

## What you need to know about - The Competitive Tender Process

Congratulations, 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 (tenders) provided by contractors and suppliers to ensure that value for money is achieved.

### How do I undertake a competitive tender 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, e.g. that they have public liability insurance or will provide a guarantee etc.

If you plan to use only one contractor/supplier to complete all of the project works, 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 provide their 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. This does not always mean the cheapest, but you will need to confirm why they have chosen which will be reviewed by us.
- 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 applicable), and upload your tender report, and **all** the quotes/tenders you received (including those from the contractors/suppliers you have rejected).

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, along with the three quotes for each element you are asking us to fund to us as evidence of the value for money process.

We are happy to provide further guidance, so please contact us if you are unsure.

## Sample Tender Report

<b>Project ID</b>	001234
<b>Project Name</b>	Local Community Centre, Grantown - Improvements

<b>Invitation to Tender</b>
<p><i>Installation of Solar Panels and battery storage.</i></p> <p><i>Installation of additional roof insulation</i></p> <p><i>Installation of 12 x Double Glazed windows throughout the centre</i></p> <p><i>Conditions:</i>  <i>All prices quoted should have VAT calculated separately</i></p> <p><i>All works should have a guarantee</i></p> <p><i>Evidence of public liability insurance must be provided</i></p> <p><i>Tenders to be returned by midday on 25 May 2023</i></p>

<b>Works</b>	<b>Contractor 1 Lill's Builders</b>	<b>Contractor 2 Mo's Construction</b>	<b>Contractor 3 John's Builders Ltd</b>
<i>Solar Panel and battery installation</i>	<i>£24,600 + VAT</i>	<i>£32,000 + VAT</i>	<i>£19,600 + VAT</i>
<i>Roof Insulation</i>	<i>£7,500 + VAT</i>	<i>£8,000 + VAT</i>	<i>£11,350 + VAT</i>
<i>Removal of 12x old windows and install double glazed units</i>	<i>£22,500 + VAT</i>	<i>£19,500 + VAT</i>	<i>£27,500 + VAT</i>
<i>Totals</i>	<i>£65,520 Inc VAT</i>	<i>£71,400 Inc VAT</i>	<i>£70,140 inc VAT</i>

<b>Tender Evaluation</b>
<p><b>Selected Contractor:</b> <i>Lill's Builders</i></p> <p><b>Reason:</b> <i>All contractors quoted for the same works and all works are guaranteed for 5 years. Lill's Builders overall quote is the lowest and they have completed door installations and our roof replacement previously and we were impressed with the quality and workmanship.</i></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.

<b>Name</b>	<i>A N Other</i>	<b>Signature</b>	<i>aNother</i>
<b>Position in Organisation</b>	<i>Treasurer</i>	<b>Date</b>	<i>22.06.23</i>