

# Value for Money in Competitive Tender Evaluation in the UK MOD

## The importance of Value for Money

Despite the fact that achieving value for money (VfM) is one of the most important considerations in successful tender evaluation, there is little consensus within the procurement community on how it should be achieved. Methodologies published in tendering instructions vary between UK Government Departments and between the UK and EU, despite routinely operating under the same regulatory framework – Public Contracting Regulations.

Commerce Decisions' experience in supporting hundreds of public procurements, using different VfM methodologies in tender evaluation, has led to a deep exposure to what works, and when. It's clear from practice that the consequences of the mathematical differences between VfM methodologies are not always anticipated by procurement practitioners, despite having a direct impact on the outcome.

## About the course

This one-day training course is specifically tailored to the UK Ministry of Defence. It will bring clarity to the options and choices faced by project teams when designing an evaluation that is focused on selection of the best VfM tender(s).

It is designed for procurement professionals, draws from contemporary practice from multiple sectors and is underpinned by technical analysis. By the end of the course, delegates will have an in depth understanding of the options available when designing a tender evaluation that focuses on the achievement of a VfM outcome. It is critical to the success of a procurement that project team members and senior leaders have a collective understanding of these options; we therefore recommend that all team members attend the training.



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## Course contents

- Understanding the landscape; legislative, National Audit Office, MOD policy and other Governmental practice
- Deciphering the jargon such as: Monetising Quality, Willingness to Pay (WTP), Proportional Cost Conversion, Value for Money Index, Percentage Difference Cost Conversion and much more
- Laying out and comparing the options; helping procurement teams understand their options and analysis behind recommendations
- Balancing and combining cost (money) with non-cost (value) in a competitive tendering process
- Managing specific issues; affordability, abnormally low tenders, determining the VFM gradient
- Recommendations and next steps planning (if required)

## Your instructor

The course is delivered by an experienced trainer who has in-depth knowledge and experience of public authority competitive tender evaluation. All our trainers are practising procurement consultants and will use a variety of methods to introduce training content and material.

As a practising consultant, your trainer will also bring contemporary examples into this training course and use them to illustrate learning points and underpin analysis.

## Further information and bookings

For more information about our training courses, or to book a place on a course, please contact Ian Wiseman, MOD Business Development Manager on 01235 431122/07525 767739 (mob) or email [iwiseman@commercedecisions.com](mailto:iwiseman@commercedecisions.com).

