

Tendering Terminology

AIN (Additional Information Notice)

A notice published to advise of any changes made to the original contract notice.

Below threshold (Low value) tenders

Tenders that fall below the relevant [public procurement financial thresholds](#). These do not need to be advertised on Find a Tender (FTS), and should be advertised on Contracts Finder (CF). Most lower value tenders never make it on to CF, which is why Tenders Direct collates them all in one centralised location.

Benchmarking

The process of continuously measuring and comparing an organisation's processes against comparable organisations to gain information to help performance improvement.

Best Value

This is a formal requirement for all local authorities and was introduced to ensure continuous improvement in the performance of public services. It encourages consideration of what services should be provided, the most appropriate way to deliver these services while maintaining an appropriate balance between quality, cost, achieving equalities and sustainable development.

Call Off Contract

A contract made following a formal tendering process (often a framework or DPS) with one or more contractors, suppliers or service providers for a defined range of works, goods or services covering terms and conditions (including price) which users 'call off' to meet their requirements

CAN (Contract Award Notice)

These are the details of the resulting contracts from a successful tendering process. They contain details of the companies who have won the work, as well as information about the contract and tendering process. These can be used for market research, prospecting for sub-contracting opportunities and to identify possible renewal dates.

Consortium

An unincorporated group of firms or individuals which has been formed with a view to pooling their strengths and resources to win contracts that they would not be able to in their own right.

CPV (Common Procurement Vocabulary) codes

These are used as a standard system for classifying public sector tender notices across Europe, and remain in use within the UK post-Brexit. As there are so many of them (around 10,000) and they can be vague and inaccurate. Tenders Direct have developed our own in-house keyword system and just to be certain we are sending you relevant tenders, we have a team of reviewers who manually read the notices to check.

DPS (Dynamic Purchasing System)

A dynamic purchasing system is like a framework agreement except that during its life other economic operators (suppliers) may - if they meet the published criteria - join the system.

The DPS is a two-stage process. First, in the initial setup stage, all suppliers who meet the selection criteria and are not excluded must be admitted to the DPS. Individual contracts are awarded during the second stage. In this stage, the authority invites all suppliers on the DPS (or the relevant category within the DPS) to bid for the specific contract.



E-Procurement / E-Tendering

The Office of Government Commerce (OGC) defines e-Procurement as "The term used to describe the use of electronic methods in every stage of the purchasing process from identification of requirement through to payment, and potentially to contract management." OGC specifically identifies that electronic enablement of the purchasing process can include e-Sourcing, e-Procurement and e-Payment (including e-Invoicing).

ESPD (European Single Procurement Document)

The European Single Procurement Document is the EU equivalent of the UK Single Procurement Document (SPD) -details of which can be found further down the list.

FTS (Find a Tender service)

The official UK portal for above threshold notices published in England, Scotland, Wales and Northern Ireland.

Framework agreement

A framework agreement is an 'umbrella agreement' that sets out the terms (particularly relating to price, quality and quantity) under which individual contracts (call-offs) can be made throughout the period of the agreement (normally a maximum of 4 years).

EOI (Initial Expression of Interest)

High value public sector contracts usually ask any interested parties to formally express their interest in bidding with an EOI. This is different to a Periodic Indicative Notice (or Prior Information Notice).

ISO (International Standards Organisation)

An international standard-setting body composed of representatives from various national standards bodies producing world-wide industrial and commercial standards.

ITT (Invitation to Tender)

The paper or electronic documentation issued to organisations invited to tender for a contract. Typically, it includes a background, rules of tender, contract specification, questions or information required and a draft contract.

KPIs (Key Performance Indicators)

Specific measurements of service delivery within a Service Level Agreement.

MEAT (Most Economically Advantageous Tender)

Public contracts can be awarded either on the basis of lowest price or MEAT. A MEAT approach allows the contracting authority to use both price and quality criteria. Relevant criteria may include quality, price and technical merit, provided that the criteria chosen are linked to the subject matter of the contract.

Modification Notice

Is an amendment to an existing notice or contract, and its use became popular as a result of the Covid 19 pandemic. Modifications may be made to contracts and framework agreements without the need for a new procurement procedure if there were existing clauses allowing for revisions, the original contractor has additional requirements and a change of contractor is not possible, a new contractor has taken over the work, or as a result of unforeseen circumstances.

OJEU (Official Journal of the European Union)

This is the central database for European public sector tender notices. Since the

conclusion of Brexit, some opportunities will not be available to UK suppliers, however there are still many which are open to non-EU bids.

PIN (Prior Information Notice/ Periodic Indicative Notice)

A notice giving advance warning of a contract to be tendered at some point in the future. PINs can now also be used as a call for competition by sub-central Contracting Authorities when using the restricted procedure or competitive procedure with negotiation.

PFI (Private Finance Initiative) / PPP (Public Private Partnership)

A form of public procurement that involves some level of private sector funding, investment, or management. Normally used for high risk/high value contracts.

Preferred Suppliers List

A list of organisations preferred by public sector bodies to undertake certain works, supplies or services, following a competitive tendering exercise.

PQQ (Pre-Qualification Questionnaire)

This is a set of questions to help buyers select the most suitable bidder to be invited to tender. Now superseded by the SPD and Selection Questionnaire.

QA (Quality Assurance)

A discipline to assess quality standards, covering all activities and functions concerned with the attainment of quality.

Selection Questionnaire

A method of self-declaration that aligns with the SPD and supersedes the PQQ. Used by all contracting authorities in England as well as some in Wales and Northern Ireland.

SPD (Single Procurement Document)

The Single Procurement Document is a standard form used exclusively within the UK, replacing pre-qualification questionnaires (PQQ's), with the aim of making bidding for a public contract easier. Its purpose is to remove some of the barriers to participation in public procurement, especially for Small and Medium Enterprises (SME's).

Standstill

In above-threshold regulated contracts, a minimum 10-calendar day cooling-off period from the award decision notice date and the earliest the contract can be awarded. Optional for framework call-offs.

SLA (Service Level Agreement)

A mechanism for helping a service provider and its customers achieve a shared understanding about services and service delivery. An SLA is a tool that helps manage the expectations, clarify responsibilities, and provide an objective basis for assessing service delivery.

Thresholds

These are the financial thresholds determining which procurement procedures the public sector must use to fulfil their needs. Full details of the current threshold values [can be found here](#).

VEAT (Voluntary Ex Ante Transparency notice)

This is a contract award for a contract that was not originally published on FTS. Its purpose is to notify the market of who has won the contract and to give a chance to appeal the award decision and/or the fact that it was not originally published.

VFM (Value for Money)

This is defined as the optimum combination of whole-life cost and quality (or fitness for purpose) to meet the user's requirement.