



National Health Service in Scotland
Management Executive

St. Andrew's House
Edinburgh EH1 3DG

Dear Colleague

COMPETITIVE TENDERING

Summary

1. I enclose a copy of a Guide to Good Practice on Competitive Tendering. This was prepared initially by Mr Eckford, General Manager, Ayrshire and Arran Health Board, and incorporates comments made by the National Competitive Tendering Group. The Guide has also been agreed by the Joint Working Group on Strategic Management.

Action

2. General Managers and NHS Trust Chief Executives are asked to bring it to the attention of Unit General Managers and others responsible for competitive tendering.

Yours sincerely

G W TUCKER

27 July 1992

Addressees

For action

General Managers,
Health Boards

General Manager,
Common Services Agency

General Manager, State
Hospital

Chief Executives and
Chief Executive
Designate, NHS Trusts

To be copied to Unit
General Managers for
Action

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GUIDE TO GOOD PRACTICE
COMPETITIVE TENDERING

Introduction

1. The purpose of competitive Tendering is two-fold.
 - to test the effectiveness of existing services
 - to secure best value for money
2. Once it has been decided that a service or services should be the subject of competitive tendering, the staff currently working in these areas should be informed directly and personally by Management of that decision and the timescales envisaged for the competitive tendering exercise. Other staff working within that same workplace, should also be told generally of Management's plans and programmes.

Specification

3. The task of preparing and determining contract specifications rests entirely and only with Management but in so doing Management should:-
 - consult with the users of that service
 - consult with appropriate technical departments
 - observe all Control of Infection and Health and Safety requirements and all other statutory requirements

Submission of Tenders

4. There should be one identified Manager responsible for managing the Tendering process, including evaluation and who should be the single point of advice and communication to all Tenderers and who will lead any debriefing that may be required.

Preparation of In-House Tenders

5. Again there must be a single identified Manager charged with the preparation and delivery of the in-house tender and additionally with:-
 - keeping affected staff fully informed as the tendering process (including any changes that prove necessary from time to time) develops and progresses
 - ensuring that individual members of staff have access to advice on their own personal positions
 - attempting to maintain morale and try to convince staff that their contributions are valued and understood even though the service is to be subject to tenders
 - seeking to involve staff in reaching innovative solutions to the tender specifications.

Post Award of Contract

6. Manage the change process including plans to deal with any loss of the contract in ways which will minimise disruption to staff and minimise termination costs to that particular Provider Unit.

Communication

7. Management communications must be regular, open and truthful (warts and all!) and must never be conducted via a third party. To avoid "mixed messages" communications should be handled by the single identified and "accountable" managers referred to earlier.