

What you need to know about - The Competitive Tender Process

Who is this guidance document for:
❖ Grant Beneficiaries

How do I show value for money?

We have made you a grant offer, through the Landfill Communities Fund (LCF). The LCF is regulated by an organisation called ENTRUST, and they are responsible for ensuring that LCF grants achieve value for money.

ENTRUST requires that you provide evidence that a **competitive tender process** has taken place before purchasing goods and services with your grant.

What is a competitive tender process?

It is the process of comparing the quotes provided by contractors and suppliers to ensure that value for money is achieved.

How do I undertake a competitive tender process?

If you have employed professional services to help deliver your project, such as an architect or project manager, they will produce a professional tender report. Please submit their report to us as evidence of the value for money process.

If you are managing your project without professional services, the information below explains how you should provide evidence that value for money will be achieved:

- Step 1: Write an 'invitation to tender'. This is the list of goods/services that make up the elements of your project. You may also include a list of conditions that you wish the contractor/supplier to abide by, for example that they have public liability insurance or will provide a guarantee.

If you plan to use only one contractor/supplier you only need to write one 'invitation to tender'. If your project is made up of several elements, which need to be carried out by a range of different contractors/suppliers, you will need to write an 'invitation to tender' for each element.

- Step 2: Give each 'invitation to tender' to at least three contractors/suppliers and ask them to 'tender' (quote) by a set date.

IMPORTANT: Each contractor/supplier must quote on the same list of goods/services for each project element, so that returned tenders can be compared.

- Step 3: Once you receive the returned tenders, you will need to decide which is best value for money.
- Step 4: Create a tender report. The sample tender report (on the next page) shows how you could present the information.
- Step 5: Complete your Post-Award Details Form in your User Account to confirm the total cost (in whole pounds) of each project element (including VAT if this payable and not reclaimable by your organisation), and upload your tender report, and all the quotes/tenders you received. We are happy to provide further guidance, so please contact us if you are unsure.

Sample Tender Report

Project ID	005625
Project Name	Hill Community Centre, Brelltown - Improvements

Invitation to Tender
<p>Removal of 9 x aluminium windows and 4 external doors Supply and installation of 9 x triple glazed windows and 4 external doors</p> <p>Removal of fascias boards and soffits Replacement of fascias boards and soffits</p> <p>All prices quoted should have VAT calculated separately</p> <p>All works should have a guarantee</p> <p>Evidence of public liability insurance must be provided</p> <p>Tenders to be returned by midday on 14 May 2022</p>

Works	Contractor 1 Lill's Windows	Contractor 2 Mo's Windows	Contractor 3 Pascal's Windows
Removal of 9 x aluminium windows and 4 external doors Supply and installation of 9 x triple glazed windows and 4 external doors	£14,600 + VAT	£22,000 + VAT	£13,600 + VAT
Removal of fascias boards and soffits Supply and installation of fascias boards and soffits	£4,000 + VAT	£8,000 + VAT	£6,000 + VAT

Tender Evaluation
<p>Selected Contractor: Lill's Windows Reason: All contractors quoted for the same works (see Invitation to Tender above) and all works are guaranteed for 5 years. Lill's Windows overall quote is the lowest and they have replaced windows in our centre previously and we were impressed with the quality and workmanship.</p>

I declare the information I have provided is true and correct. I also understand that a false statement will result in my grant offer being withdrawn.

Name	A N Other	Signature	<i>aNOther</i>
Position in Organisation	Treasurer	Date	24.06.22