing that, to give other suppliers sufficient time to consider any document that has had to be revealed to the suppliers who have taken part in the appraisal exercise so as to level off the playing field; and
- Publish the results of the appraisal exercises to all bidders.

Please discuss the use of suppliers assisting with specification with PPS prior to engaging a supplier to undertake the work.

8.4 Evaluation Criteria

This is another complex area and advice should generally be sought from PPS or even from external legal counsel where the contract value or risk dictates. Tenders are evaluated against pre-determined and published criteria, and the process must be documented.

A tender evaluation shall consist of a commercial (price) and technical (quality) assessment.

The commercial assessment is carried out by PPS, supported by the trust finance team, using an arithmetical calculation.

The technical (quality) evaluation is carried out by a tender evaluation panel who shall score the tenderers responses to a set of questions based on a pre-determined scoring mechanism. It is one of the most important stages of the procurement process. This stage of the process ensures that:

- The contract award decision is objective
- The decision-making process is fair, transparent and auditable
- The trust can demonstrate best value in the tender process

An evaluation panel of at least three people should be established and consist of individuals with the technical knowledge of the procurement to evaluate tenders. The evaluation panel membership should be consistent throughout the entire evaluation process. The evaluation panel should be able to withstand any scrutiny and not be associated in any way with any of the tendering suppliers. Prior to the commencement of the evaluation, each panel member should complete a Conflict of Interest Declaration and this can be provided by PPS.

The evaluation criteria will be different for each contract and should reflect the requirements needed. PPS can work with you to help ensure that the evaluation criteria used are fair to all potential bidders and are relevant to the requirements of the contract.

Tenders will be scored against the criteria identified as part of the process and must be fully documented. Procurement has developed evaluation templates; to help assist and these can be tailored to each contract requirement.

8.5 Is a briefing meeting necessary?

Briefing meetings advise prospective bidders about the work required, so it is usually advisable to schedule them early in the tender period. It is helpful to announce the date/time and venue in the covering letter of the ITT. Such briefings avoid having to respond repeatedly to individual enquiries or visits from tenderers, which could be laborious, especially as any responses to individual queries need to be copied to all tenderers to ensure a "level playing field".

The sponsoring or lead Department normally arranges and chairs the briefing meeting, but PPS can assist if necessary and, if requested, will also chair the meeting. The sponsoring department should take notes of all questions and answers, which should be copied to all tenderers, including any slides used at the briefing meeting, whether they attended the meeting or not. The decision not to attend a briefing meeting should never be held against prospective bidders.

8.6 Site Visits to the Department's & Tenderer's Premises

If the contract is to be operated on the Department's premises (e.g. cleaning, security, etc.), it may be necessary for the tenderers to be shown round the relevant sites prior to bidding for the work. Care should be taken not to allow commercially confidential information, concerning the operating procedures of any current contractors, to be divulged during such visits.

Similarly, as an aid to final evaluation before tender award, it may be necessary to visit the premises of some of the tenderers, especially if the contract is complex or high risk, and if the tenderers' premises play an important part in its operation. The visits should be undertaken by at least two members of the Team, using an agreed checklist of areas to view and report on.

8.7 Issuing Tenders

All tenders should be issued using the PPS electronic tendering portal (currently "ProContract"). This provides a full audit trail including timings of submissions and control over tender opening and so forth. Any plan to issue tenders outside of the portal should be agreed with PPS beforehand.

Suppliers may have a number of questions regarding the specification, or tender process. If suppliers approach you directly, please advise that any clarification questions must be directed through the tendering portal and managed by PPS. This is to ensure that all suppliers receive the same information where appropriate so as to comply with the principles of the Public Contract Regulations. (E.g. transparency, equal treatment etc.)

8.8 Tender Evaluation

The sponsoring Department is expected to take the lead on selecting the membership of the evaluation team. PPS may provide support, depending on need and availability. Evaluation teams should comprise at least three people, but generally no more than six. When choosing team members, consideration should be given to any specialist expertise held, such as may be useful for IT / design proposals or for the analysis of complex data and pricing information. The team members must be prepared to set-aside sufficient time to evaluate the written bids and to attend any presentation and wash-up meetings. Please note that, if any team

members have a connection with any of the tendering organisations, advice should be sought from PPS on whether they should be excluded from the team, for the sake of propriety. All evaluators should complete a declaration of interest form.

Having agreed the methodology, the evaluations should be undertaken independently by each panel member. To avoid one bid becoming the standard, it is recommended that evaluators are each asked to commence their assessment with a different bid. The evaluators should record their evaluations on the Tender Evaluation sheets. When doing so, they should make comments to support their scoring, and they should also note if any bid is non-compliant with the ITT.

Once the independent assessments have been completed, the evaluation team should hold a 'moderation' meeting, in order to reconcile any wide variations in scoring and to determine the preferred supplier(s). They may either take forward all tenderers achieving a pre-determined score, or perhaps just the most highly ranked 3 or 4. Only affordable suppliers with a realistic chance of being awarded the contract should be invited for interview.

During the Evaluation Process

Do's and Don'ts of Tender Evaluation

Do	Don't
Make note of areas that are unclear for clarification with the bidder	'Read between the lines' or make assumptions Don't compare bidders. Evaluate against the criteria.
Read the submission at face value and score based on the information provided	Collude with other panel members to agree scoring collectively
Score tenders independently and discuss any irregularities at a Tender Evaluation Meeting	Make changes to the evaluation criteria during the process - the criteria MUST be the same as that published in the ITT
Ensure full justification for scoring is provided for each question to assist with debriefing	

A justification should be provided against each scored question that provides evidence the Bidder has met the key points within the Guidance Section.

Examples of Satisfactory and Unsatisfactory justifications

Satisfactory	Unsatisfactory
The bidder has exceeded the minimum standards of services and/or quality of goods by(Give examples on the specifics of the bid that is over and above the minimum requirements of the specification)	Excellent Response
The bidder has demonstrated good understanding of the services/goods/works by providing information including.....(Give specific examples of why you thought it was a good answer)	Good Response
The bidder met the criteria of the specification, the bid was a basic response due to the lack of information on.....(Give examples of what was missing from the bid, what could they have done better)	Ok
The answer provided did not demonstrate an understanding of the services/goods/works required, (Give examples of why you feel the answer did not meet the criteria, what was missing, what could they have done better)	Not enough information/Never answered the question.

Once they have completed their evaluation, PPS can help review the scores and assess whether a consensus or moderation meeting is required to complete the evaluation. If a meeting is required, the panel of evaluators will meet to agree the final scores. This process to agree the final scores must be fully transparent and documented.

8.9 How many suppliers should be invited to present their proposal?

If a presentation is required, usually no more than three tenderers should be seen, unless the difference in score between the third and fourth placed tenders is so small as to be negligible. We need to specify up front how many bidders will be invited to present. E.g. top 3 or all.

Furthermore, a significant difference in marks awarded to second and third placed tenderers might justify meeting only the top two rated tenderers. It should be borne in mind that tendering has a cost, both to the trust and the suppliers, and it is, therefore, unreasonable to put tenderers to the expense of attending an interview when they have little prospect of getting the work. The selected presenters should be invited by letter or email. PPS can support with templates for scoring and for managing the presentation process. We usually do not score presentations as they are there to clarify written proposals and not to introduce new material. If you feel you want to score presentations, then this needs to be identified early in the process;

8.10 Managing the presentations

Usually presentations are attended by a sub-set of the tender evaluation team, with perhaps an added specialist, such as an IT or financial expert (if there are particular perceived weaknesses in the bids, or technical clarification is needed). Presentations should generally not be scored in their own right.

Presentations are an opportunity for suppliers to present and clarify their bids.

Typically, agendas for presentations will comprise the following and should be shared with the bidders:

- a 5 minute introduction by the company,
- a 15-20 minute explanation of the bid (ideally addressing any areas of perceived weakness and specifying the level of support to be given to the contract by the company); and,
- About 15-20 minutes question/answer time.

Presentation panels need to test bidders' familiarity with their bid and the ITT.

If as a result of the clarification process, this leads to a revision of the original score. Then this is acceptable and should be noted as a bid clarification.

Presentations often enable the subjective elements of proposals to be addressed. For example, personal chemistry and communications skills are likely to make an important contribution to the final outcome of consultancy projects.

The assessment process should now be finalised, so that a Recommendation Report can be finalized and a preferred supplier can be nominated for award.

8.11 The Recommendation Report

Once the preferred supplier has been decided, the procurement lead should compile the Recommendation Report, which will include details of the tender & evaluation

process, as well as the final recommendation. A PPS template should be used for this report and copies are available from the helpdesk.

Issues of non-compliance or qualifications to the tender, in so far as they effect the recommended supplier, should also be commented upon. Any information that is relevant to the decision making process, but is not obvious from the evaluation records, should also be included.

The report will form the basis of the recommendation to the trust board or the appropriate management forum necessary for the contract to be awarded. This varies based on trust and value. If you are not aware at which forum or level a contract award will need to be approved then you can ask PPS or consult your Standing Financial Instructions.

Without the relevant approval, PPS are unable to proceed to contract award.

8.12 Awarding the contract

Following approval to proceed the contract can now be formally recognised by issuing The Agreement/Contract or in many instances a letter confirming the 'Intention to award' a contract.

At the same time, unsuccessful bidders are also advised. In the case of tenders that are above the public procurement tendering thresholds then the information given to unsuccessful bidders is prescribed and high degree of caution needs to be exercised in delivering this. This is the point where the majority of legal issues related to a procurement process occur – at the point of advising unsuccessful bidders.

If we have followed the guidance to this point, the risks of challenge from an unsuccessful bidder should be minimized.

The actual Agreement should be issued in duplicate and signed by both parties, with each party retaining an original copy. Any subsequent contract variations should be attached to the retained purchasing copy, as and when issued.

IMPORTANT NOTE

It is essential that all supplier contracts are logged on the contract registry. Contracts that are executed outside of PPS should still be entered into the register. Suppliers who handle personal data need to be clearly identified during the procurement process as specific terms will apply to them.

The contract register is an online register hosted by the London Procurement Partnership and details are available from the PPS helpdesk.

9. Frameworks

9.1 What is a Framework Agreement

A framework agreement is a general phrase for agreements with suppliers that set out terms and conditions under which agreements for specific purchases (known as call-off contracts) can be made throughout the term of the framework agreement. In most cases a framework agreement will not itself commit either party to purchase or supply, but the procurement to establish a framework agreement is subject to the public procurement rules.

Most often a framework is not built by an organisation who wishes to use the framework itself, but by collaborative organisations such as Crown Commercial Service (for the wider public sector) or organisations such as the London Procurement Partnership and NHS Shared Business Services (for the NHS).

Not all frameworks are open to all bodies and at the time of building the framework, the framework owner will have specified potential users.

Frameworks exist that cover many areas of potential expenditure. If you are looking for a specific framework, then please contact PPS.

Frameworks can be useful as they usually include a template specification that may help local thinking around the service required. They also provide a route to market without the need for a public tender process (even where the value is above threshold).

However, frameworks do have limitations. The most obvious of which is the framework may be serving to limit the market options available to a trust. The best supplier may be one that isn't on the framework.

9.2. How do Frameworks “Work”?

Broadly speaking frameworks are either 'direct award' or 'further competition' (sometimes also called 'mini-competition').

Direct Award -

If the framework agreement sets out all the terms governing the provision of the works, services and/or products concerned and all the objective conditions that are required to make a decision for award of the specific contract, then awarding the contract without re-opening competition amongst the parties to the framework agreement is possible. Most importantly with a direct award under a framework, there must be a clear and prescriptive pricing mechanism so that any authority using the framework can establish the price for their contract from the framework itself and without the need for any commercial dialogue or negotiation with the supplier. A framework that purports to be direct award without a prescriptive and transparent pricing mechanism is probably non-compliant.

Because frameworks themselves do not usually create a commitment to buy, then care needs to be taken to consider how appropriate pricing within a direct award framework is for your organisation.

Further Competition –

When the framework agreement does not include all the terms governing the provision of the works, services and supplies concerned, the contracting authority must organise a ‘mini-competition’ between the providers which are party to the framework agreement.

The most obvious purpose of the competition is of course to establish the price. Frameworks generally have templates and supporting guidance for running a competition.

10. Total Life Costs

NHS purchases are not solely judged on obtaining goods or services for the lowest possible price but, also, on the total cost of using the goods or taking the service.

Total costs are the cost of a product or service, spread over its whole lifetime, and the product’s ability to meet, but not necessarily exceed, the Trusts requirements. Total costs are usually considered as part of the comparison of suppliers’ prepared bids, and by generally ‘testing the market’.

You should consider any costs you may incur during the period of the agreement and not just the purchase price.

This should include but not be limited to:

- The cost of the item,
- Delivery, installation, commissioning costs,
- Running costs
 - Any maintenance/service costs,
 - Cost of any consumables,
 - Training cost,
 - Project management costs,
 - Disposal costs
 - Exit costs

It may be necessary for some of these to be considered specifically when going out to market and PPS can advise how best to do this.

It is really important to note that when comparing suppliers, via quotes or tenders, that a like for like comparison is achieved in terms of costs. Generally this means a template pricing or commercial schedule is used which ‘forces’ suppliers to provide their pricing and/or costs in a consistent format. Without this, then it will most likely create significant issues when making choices over which supplier to select.

11. Legal aspects of contracting

This can be a complicated area, mostly because it is all too easy to unintentionally create a legally binding contract by word, action or in writing (even if the document does not refer to itself as a contract), which could commit the trust to unfavorable terms & conditions or worse still a course of action which it does not want to take.

Many suppliers will attempt to use their own terms & conditions, perhaps on the reverse side of all correspondence and invoices, so unless the Trust's standard terms are already in place, the contractor's terms will apply by default.

Many suppliers will push the trust to 'confirm the order' or 'commit to the contract' in order not to delay the delivery of the goods or services.

Agreeing to such requests without being sure of potential consequences may expose the individual and the trust to unacceptable risk.

If in doubt, or if you are unsure about the contractual impact of any correspondence received, please contact PPS for advice **before** communicating with the proposed supplier. Don't sign anything without taking the relevant advice.

Generally we use the terms and conditions written for the entire NHS which are available from PPS. Note: where a trust is procuring health care services (perhaps on a sub-contract basis) then these standard terms will not be appropriate and advice should be sought from PPS at an early stage. NHS England has developed a set of terms for provider trusts to use when sub-contracting health services or parts of a health service, and these may be more appropriate.

IMPORTANT NOTE

NHS standard terms of purchase and guides are available from <https://www.gov.uk/government/publications/nhs-standard-terms-and-conditions-of-contract-for-the-purchase-of-goods-and-supply-of-services>

Generally for anything that has been tendered then there will need to be a Recommendation of Award which will need to be signed off by someone with the relevant authority to commit the necessary amount of money to the contract.

12. Materials Management

The definition of Materials Management is the management of consumables which have a minimum and maximum level of stock holding set up (PAR Level). The PAR levels are set twice a year and signed off at budget holder level as all material management purchase requests are self-approved and released out to suppliers. Areas selected for Materials Management should meet the following criteria.

1. Treats patients
2. Have adequate storage facilities / space

3. Low individual cost but high volume typically above approx. £1k per week in a ward of theatre environment.

This is managed by using 2 systems Genesis and EDC (Supply Chain). As of June 2019, EDC is used at two sites which are North Middlesex and Moorfield Eye Hospital with a planned rollout at Whittington in the near future. Genesis is used at the remaining three sites Royal Free London sites: Pond Street, Barnet and Chase Farm. There are plans to roll out further to Hadley Wood private hospital in the near future.

The management of regularly ordered consumables excluding drugs at ward level. PPS covers 90% of all ward spend. This combined is approx. £20m per annum and covers all six PPS sites.

During the Mat Man round or "Top Up", a WIC (Ward inventory Clerk) scans the consumable or bar code and inputs what is on the shelf or available to hand. Both systems then generates a requisition up to the max level set. If there are 5 on the shelf and the maximum is 12, then a requisition is generated for 7.

The WIC (Ward Inventory Clerk) scans all consumables on the list, authorises and then releases the order.

Once the order is placed it is then in most cases delivered within 48hours. Once the goods arrive then these are checked in by the WICs delivered and placed in the appropriate location or storage areas.

Any discrepancies through this process is then reported and managed by the WICs to resolution and budget holder informed.

Receiving and Distribution teams are located on all six PPS sites and are responsible for receiving and for onward delivery of consumables and/or goods which do not fall under Materials Management control.

13. Emergency Orders

Emergency orders are those orders, which, due to a pressing operational need, must be placed with the supplier with the utmost speed. There are two types of emergency order:

- Orders needing to be raised out of normal office hours (i.e. when there is no representative from PPS available on site or via the helpdesk.
- Orders urgently required during office hours

13.1 Emergency Orders for goods or services required out of normal office hours.

If goods or services, of an operational nature, are required which cannot be 'borrowed' from another area of the hospital then an emergency order may be raised by the requisitioning department. The following process must be used:

Authority for procurement of the goods must be given by an authorised signatory for the requisitioning budget. If no-one is present with this authority, then approval must be obtained by **one** of the following:

For goods or services less than £5k - A budget holder

For goods or services in excess of £5k but less than £20k - On-call Director

The authority must be given in an emailed confirmation. The email must state the items and the value being authorised.

Under no circumstances may an emergency order in excess of £20k be placed without the approval of an Executive Director of the Trust.

Place the order with the supplier quoting the order number "EPO[today's date dd/mm]" E.g. an order placed on the 27 April would have order number EPO2704. Supplier's phone numbers can be found using the Search function in PeCOS or by the usual means (Google, directory enquiries etc.)

For goods: when placing the order ensure that the supplier is aware that goods are to be delivered directly to the Department since the hospital loading bay may be locked out of hours.

On the next working day contact PPS with a copy of the approval email and any delivery notes. PPS will then help ensure the right entries are made on the PeCOS system.

13.2 Orders urgently required during office hours.

These orders are placed in the same way as non-urgent orders.

Contact the PPS helpdesk by telephone or your Business Partner stating that you have an urgent requirement.

A requisition must be input on PeCOS and authorised in the usual way.

If a supplier is new to the Trust, and therefore not registered on the Trusts finance systems, then it may be necessary for the supplier details to be added.

Adding of a new supplier can take some time, so in this case an urgent order to a new supplier may need to be handled as if it were 'out of hours'.

13.3 Urgent Orders from NHSSC ('category towers')

NHSSC or the 'category towers' are responsible for delivery of the vast majority of consumable items used with the Trust.

There are specific urgent ordering procedures for NHSSC and these can be found here:

<https://www.supplychain.nhs.uk/customer-service/ordering/>

14. Frequently asked questions

14.1. Are purchasing and requisitioning the same thing?

No they are not. Purchasing implies a formal order issued on the Trust's behalf committing to a legally binding contract with a supplier or contractor initiating a supply of goods or services.

A requisition is an internal request for goods or services to be delivered against an existing contract, or for a contract to be initiated. A requisition should never be sent outside the Trust and a requisition should never be used as a purchase order.

14.2. Why can't we order goods without completing a requisition?

A requisition is a commitment from you to Procurement to spend your department's budget. The authorisation to spend this money needs to be approved through an approval hierarchy. This gives managers visibility of the monies spent and the control of their budgets. This is a statutory requirement.

14.3. What do I do if I need something that I have not bought before?

Check if the Item is on the PeCOS Catalogue. If not you can raise a non-catalogue request. If you require any help or quotes in order to meet the SFIs contact the Operational Buyers via the PPS Helpdesk.

14.4. Why can't I receive stock directly to my department?

Deliveries usually come to a central point for security (we don't want drivers walking around the hospitals) and to make sure that there is a separation of duties. Goods should generally be checked in by someone other than the person who ordered them. This is good practice and is a requirement of audit and counterfraud. If you need delivery to come direct to you then you should speak PPS to ensure this is set up correctly in the ordering systems.

14.5. Why do I have to use a specific supplier if I can get something cheaper elsewhere?

The Trust uses a single supplier for most products to achieve savings on both the goods and the cost of process. Buying outside of the contract or purchase order can add significant process costs. In addition we cannot be sure that the quality and terms and conditions of the Trust will be met.

If you identify what looks like a significant saving opportunity then of course you should contact PPS via the helpdesk giving more details.

14.6. How do I avoid getting quotes or going out to tender?

You can't. We are all bound by the SFIs but the PPS team can help you speed up the process and advise you how to proceed.

14.7. Why do we have all these rules?

All NHS money has to be accounted for and be seen to be wisely spent. The rules protect the Trust and staff from fraud and reputational damage. We must comply with UK law as reflected in our SFIs.

14.8. How can I find out more about procurement?

PPS can arrange training and information sessions on request.

Enquiries via: [Partners Procurement Service](#)

<http://www.nhspps.uk/>

Annex A – Procurement Routes

Whittington

[WH PPS procurement route flowchart](#)

Royal Free

[RFL PPS procurement route flowchart](#)

North Middlesex

[NMUH PPS procurement route flowchart](#)

Moorfields

[MEH PPS procurement route flowchart](#)

Annex B - Procurement Principles

Procurement is governed by a set of UK principles (originally set by the EU when UK was still a member but now captured in UK law) that set out to ensure a 'level playing field' for buyers and suppliers in which to conduct business. These principles legally apply to procurement activity above the Public Procurement Thresholds. However, Trusts will endeavour to apply the principles proportionately to all procurement activity regardless of spend. These principles are outlined in Tables 1.0 and 1.1 below:

EU Derived Principles

Transparency	Procurement activity shall be advertised appropriately to ensure market visibility and provide clear information with regards to the process, contractual requirements, performance and the method/s of evaluation being used in the determination of a successful bid.
Proportionality	The approach taken in any given procurement activity will be proportionate to the level of complexity, impact, risk and value of the activity as to not prevent or discourage bidders.
Equality	Ensuring that all providers and sectors have equal opportunity to compete where appropriate, that financial and due diligence checks apply equally and are proportionate, and that pricing and payment regimes are transparent and fair.
Non-Discriminatory	The consistent application of the Regulations and Trust rules to all procurement activity to ensure that no member state supplier is prevented from participating in an EU Tender on the grounds of nationality, or subject matter of the contract.
Mutual Recognition	Member states will recognise equivalent measures of qualifications, standards etc.

Table 1.0 – EU Principles of Procurement

UK Principles

Favour Competition	Procurement activity should be undertaken in a competitive environment to aid in demonstrating the UK principles as well as VFM.
Robust	Procurement activity should be legally robust to ensure compliance and account of decisions made and/or actions taken. The specification of the services and the terms and conditions shall ensure the Trust and its patients are safeguarded appropriately.
Accountability	All procurement activity will have an accountable officer of the Trust to sign off on the compliance of the procurement process/es used.
Value for Money	All procurement activity will seek and demonstrate the balance between quality and cost reflecting in a VFM decision.
Quality	Procurement activity will set out the minimum quality of goods, works or services / outcomes to be achieved by though the specification of the contract.

Table 1.1 – UK Principles of Procurement

Annex C – PeCOS QUICK GUIDES

[PeCOS quick reference guide](#)

[Raising a requisition](#)

[Ordering from a template](#)

[Receipting](#)

[Returning an item](#)

Annex D – Loan Equipment Guidance

[MIA guidance document 2018 update](#)

Annex E – Categories of Expenditure not Requiring a Purchase Order

Agency and Bank Staff - These will be booked via a separate system and you should contact your staff bank or temporary staffing office.
Pharmaceuticals - Medicines are ordered via a purchasing system specifically owned and managed by the Pharmacy team.
HMRC payments
Council taxes, rent and rates
Legal settlements
Season Tickets

For anything else please do not assume a Purchase Order is not required. Please check with PPS.

Annex F – Quotation Process

This process is for use with purchases falling below the tender threshold and where the goods or service are relatively simple to specify and delivery would normally conclude the contract.

	EXISTING PARTNER TRUST THRESHOLDS			
	WH	MEH	NMUH	RFL
Supplies & Services				
1 quote	up to £10,000	Less than £5,000	Up to £15,000	up to £5,000
3 quotes	from £10,001 to £50,000	from £5,000 to £49,999	from £15,001 to £24,999	from £5,001 to £30,000
4 quotes		from £50,000 to OJEU limit		
Tender process	from £50,001	from OJEU limit	from £25,000	from £30,001

Works			<i>identical to goods & services</i>	<i>identical to goods & services</i>
1 quote	up to £10,000	Less than £10,000		up to £5,000
3 quotes	£10,001 to £50,000	from £10,000 to £299,999	from £15,000 to £24,999	from £5,001 to £30,000
4 quotes		£300,000 to £499,999		
Tender process	from £50,001	from £500,000	from £25,000	from £30,001

n.b: values correct as at June 2019

Where on-going elements of the requirement (e.g. maintenance or guarantees) are needed they should be simple to monitor / measure – if more complex arrangements are required e.g. formal Service Levels, change control procedures etc., then contract terms would have to be changed taking the procurement beyond a 'simple' quote and a tender process should be considered.

Quotation Steps

- 1 Ensure that you have at least the required number of suppliers (see table above) selected from whom to invite quotes. You must be able to justify why you have chosen the bidders that you have. If you are repeatedly requesting quotations for similar goods or services then you should take advice from PPS as it may be more appropriate to establish an ongoing contract that you can make use of, or for you to be using the MultiQuote platform which allows for a more open and transparent advertising of your requirements.
- 2 If you only have fewer bidders that you wish to send the request to, then you will need to submit a waiver as this is technically a breach of the Trust standing financial instructions. Refer to Section 6.1 of the Procurement Guide.
- 3 Draw up a timetable including RFQ issue date, closing date and award date (see point 6 below for return dates).
- 4 You can request quotes by email, and templated text is given at the bottom. Some text is highlighted in yellow where you will need to make a choice (also in the square brackets). Guidance notes are provided in the text boxes.
- 5 Ensure that you include:
 - your name and telephone number
 - any useful background information and a general description of your requirement
 - the date for quotation return.

- Consider where to use optional material in square brackets. *Make sure that the request makes sense for your purchase.* Take advice from PPS on changing it.
- 6 You will then need to complete the documentation to be attached to the RFQ:
 - a) The Specification – include a description of what it is you want done or supplied. This is a key document and it should be clear about what you want and expect from the winning supplier through the life of the contract.
 - b) The Contract Terms. The NHS Standard Terms & Conditions are provided as a link and **should not** be changed without appropriate advice. If you require more detailed conditions, or specialised contract terms (*such as any of the NEC building contracts*) you may attach additional pages of special conditions, which are not covered by these Terms and Contract Schedule, or refer to the specific contract that you intend to use. However, you should take advice from PPS or your legal team when doing this.
 - c) Unless the requirement is very simple with a single ‘ticket’ price, pricing schedules should be attached in the form of a matrix. These should link to your specification and a breakdown is essential to allow an effective comparison. An example is given in the template.
 - 7 Issue the RFQ via email, *allowing at least two weeks* for return of quotes.
 - 8 If you issue a lot of RFQs then please consider making use of MultiQuote the portal that can be made available to you by PPS.
 - 9 Ensure that all quotes received are recorded.
 - 10 Quotes need to be considered and evaluated by at least two individuals.
 - 11 Complete rejection emails. Again, example wording is provided below.
 - 12 Raise requisition on PeCOS for the winning bidder. The requisition should clearly reference the Request for Quotation and the winning quote. All quotes (including unsuccessful ones) will need to be included with the requisition.
 - 13 The requisition will now be routed for financial approval before a Purchase Order is issued.
 - 14 If the supplier is a new supplier to the Trust, then they will need to be added to the procurement and finance systems and the forms for this are available from PPS help desk.

Template Wording for email Request for Quotation (outside of MultiQuote portal):

Dear **name or company name**

Title - Request for Quotation (RFQ)

Trust Name is letting a **contract for**

[Description of the type of goods or service. This may include:

- Brief background information
- Planned start date
- Likely duration of contract
- Maintenance or other ongoing nature of the contract

You are invited to quote. *The specification is attached but before submitting any information, please ensure you have read the attached instructions carefully.*

[Any quote that is accepted will be awarded to the lowest quote only.]

Include here any useful background information; specific instructions not otherwise covered in the specification or the following points; reference to any drawings; any annexes with statistical information on past and current performance to help the supplier price, etc.

If the contract is to be awarded on basis of LOWEST PRICE ONLY, delete square brackets and the **next** paragraph.

[Any quote that is accepted will be awarded to the most economically advantageous quote in accordance with the following award criteria in descending order of importance:]

[Insert sub-criteria]

Examples:

- Compliance with the specification
- Cost
- Time of delivery
- Relevant experience / track record
- Any other relevant matter]

If, despite the advertisement of the Most Economically Advantageous (MEA) criteria, award is always made to the lowest price, then the criterion ought to be stated to be the lowest price. If you choose to use the MEA criteria, the sub-criteria must be ranked and the evaluation methodology should be determined in advance. The award criteria must then be applied to all offers. If the award is made to the lowest price, it may be appropriate to evaluate only the lowest priced supplier initially. If that supplier meets the specification requirements in full, then the award should be made. By contrast, if the MEA criterion is used, then all quotes must be evaluated, not just the lowest priced quote. If criteria other than lowest price only (e.g. previous experience, quality, ability to meet specification requirements, etc.), delete square brackets and the preceding paragraph. The award criteria MUST be specified.

All quotes should be returned by email to **email address**

And shall arrive by **[12:00 (noon)]** on **[INSERT DATE]**.

Suppliers shall ensure that their quotation arrives on time. Your quotation may not be accepted if it is received after the due time.

The Trust expects to decide award of contract **within [14]** days of the closing date for submission of quotes for submission of quotes.

You may require some time to evaluate the returned quotations. The number of days may vary and will depend on what resources are available to evaluate the quotation

The NHS Standards Terms and Conditions of Purchase are available via the link below. This is the Trusts contractual base for any supply as a result of this request for quotation. Any queries about any terms should be raised prior to quotation submission.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/681015/NHS_TERMS_AND_CONDITIONS_FOR_THE_SUPPLY_OF_GOODS_PO_VERSION_.docx

These are the standard terms for supply of goods or products. Delete others that don't

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/681016/NHS_TERMS_AND_CONDITIONS_FOR_THE_PROVISION_OF_SERVICES_PO_VERSION_.docx

These are the standard terms for supply of services. Delete others that don't apply.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/681017/NHS_TERMS_AND_CONDITIONS_FOR_THE_SUPPLY_OF_GOODS_AND_THE_PROVISION_OF_SERVICES_PO_VERSION_.docx

These are the standard terms for supply of both goods and services, Delete others that don't apply.

Bidders shall be notified of the outcome. Acceptance of the quotation by the Trust shall be in writing, via a formal Purchase Order. Suppliers must not undertake work until they have received written notification that they have been awarded the contract and are required to start work.

Yours sincerely

[Name]

[Job Title and Department]

Attachments:

Specification

Price Schedule

Specification /Method Statement

Include your service or supply requirements here. You may wish to consider other things like service/supply standards, reporting arrangements, management information requirements, project management, etc.

Pricing Schedule

Strongly recommend using a price matrix:

Encourages suppliers to breakdown prices and discourages 'bundling', which improves transparency and aid comparison..

Costs	
Cost for XXXXXXXX	£
Cost for XXXXXXXX	£
Cost for XXXXXXXX	£
Expand as required	£
Total Cost	£

Template Wording for email rejection notice in response to Request for Quotation (outside of MultiQuote portal):

Dear **name or company name**

Title - Request for Quotation (RFQ)

Thank you for your recently completed quotation. Following detailed consideration we have tell you that you have not been successful in this instance.

This decision was based on **[the Trust receiving an acceptable lower priced offer from another bidder] / [the award criteria as set out in the original Request for Quotation where another bidder was deemed to provide a more advantageous offer to the Trust. The characteristics and relative advantages of the successful bidder were. . you need to include the characteristics and relative advantages of successful bidder].**

Depending on whether the RFQ was based on price alone, then you need to select the appropriate sentence.
You must replace the words in italics with the relevant detail from the quotation evaluation.
YOU SHOULD NEVER DIVULGE EXACT PRICING FROM ONE BIDDER TO ANOTHER.

We appreciate the hard work in preparing a quotation and thank you for your interest and participation in the competition.

Yours sincerely

[Name]

[Job Title and Department]



Annex G – New Procurement Project Form

[New procurement form](#)

Annex H – Specification Template and Guidance

[Specification Template and Guidance](#)