Guidance on ... Expenditure: Quotation and Tendering procedures for Goods and Services

**Introduction**

This document specifies the procedures to be followed for the issue of invitations and receipt of quotations or tenders for the procurement of goods and services (other than fabric maintenance and construction work) when:

- the procurement is not already covered by a University of Sheffield agreement published on the University’s Web Site on the Procurement Section pages. These can be found at [http://www.shef.ac.uk/procurement/](http://www.shef.ac.uk/procurement/)
- the estimated cost will be over £5,000 on one order or a series of orders.

*See Flowchart of Financial Thresholds and Procedures* for further information.

For information in relation to tendering for Capital building and refurbishment contracts, see below section on Tender Opening Procedure and SIA 16 Use of Procurement and Tendering.

1) **Quotations for Goods and Services**

*Request for Quotation (RFQ)* templates can be downloaded from the Procurement web pages and you will find a three quotes procedure to assist you with how to conduct a quotation process. Detailed quotation guidance is also available and details the steps that need to be followed in order to complete a satisfactory and auditable quotation exercise.

When you have completed the quotation exercise and selected the successful supplier, it is important that you maintain accurate records of the exercise, the offers submitted and the evaluation conducted. If subsequently requested by our auditors, these records will show value for money has been actively found and evidences an open, fair and competitive process.

For further information, please see *requests for quotations - three quotes*

2) **Tenders for Goods and Services**

The Procurement team must be involved in all tenders for goods or services over £50,000, in accordance with the Financial Regulations. The Procurement team will advise on the appropriate procedures to be followed depending on the type of product or service requested and will ensure that all relevant EU regulations are complied with when seeking tenders. Procurement can also discuss the appropriate process to be followed if any additional procurement requirements are stipulated for research grant awards, e.g. ERDF.
Procurement will identify the most suitable method for conducting the tender exercise. A minimum of three tenders must be invited and the most appropriate method for the advertisement of the invitation to tender will also be selected. The Procurement team advertise tenders using the Procurement Office e-Tendering system, known as In-tend.

**Tender Documentation**

i) The Procurement Office will require the following information prior to Invitations to Tender being issued:

- Technical specification (help on writing a technical specification for goods can be found [here](#).
  For services, guidance is available [here](#)
- List of three potential suppliers, that we can invite to participate in the tender
- Estimated value and copies of any quotes already obtained
- Source of funding (whether internal/core or external e.g. funding council)
- Confirmation of the award criteria. Procurement will create this for you to approve, or amend if necessary. The award criteria are used in the evaluation of the tenders and will form the basis of the scoring.

ii) An invitation to tender is issued to the suppliers, consisting of:

- Letter of Invitation to Tender

iii) and a Form of Tender comprising:

- Non-compliance statement
- Price and delivery schedule
- Product/Service Information
- Technical Specification
- Parent Company Guarantee
- Standard Terms and Conditions of Contract and Special Conditions of Contract (if applicable)
- Race Relations Act 2000 documentation
- any other relevant legislative requirements

Tender documents shall be issued to suppliers stipulating the latest time for return and completed returns shall be accepted only as electronic tender submission using the Procurement Office e-Tendering system. Tenders shall not be opened until the stipulated time and at the venue for opening.

**Tender Opening Procedure**

The value of the tender and the method of tender return determines the representation of the persons present at the tender opening. These persons are specified in the procedures below. The tender opening date and venue shall be advised to them and arrangements made for their attendance. Persons to be present at the opening:

**Tender value £50,000 to £173,934 excluding VAT (Goods and Services):**

- For tenders undertaken via the In-tend e-tendering system: tenders to be opened by a representative from the Procurement Office.
- For non-electronic tenders: (Estates and Facilities Management only):
  The Director of Estates (or his nominated representative); a representative nominated by the Director of Finance; Head of Planning Unit inviting the tender (or his nominated representative) (optional).
Tender value over £173,934 excluding VAT (Goods and Services):
• For tenders undertaken via the In-tend e-tendering system: tenders to be opened by a representative from the Procurement Office.
• For non-electronic tenders (Estates and Facilities Management only):
The Director of Estates (or his nominated representative); a representative nominated by the Director of Finance; a representative from the Procurement Office, Head of Planning Unit inviting the tender (or his nominated representative).

Tender value £50,000 to £4,348,350 excluding VAT (Works) (Estates and Facilities Management only):
• For tenders undertaken via the In-tend e-tendering system: tenders to be opened by a representative from the Procurement Office.
• For non-electronic tenders: (Estates and Facilities Management only):
The Director of Estates (or his nominated representative); a representative nominated by the Director of Finance; Head of Planning Unit inviting the tender (or his nominated representative) (optional).

Tender value over £4,348,350 excluding VAT (Works):
• For tenders undertaken via the In-tend e-tendering system: tenders to be opened by a representative from the Procurement Office.
• For non-electronic tenders (Estates and Facilities Management only):
The Director of Estates (or his nominated representative); a representative nominated by the Director of Finance; Head of Planning Unit inviting the tender (or his nominated representative).

Tender Receipt, Evaluation and Award
i) Non EU Tenders

After the opening ceremony, the responses will be evaluated and a score sheet will be completed using predetermined award criteria. If any clarifications are required from a supplier, the Procurement team will correspond with the supplier. When the evaluation is completed and the signed score sheet and justifications have been returned to the Procurement team, Procurement will check the terms and conditions of the contract.

The Procurement team will award to the successful supplier formally through In-tend. The unsuccessful suppliers will also be informed and feedback may be requested. Once Procurement has received a signed contract back from the supplier, departments will be notified that the purchase order can be raised.

• The purchase order will include the following wording:

  Supply, delivery, installation and commissioning of [tender title], as per tender reference XX/XX and terms and conditions agreed.

• For tenders relating to services, the following wording will be used:

  Purchase order placed following tender exercise XX/XX in conjunction with [department main contact]. Tender Description: [tender title] awarded for a period of [contract length]
The purchase order should also include any other wording relevant to the contract, such as delivery to be completed by XX, or key points from the contract.

Alternatively, a tender may be awarded as a **Framework**. This can be used where a choice of suppliers is required, or where the commitment is unknown. Further details of when and why frameworks are set up please contact a member of **Procurement**.

**ii) EU Tenders**

After the opening ceremony, the responses will be evaluated and a score sheet will be completed using predetermined award criteria. If any clarifications are required from a supplier, the Procurement team will correspond with the supplier. When the evaluation is complete and the signed score sheet and justifications have been returned to the Procurement team, Procurement will check the terms and conditions of the contract.

An intention to award letter will be sent to the successful supplier formally through In-tend. The unsuccessful suppliers will also be informed and feedback for each one will be required. A 10 day mandatory standstill period is then applied where the tender will be open to legal challenge. Once this period has ended (without any challenges) the award will be concluded and departments will be notified that the purchase order can be raised.

- The purchase order will include the following wording:

  Supply, delivery, installation and commissioning of [tender title], as per tender reference XX/XX and terms and conditions agreed.

- For tenders relating to services, the following wording will be used:

  Purchase order placed following tender exercise XX/XX in conjunction with [department main contact]. Tender Description: [tender title] awarded for a period of [contract length]

The purchase order should also include any other wording relevant to the contract, such as delivery to be completed by XX, or key points from the contract.

Alternatively, a tender may be awarded to several suppliers. This is known as a **Framework**. This can be used where a choice of suppliers are required, or where the commitment is unknown. Further details of when and why frameworks are set up please contact a member of **Procurement**.

**Tender Document retention**

All tender documentation must be retained for a minimum of seven years from the date of the award. This documentation must include a copy of each tender response, a brief record of the analysis and of the decision taken, with reasons; award and rejection letters and copy of the Purchase Order.

**3. Help Section**

Should any assistance be required regarding Quotations and Tendering please contact the Procurement team on 24206 or send an email to procurement@sheffield.ac.uk