

Tendering for goods and services

It is essential to engage both Finance **and** Procurement in the tendering process in order to ensure adherence to Trust's Standing Financial Instructions / Standing Orders.

Below are details of the financial limits (according to value of the contract) for procuring goods and services for the Trust:

Financial value below £10,000

There is no requirement for a formal competitive quotation - however, the Trust still requires a written confirmation of the costs/prices from the supplier.

Financial value between £10,000 and £50,000

Three formal competitive quotations required on the Trust's quotation forms. Quotations will be issued using the Trust's agreed conditions of contract. The quotation will be issued by the Procurement Department/Estates Department.

Financial value between £50,000 and £90,319 (EU Threshold from 1 January 2008 - 31 December 2009)

Competitive tenders required. The Trust will ensure that tenders are sent to a sufficient number of firms/individuals to provide fair and adequate competition as appropriate, and in no case less than three suppliers /companies. The tender will be issued by the Procurement Department/Estates Department.

Financial value over £90,319 (EU Threshold from 1 January 2008 - 31 December 2009)

There is a requirement in law to advertise in the Official Journal of the European Journal (OJEU) for all goods and services if these goods or services are not already covered by an existing NHS Purchasing and Supply Authority, NHS Supply Chain or OGC contract.

Remember that this financial threshold is based on the total contract value over the total period. For example, to supply a Priority services at £50,000 per annum for 3 years. (Total value = £150,000 therefore the Trust is required to place an advert with OJEC).

- Appendix 1: priority services
- Appendix 2: residual services

Points of Note

Single quotation / Tender action

In exceptional circumstances where three companies are not available a single tender action form **must** be completed. The Single Tender Form will require authorization by the budget holder; Director of Finance and the Chief Executive.

If a single quotation/tender action approval is granted, it must be remembered that a tender is still required in order to ensure that the Trust use the NHS terms and conditions of contract, rather than those terms laid down by potential suppliers. The importance of this requirement becomes critical in the event of a dispute over the performance of the contract in determining liabilities and obligations.

Use of consultancy

All use of consultancy services must be approved by the Director of Finance.

Emergency orders

Emergency confirmation orders will only be issued in exceptional circumstances. Budget holders are reminded that the official method of raising purchase orders is via the Sage Finance System where all orders are fully budget authorised before the issue of an official purchase order.

If an emergency order is issued it is the responsibility of the budget holder to ensure a requisition is entered onto the Tetra system. A log is kept within the Procurement Department of all Confirmation orders issued.

Appendix 1: priority services

- Maintenance and repair of equipment
- Land transport services (including armoured car and courier services except transport of mail)
- Air transport services of passengers and freight (except transport of mail)
- Transport of mail by land (except rail) and by air
- Telecommunications services
- Financial services (insurance, banking and investment)
- Computer and related services (including bespoke software – standard software is generally thought to be covered by Supplies Directive)
- Research and development services paid for by the contracting authority and solely for its benefit
- Accounting, auditing and bookkeeping
- Market research and public opinion polling
- Management consultancy and related services
- Architectural services (as defined)
- Advertising
- Building cleaning and property management
- Publishing and printing
- Sewage and refuse disposal; sanitation and similar services

Appendix 2: residual services

- Hotel and restaurant services
- Transport services by rail
- Water transport
- Supporting and auxiliary transport
- Legal services
- Placement and supply services of personnel
- Security services
- Education and vocational educational services
- Health and social services
- Recreational, cultural and sporting services
- Other services