Doncaster and Bassetlaw Teaching Hospitals
NHS Foundation Trust

Policy and Guidance for The Procurement of Goods, Services and Works (Procurement Policy)

This procedural document supersedes: CORP/PROC 8 v.2 – Policy and Guidance for the Procurement of Goods, Services and Works (Procurement Policy)



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Executive Sponsor(s):	Sam Wilde, Director of Finance
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Amendment Form

Please record brief details of the changes made alongside the next version number. If the procedural document has been reviewed **without change**, this information will still need to be recorded although the version number will remain the same.

Version	Date Issued	Brief Summary of Changes	Author
Version 3.1	19th May 2025	Under 6.10 Other Considerations, inserted clause relating to security of outsourced services	Richard Somerset
Version 3	6 September 2023	Updated throughout the document: replace OJEU with FTS. Following Brexit, removal of any referencing to EU procurement regulations • Page Numbers in contents table have been updated. • 5.2.1 – Updated to reflect the SFIs from £5,000 - £10,000 for competitive procurement • 5.3.3 – Working Together Partnership changed to ICS • 5.4.1 CSR updated to include net zero • 5.4.2 Updated to include Carbon Reduction Plan • 6.4 – Updated with new Contracts Finder threshold for advertising. • 6.5.1 - Updated to reflect the SFIs from £5,000 - £10,000 for competitive procurement • 6.5.3 – Procurement thresholds updated • 6.5.5 – Updated ICS scoring methodology • 7 – Updated, to include 'inclusion'	Lisa Holleworth
Version 2	3 December 2020	Updated throughout the document: Director of Procurement amended to Head of Procurement. Deputy Director of Procurement amended to Deputy Head of Procurement. • Page Numbers in contents table have been updated. • 5.3.3 References and terminology have been updates to reflect current guidance i.e. ICS and Local Place Plan • 5.3.4 Updated to reflect the years 2020 – 2023 • 6.5.4 Addition of Competitive Procedure without Competition and addition of Frameworks to timescales • 6.5.5 Update to pricing and quality evaluation	Claire Burns

		approach. • 6.8.1 Signing of Contracts updated to reflect the Delegation of Power Policy. • 6.9.2 Removal of references to Approved List of Contractors. • 21 References – Addition of GDPR.	
Version 1	24 April 30 September 3302018	• New policy, please read in full. 20 September 2017: Held before publishing as some changes were made in September 2017 i.e: • New Format • Evaluation table inserted within section 6.5.5. • Teaching Hospital Inserted • Oracle & SBS information replaced Agresso	Jon Sargeant Andrea Smith

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1. INTRODUCTION

This Procurement Policy sets out the framework within which all procurement in the Trust must be undertaken.

This policy is designed to ensure that the procurement of all goods, services and works required by the Doncaster and Bassetlaw Teaching Hospitals NHS Foundation Trust (the "Trust") is handled in a transparent, timely, cost efficient and effective manner with due regard to procurement best practise, the Trust's overall Corporate Strategy, Procurement Strategy and individual User Departments' Plans. It includes all stages in the process, from identifying need, considering options, obtaining the required solution, contract monitoring, through to final disposal or cessation.

The methods used for acquiring goods and/or services are designed to protect both the Trust and the individual from risk. Full corporate governance must be observed in all procurement decisions; all staff must recognise that, in order to address all relevant legislation and risk issues, sufficient planning and timescales are essential to effective procurement.

2. PURPOSE

2.1 Purpose

This policy aims to ensure that the Trust obtains the necessary goods, services and works to the required level at the most economically advantageous price, taking account of whole life costs. To fulfil this obligation the Procurement department will provide the following services:-

- Develop, promote and support a corporate framework to enable all staff to obtain services and supplies to the required quality in the most efficient manner;
- Monitor the Trust's spend on goods, services and works to identify where corporate or other arrangements can be developed to improve quality and/or reduce costs;
- Lead on all procurement related tasks in respect of high value/high risk procurements;
- Monitor procurement related risk across the Trust;
- Develop and sustain mechanisms to improve supplier performance and promote continuous improvement;
- Co-ordination of procurement activity including the development and delivery of training for procurement staff and other relevant staff;
- Provide advice and support to facilitate procurement activities across the Trust;
- Provide advice to all staff on the appropriate procurement process;

- Support staff in developing Business Cases where suppliers will be required to deliver the outcomes of the Business Case;
- Ensure the Trust adheres to the requirements of the UK Public Procurement Regulations, National Law and the Trust's internal Standing Financial Instructions and Delegation of Powers;
- Promote and support the use of e-Procurement tools;
- Work with suppliers to support improvements in their social, environmental and ethical practices;
- Take into account patient safety as part of the decision-making process.

The policy is to ensure that effective procurement, and the benefits that flow from it, are delivered. This will be achieved via leadership, knowledge, expertise, strategic positioning, technical systems and facilitation of the procurement process.

This policy also offers guidance and instruction when dealing with external suppliers to ensure best procurement practice is maintained. It provides personnel with clear understanding and guidelines on the processes to follow when dealing with commercial contacts.

2.2 Scope

This policy applies to all procurement activity (clinical and non-clinical) within the Trust. This policy applies to all full-time and part-time personnel within the Trust including staff on temporary or honorary contracts as well as bank staff and students. This policy also covers individuals working on behalf of the Trust, such as Independent Contractors, Sub-Contractors and representatives from other Partner organisations.

The Trust will ensure that the application of all or part of this policy does not have the effect of discriminating, directly or indirectly against staff or potential suppliers on grounds of race, colour, age, nationality, ethnicity, gender, sexual orientation, marital status, religious belief or disability.

The policy should be read in conjunction with those policies listed at Section 7 (Associated Documentation).

3. DUTIES AND RESPONSIBILITIES

Roles	Responsibilities
Board of Directors	The Board of Directors will assure itself that the Policy is being implemented effectively and is responsible for ensuring that the strategic context of the Policy is appropriate and that it meets the needs of the Trust.
Chief Executive	The Chief Executive has overall responsibility for the Trust's Procurement compliance and to ensure that the appropriate management systems are in place and working effectively.
Management Board	It is the responsibility of the Trust's Directors and members of the Management Board to ensure that they are familiar with the contents of the Policy and that identified persons within the directorates have lead responsibility for ensuring the Policy is available and adhered to at all times.
The Director of Finance	The Director of Finance is responsible for ensuring the implementation of the Policy and for co-ordinating any corrective action necessary to further the Policy. This includes maintaining an effective system of internal financial control, and ensuring that detailed financial procedures and systems relating to Procurement are maintained.
The Head of Procurement	The Head of Procurement is responsible for the delivery of the Procurement Strategy, Procurement systems and governance. The Head of Procurement is accountable for the Procurement policy and implementation.
The Procurement Team	The Procurement Team will work with Divisional Managers, Department Heads, Matrons, Clinical and Non-Clinical Leads and Heads of Specialities to improve adherence to good procurement practices and to ensure compliance with the Policy. Responsibilities of respective category managers will include: • Conducting procurement activities in accordance with Standing Financial Instructions and relevant governing legislation;

	• Liaising with and managing all company representatives; • Managing the evaluation and assessment of clinical devices, consumables and services. Working collaboratively with clinical and non-clinical colleagues to ensure that a fair evaluation and assessment is undertaken. • Managing communications between the Trust's clinical and non-clinical areas and the Procurement Team and the introduction of new products and services. Acting as the interface between the Trust's clinical and non-clinical areas and the Procurement Team in order to ensure that the best procurement practice is maintained. • Managing supplier engagement with particular emphasis on contract and performance management of suppliers via regular review meetings with input from clinical and non-clinical colleagues.
Departmental/Divisional Managers (Budget Holders)	Ward/Department/Service/Divisional Managers at all levels are responsible for ensuring that the staff for whom they are responsible are aware of and adhere to this policy. They are also responsible for ensuring staff are updated in regard to any changes in this Policy. Ward/Department/Service/ Divisional Managers will be expected to incorporate general awareness of this policy into local induction procedures; noting when such awareness was given, ensuring that a copy is made available to all staff in their respective areas (or by referring staff to the intranet location, as mentioned above).

Trust Employees	It is the employee's responsibility to comply with this and any other associated policies.
Supplier Representatives	Representatives visiting the Trust are expected to comply with the Supplier Representatives Policy, signing into the Trust's Intellicenrics System, as well as observing the Code of Practice for the Pharmaceutical Industry drawn up by the ABPI, as well as the Trust's Medicines Code and ABHI for other goods and services. Companies are to be made aware that if this policy is breached by a Supplier Representative, then it is the duty of the Head of Procurement/ Deputy Head of Procurement to advise the Supplier representative that they may be removed or barred from site and/or reported to the parent company and/or the appropriate commercial/professional organisation where Codes of Practice have been breached i.e. ABPI for Pharmaceutical and ABHI for other suppliers, as relevant.

4. PROCEDURE

Procedures setting out how Procurement activities are to be undertaken are described within the following appendices:

- Appendix 1 – Standards of Business Conduct Declaration Form

5. PROCUREMENT PROCEDURE

5.1 Responsibilities and Authority

All requests to procure goods, services and works must be appropriately authorised under the Trust's Scheme of Delegation defined by the Board of Directors and held by Budget holders.

The following information summarises the various stages of a procurement process. The detail and application will vary depending upon the actual procurement activity, but it is good practice to consider all the following stages when planning any procurement activity.

All procurement decisions must be considered on their own merit, options evaluated and the most appropriate procurement route used. All decisions must also be consistent with the requirements of the Trusts Standing Financial Instructions and Delegation of Powers. The key test will be what is most likely to deliver Best Value for the Trust and its service users.

This information is for guidance and information and if there is anything at all you are unsure of procurement staff will help manage the requirements with you to ensure a best value solution is procured.

5.2 Effective Competition

Goods, services and works must be acquired through open competition unless there are strong justifications why this cannot be achieved.

5.2.1 Requirement for Competitive Action

Competition avoids any suggestion of favouritism and discourages supplier monopoly. It also contributes towards achieving best value. The form of competition should be appropriate to the value and complexity of the requirement. The only exception to this is for requirements below £10,000 ex VAT where the resource costs involved in obtaining competitive quotes are likely to exceed any savings that may be secured by competition. Separate contracts for the same product or service should not be put in place with the intention of avoiding the correct procurement route for the requirement.

The Trust's product based catalogues should always be used before obtaining quotations from any other source of supply. Nonetheless, where improved best value can be achieved by competition, taking into account the resource costs involved, then this may be adopted at the Procurement Department's discretion by agreement with the budget holder. The Procurement Department, in consultation with internal customers, is responsible for identifying markets and procurements most likely to offer best value and for encouraging suppliers to compete for Trust business.

5.3 Achievement of Overall Best Value

5.3.1 Best value

This policy works to the principles of procuring goods and services in a best value manner. It is the responsibility of all staff to work towards securing best value for the Trust and best value is not simply limited to procurement activity. All staff should be aware of the need to achieve best value and in a procurement process it is one of the key outcomes that we can demonstrate the Trust has achieved the best value provision available.

Best Value can be defined as:-

"To make arrangements to secure continuous improvement in performance whilst maintaining an appropriate balance between quality and cost; and, in making those arrangements and securing that balance, to have regard to economy, efficiency, effectiveness, the equal opportunities requirements and to contribute to the achievement of sustainable development."

5.3.2 Whole Life Costs (whole life contract value)

Whole Life Cost takes into account all aspects of cost over time, including initial purchase cost, maintenance, associated costs (i.e. consumables attached to a piece of equipment) through to disposal, whenever they occur. All members of staff involved in the procurement process are responsible for

ensuring that best value is achieved through the procurement process and throughout the whole procured lifecycle of goods, services and works.

5.3.3 Integrated Care Systems (ICS)

The ICS is a collaboration of key organisations across South Yorkshire and Bassetlaw and Nottingham and Nottinghamshire, such as Local Authorities, other NHS Trusts and the voluntary sector. Working together, we are able to create positive outcomes for patients, staff and the public. Together, we work on a number of common issues that will allow the Trusts to deliver benefits that they would not achieve by working on their own. The aims of this innovative partnership are to strengthen each organisation's ability to:

- Deliver safe, sustainable and local services to people in the most appropriate care setting;
- Meet commissioner intentions to improve the health and wellbeing of the people being served in the most efficient and effective way;
- Make collective efficiencies where the potential exists.

The Partnership replaced the former Working Together Programme and already we have achieved some real benefits for patient care, collaborative procurements, use of resources and sharing good practice. The collective procurement of goods has resulted in a significant saving which will be retained by the Trusts to reinvest in patient care, with further projects in the pipeline.

The Trust will continue to work in this partnership to secure savings, and best practice processes and staff need to be aware that any change instigated by any of the Trusts will be reviewed for implementation in the Trust for as long as the partnership exists. This group will develop further to achieve the aims of the Integrated Care System (ICS) and Local Place Plans

5.3.4 Inflation

The Trust is committed to combating inflationary increases from its supply chain in line with the guidance from the Department of Health and to ensure the Trust is working towards its own efficiency targets. We do not expect to receive a price increase higher than 3.4% from any supplier that is either based on a general annual price increase or a price increase that cannot be substantiated without evidence of why the increase is needed. Procurement will lead on this work with all high value / strategic suppliers but all staff should be aware that in their dealings with suppliers they should re-enforce this message and not agree to any type of increase without consulting procurement in the first instance. The initial requirement is to agree a 3.4% inflation pledge from suppliers for the 22/23 and 23/24 financial years, with a review to be undertaken after April 2024.

We will work with suppliers and staff to identify opportunities to identify cost reduction initiatives such as reducing the number of deliveries, standardising on products, early payment discounts, switching to alternative items. Procurement will lead on this work but all staff should be aware of the ongoing work in this area.

5.3.5 No Purchase order No Payment

The Trust has an electronic Purchase to Pay process (P2P) using the SBS Oracle platform. All requisitions are created electronically by end users and generated into Purchase Orders (POs). These orders are then fulfilled by the supplier and they provide an invoice to SBS, referencing the order number and the details of the purchase, which allows us to pay the supplier as we can identify through the system that this is a valid invoice. The Trust operates a strictly controlled P2P process, every requirement for goods or services should have an order raised in advance. It is a breach of SFI's (**Standing Financial Instructions)** if an individual commits funds by contacting suppliers without an order with appropriate approval. There are also potential legal issues as the supplier used may not have a contract with the Trust already or by approaching a supplier directly we may be non-compliant to UK Law. We may also be potentially signing up to onerous terms and conditions or other conditions such as ongoing maintenance or servicing.

Suppliers increasingly expect to receive a Purchase Order as a sign of good business practice. We absolutely hold the same view. We want our suppliers to be paid in a timely manner for the excellent work they do in supplying the Trust with the important goods, services and works we require.

A No Purchase Order No Payment Policy allows the Trust closer control over spend before it is committed, ensures that spend is appropriately approved and ensures that only the right suppliers and their products are used. Matching invoices to POs and confirming the receipt of goods and services provides a more robust audit trail and also helps in mitigating the potential risks from fraud.

All staff must ensure that an appropriate Electronic Purchase Order for all non-pay expenditure is created by the authorised budget holder prior to any commitment being given to a supplier. In the vast majority of instances this will be in the form of a requisition created in the SBS Oracle system which is then either turned into an order by the system via the use of existing catalogue codes or sent to procurement for further work before becoming an order released to a supplier. Failure to ensure a procurement supported Purchase Order is created may result in disciplinary procedures depending on the nature of the breach.

Procurement will engage with all suppliers to advise of the No Purchase Order no Payment policy and will continue to monitor and work with suppliers to ensure they paid for the service they provide, in line with our requirements, by obtaining orders prior to supply.

5.4 Corporate Social Responsibility (CSR) and Procurement

5.4.1 CSR

The Trust ensures that a positive impact is felt locally when undertaking procurement exercises by following the principles that are set out in the Public Services Social Value Act 2012 and by having a robust approach on corporate social responsibility (CSR). As one of the largest spending organisations in Doncaster, the Trust has a role to play in addressing social impact and cohesion across the borough.

There are a number of benefits that can be obtained by having a positive approach to social value and CSR which range from the creation of employment and training opportunities to the economic benefits gained of retaining the Doncaster pound within the Doncaster area.

The Public Services Social Value Act 2012 puts a duty on public sector organisations to ensure that they consider how services can improve social, economic and environmental well-being of the region and

consider, then demonstrate, that some degree of social value has been sought and achieved during procurement activities.

From 1st April 2022, all NHS procurements includes a minimum of 10% net zero and social value weightings.
The Trust recognises and values the added benefits that local businesses and organisations can provide us and the wider community. All procurement activity will, where appropriate, be structured to maximise the potential for skills training, apprenticeships and job creation within Doncaster.

Local companies providing goods, services and works to the Trust will be encouraged where appropriate to undertake the following:-

- Improve skills and job opportunities for local people across Doncaster;
- Include a requirement to support local employment and skills outcomes where relevant to the purpose of a contract;
- To gain greater intelligence through consultation, feedback and analysis of outcomes to further develop initiatives to improve employment and skills through procurement activity.

National legislation limits our ability to favour local businesses, but there are numerous ways that we legitimately support local businesses that include:

- Working pro-actively with partners to support local businesses through media and workshops to explain how to do business with the Trust, and obtain their feedback in order to improve documentation and processes;
- Providing information about future procurement activity, and advertising tenders on the contracts finder portal
- Packaging contracts in a manner, where possible, that does not preclude the following from tendering:
    - local and regional companies
    - small and medium sized enterprises
    - newly formed businesses
    - the voluntary and community sector

Additionally Procurement will maintain sustainable and socially responsible procurement that considers the implications of CSR in all tender evaluations.

5.4.2 Environmental Impact

ENVIRONMENTAL PROCUREMENT POLICY STATEMENT

Introduction

This Statement develops the existing procurement policy to minimise adverse impacts on the environment to detail specific aims and objectives that will enable the Trust to act as a role model by carrying out its purchasing activities in an environmentally responsible manner.

This Statement:

- Applies to all staff involved in the procurement process and relates to all goods, services and works procured.

- Is consistent with the Chartered Institute of Purchasing and Supply (CIPS) Environmental Purchasing in Practice Guidance and with the United Kingdom's commitment to sustainable development.

- Will be reviewed and revised as necessary, at least annually.

It is Trust policy to minimise adverse impacts on the environment by carrying out its purchasing activities in an environmentally responsible manner.

All staff should be aware of the need to consider environmental and sustainability issues in any procurement but some key considerations must include:

- Sourcing local goods and suppliers wherever possible taking into account the requirements of legislation and the Trust's SFI's;

- Selecting goods with low environmental impact, e.g. All white goods purchased should be energy rated B or better;

- Using suppliers and contractors who adhere to a strict environmentally friendly practice similar to that of DBH

- Insisting, when tender contracts are developed that suppliers provide a range of goods and services that are in keeping with DBH environmental policies;

- Wherever possible, purchasing fair trade goods.

From April 2024, the NHS will require a Carbon Reduction Plan for all procurements.

5.4.3 Responsibility

Overall responsibility for integrating environmental considerations into the procurement process is taken by the Head of / Deputy Head of Procurement. All staff involved in the procurement process, as defined in the Scope of this Policy, are required to follow the principles of the policy.

5.4.4 Aims

The Trust aims to continually improve its environmental performance by:

- Working towards the adoption of best practice in relation to all current statutory regulations that impact on procurement and specifying that suppliers do the same.

- Reducing waste through re-use and recycling and by using refurbished and re-cycled products and materials where such alternatives are available.

5.4.5 Objectives

The Trust will strive to preserve natural resources and reduce pollution by pursuing the following objectives:

- Encouraging and persuading suppliers to investigate and introduce processes and products that reduce the impact on the environment. Wherever possible, within the UK Procurement Directives, purchases will be made from suppliers that can demonstrate that they have action plans and results in terms of environmental improvement, rather than those that merely have a general environmental policy.

- Specify wherever possible environmentally-friendly products or services, defined according to their environmental performance and the production process used.

- Incorporating environmental considerations into Trust procurement processes.

Communicating openly with staff in relation to environmental policies and best practice and co-operating with others in the public and private sectors at home and abroad to develop and promote environmentally sound procurement practices.

5.4.6 Equalities Considerations

It is Trust policy that appropriate equal opportunities considerations be incorporated into the production of specifications, pre-qualification questionnaires, evaluation of tenders and contractor performance management. The aim is to ensure that suppliers work to eliminate the potential for unlawful or unfair discrimination to occur in relation to their employment practices and through the provision of goods, services and works to the Trust. Specifications and/or conditions of contract used by the Trust will make clear contractors' obligations. For new efficiency projects Equality Impact Assessments will be undertaken.

5.5 Ethical Standards

It is the intention of the Trust that all suppliers must be treated fairly and equitably and Trust staff engaged in the procurement process must always act with integrity and honesty.

5.5.1 NHS Employees' Responsibilities

All employees must comply with the Trust SFIs and the Trust's Reservation of Powers to the Board and Delegation of Powers. Additionally, all members of the Procurement Department are expected to abide by the Chartered Institute of Purchasing and Supply's Professional Code of Ethics.

5.5.2 Conflicts of interest

When dealing with suppliers, potential conflicts of interest can sometimes arise. Spouses or other relatives may be employed by the supplier company or possess shareholdings or other stakes; personal friendships may grow up over time. Such potential conflicts should be reported to your manager as

soon as they are identified. They will not normally prevent our trading with the company concerned, but it may be in everybody's interests to arrange for the expenditure to be handled by someone else. Sometimes, former employees may be potential suppliers - indeed their knowledge of our operations may make them particularly suitable. It is important that they do not receive or expect to receive special consideration. If their 'inside knowledge', for instance of our cost structures, appears to give them an unfair competitive advantage, it may be desirable to take steps to ensure fair competition among all suppliers.

Employees should avoid as far as possible dealing with our suppliers in their private affairs, particularly if this is likely to put them under some obligation to the supplier. Where such arrangements are unavoidable, it is essential that they ensure that they are not offered any sort of deal which is not commonly available, and which could be construed as a reward for actions taken in the course of their employment.

5.5.3 Relationship Management

Purchasers, and other Trust staff, contractors and management consultants involved in the procurement process, must always be honest, fair and impartial in their dealings with suppliers. Relationships with suppliers must always be conducted on a professional basis, with proper regard to ethics and propriety (refer 5.5.5).

5.5.4 Declarations of Interest

It is Trust policy that all Trust staff must declare and record any personal interest that might influence, or be seen by others to influence, their impartiality in arriving at a purchasing decision. Those who have business or personal relationships with, or friends/relatives employed by, outside organisations bidding for Trust contracts must inform their line Manager at the outset of the procurement.

Within Procurement processes, it may be appropriate for those stakeholders involved within that process to complete a Declaration of Impartiality Form. However, the requirement for this will be decided by the relevant Category Manager, Head of Procurement/Deputy Head of Procurement at the development stage of the requirement, whereby it will be necessary to identify who may be involved in that process and whether any conflict of interest may apply.

5.5.5 Personal Gain and Gifts

This should be read in conjunction with Trust Standing Financial Instructions and the Trust's Standards of Business Conduct and Employees Declarations of Interest Policy.

It is Trust policy that staff involved in procurement activity, or others who may be perceived to be in a position of influencing purchasing decisions, may not solicit or accept contributions of any kind from existing suppliers, those currently bidding for Trust contracts, or suppliers who could conceivably be bidders for future contracts.

Staff must refuse gifts, benefits, hospitality or sponsorship of any kind which might reasonably be seen to compromise their personal judgement or integrity, and to avoid seeking to exert influence to obtain preferential consideration. All such gifts must be returned and hospitality refused.

The confidentiality of information received in the course of employment should be respected and never used for personal gain.

Trust staff may only accept small "desk top" gifts such as diaries, pens and calendars. Records of any other gifts offered, whether or not they were accepted, must be kept. It is a disciplinary matter for Trust staff to accept gifts or consideration as an inducement or reward for:

- Doing or refraining from doing something
- Showing favour or disfavour to any person or organisation

Staff must declare and register gifts, benefits, or sponsorship of any kind, and any offers of such, in accordance with time limits agreed locally, whether refused or accepted, as instructed via the Standards of Business Conduct and Employees Declarations of Interest Policy Form.

5.5.6 Hospitality

Modest hospitality (e.g. lunch, sandwiches) may be accepted from a supplier, provided it is infrequent, in the course of a normal working day and that a situation is not reached where impartiality may be influenced, or be perceived by others to be influenced. Invitations from suppliers or potential suppliers to attend social functions must not be accepted without receiving the prior written consent of the Chief Executive. Records of all hospitality offered and whether or not accepted must be kept by each directorate manager.

Industry representatives organising meetings are permitted to provide appropriate hospitality and/or meet any reasonable, actual costs that may have been incurred. If none is required, there is no obligation, or right, to provide any such hospitality, or indeed any benefit equivalent value.

Hospitality must be secondary to the purpose of the meeting. The level of hospitality offered must be appropriate and not out of proportion to the occasion; and the costs involved must not exceed that level which the recipients would normally adopt when paying for themselves, or that which could be reciprocated by the NHS. It should not extend beyond those whose role makes it appropriate for them to attend the meeting.

Where meetings are sponsored by external sources, this must be disclosed in the papers relating to the meeting and in any published proceedings.

It is Trust policy that offers from suppliers of 'corporate entertainment' (e.g. tickets to sporting or entertainment events or travel) must always be politely refused.

5.6 Openness and Accessibility

5.6.1 Freedom of Information Act

The Freedom of Information Act 2000 identified NHS Trusts as 'public authorities' and therefore subject to the provisions and obligations of that Act. This means that from 1st January 2005 any person who makes a valid request for recorded information held by the Trust will be entitled to receive it – unless all or part of that information can justifiably be withheld as a result of the exemptions contained in the Act.

5.6.2 Press Releases by Contractors

A supplier may wish to make a press announcement or issue an article (perhaps including photographs) about a contract they have been awarded. Before agreeing to such an announcement, the member of staff approached must provide full details to the Trust Communications Department, who will consult with the Director/ Deputy Head of Procurement/Deputy Head of Procurement on the appropriateness of granting any approval.

5.7 Other Procurement Related Areas

5.7.1 Order Processing

All purchase orders will be placed via the Trust's SBS Oracle ordering system. For clinical consumables stored in ward areas, authorised products will be ordered via the Materials Management scanning system undertaken by the Logistics Department.

5.7.2 Tendering

Where a specific Trust contract is required all competitive tendering will be managed by a member of the Procurement team using our approved tendering software system. The system is a fully electronic e-commercial system which helps ensure openness, transparency and compliance with Public Contracts legislation.

5.7.3 Contract Management

Records of all Trust contracts for goods, services and works will be maintained using the Trust's e-commercial system.

5.8 Equipment-Specific Procurements

5.8.1 Trials of equipment will only be undertaken within a clear framework for the evaluation process, identifying the key criteria that are to be assessed. This framework must be agreed in advance with the Head of Procurement/ Deputy Head of Procurement or specific Category Manager and only after a source of funding has been formally agreed. Unmonitored equipment trials may compromise existing contracts and may open the Trust to a Procurement Challenge, with legal consequences, if not notified to the Procurement Department. Please see the Medical Devices Management Policy for full information.

5.8.2 Confirmation that the supplier is listed on the National Master Indemnity Agreement should be sought prior to the trial of all medical equipment. If they are not, a separate NHS Indemnity Form (A or B) must be completed by the supplier and the Trust, prior to the trial, to minimise the Trust's liability, should the equipment malfunction and cause harm or misdiagnosis. This is in addition to the standard disclaimer form required for all trials.

5.8.3 Where the decision has been made to procure equipment, weighted evaluation criteria will be agreed in advance by the evaluation team, which must consist of a member of the Procurement team and where required a member of the Finance team, in order to enable the selection process. A clear distinction will be agreed between 'qualitative', 'quantitative' (where appropriate) 'technical' and 'financial' aspects. This will enable the whole-life costs to the Trust of owning the equipment to be assessed in conjunction with the suitability of the equipment for its intended purpose.

5.8.4 Contracts will only be let once relevant budget holders have confirmed their acceptance of all capital and revenue consequences for the procurement, including those for maintenance and consumables.

5.9 Product Rationalisation and Standardisation

There will be an ongoing programme of product rationalisation and where appropriate, standardisation. This will maximise the best value the Trust can obtain through the consolidation of requirements. Product standardisation can also reduce clinical risk through eliminating unnecessary variation in the ranges of clinical products used for the same procedures and reducing training requirements. The Trust will utilise its existing committees to identify, review and implement any changes as well as using wider collaborative review groups within Working Together etc.

5.10 Audit of Procurement Activity

The Head of Procurement/ Deputy Head of Procurement has overall responsibility for ensuring that the procurement of all goods, services and works is executed within agreed procurement policy and procedures.

Regular and appropriate independent audits will be carried out on procurement activity.

Audits may include (but are not limited to):

- Purchase Orders raised through electronic ordering;
- Purchases made outside the Procurement department (for example, through delegated systems);
- Procurement activity in line with SFI's;
- High value business-critical projects;
- Single Tender Waivers;
- Direct Awards;
- Compliance with UK Public Contracts Regulations

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5.11 Procurement Training

Effective and relevant procurement training is a key element in the drive to increase the level of professionalism among all staff involved in the procurement process. The Procurement Department will commit to supporting and encouraging relevant developmental and legislative updates and training.

5.12 New Suppliers

All new supplier requests are to be approved by the Category Managers and then by the Deputy Head of Procurement. There are two forms required for completion:

a. New Supplier Details Form including bank details on letterhead
b. Supplier Justification Form

It is the responsibility for the requester to ensure both forms are completed thoroughly. The supplier must complete the SBS Oracle New Supplier Details form and the Requester to complete the SBS Justification form. Once authorised, they will be sent to Shared Business Services (SBS) for set up. Both forms are available on the Trust Extranet Site:
https://extranet.dbth.nhs.uk/procurement-homepage/procurement-forms/

6. THE GENERIC PROCUREMENT PROCESS

6.1 Identifying the Need

In some cases there may not be a need to undertake a formal procurement process. For example;

- If goods are required, it may be that there is existing surplus elsewhere in the organisation;
- There may be existing corporate contracts already in place, if you contact procurement they will be able to advise if an arrangement is already in place. You can visit the Procurement website for further information;
- There may be other solutions / formats such as electronic processes which can be implemented that will deliver better value.

If it is necessary to undertake a procurement process, it should be planned taking account of the following stages in a good practice procurement process to ensure a best value outcome is achieved.

6.2 Preparation and Development of Requirements

In the majority of cases procurement will be able to provide support and assistance to most of the areas identified below on your behalf with some support, from you, in terms of understanding your requirement.

All major procurements should be adequately planned and consideration given to the resources required to achieve completion within the desired timescale.

The areas below are not a comprehensive list and not all will be required for each procurement but they should be considered at the outset.

- Research including an analysis of the market, benchmarking, linkages with other projects / systems, financial implications; any potential staff transfer issues and an option appraisal as a minimum;

- Specify what it is you want and why the need has arisen. In any exercise where you are seeking tenders or quotes, produce a written specification. The scope and detail of the specification will depend on the procurement exercise, but where appropriate describe the outputs or outcomes that are required not the inputs or details of the goods or services. E.g. state that you need a device to send and receive emails not that you need a computer with a minimum processing speed, specific software, keyboard and display.

- If what you require is already covered by an existing contract or arrangement, then the existing arrangement should be used.

- Ensure that finance is available. If the contract is for more than one year, is funding secured for subsequent years?

- Identify who will lead the process from your service area, who is responsible for making decisions?

- Establish effective lines of communication and appropriate consultation at the outset, and maintain these throughout the process between all relevant parties.

- Identify the most appropriate procurement "route" – which process is most appropriate and likely to deliver the best value outcomes?

- Do not underestimate the time needed to undertake the procurement process.

- Establish in writing the evaluation criteria – how will you evaluate the responses? In a tender exercise, it is a legal requirement, good practice and it helps organisations provide a better response if you clearly explain the evaluation criteria and process in the tender documents. Your evaluation criteria should be weighted to reflect the relative importance of the criteria. The evaluation criteria must be comprehensive and objective and must ensure that the subsequent contract award is based on the published criteria to avoid any legal challenge.

- Consider what controls there should be for managing and monitoring supplier performance. Do a set of Key Performance Indicators need to be developed? What process for continuous improvement and supplier suggestions for improving quality have been included for? What price increase/reduction mechanisms are included?

- Consideration should be given to the pricing mechanism; is the contract fixed price or variable. What method is to be applied for variable priced contracts (RPI / HCSI Index/ Other Pricing indices)?

- Will there be options to extend the contract? If so, by how long?

6.3 Aggregation

When defining the requirement a further consideration will be the contract value. The value of the contract will be a factor in determining which of the procurement processes identified below will be followed.

We must ensure that when deciding what is to be included in the contract that we do not separate out elements of the requirement simply to avoid having to undertake one the processes identified below.

Under UK law it is illegal for us to not aggregate our requirements to offer the market the total of our requirement. It is also important to understand that we may be able to secure a better value deal if we make ourselves more attractive to the market by increasing the potential contract value.

Procurement are able to advise on the issue of aggregation but will also ensure that the Trust remain legally compliant.

6.4 Market Engagement

Market engagement could range from a simple direct contact with a relevant supplier for small value purchases to a full UK compliant procurement exercise. Things to consider at this stage include:-

- It is essential that the Trust's Standing Financial Instructions, Scheme of Delegation and UK Procurement Regulations (where applicable) are complied with.

- All contract opportunities over £30,000 (including VAT) will be advertised on the governments Contracts Finder website unless a valid reason for exclusion can be demonstrated.

- The UK Procurement Regulations include provisions to reduce timescales if certain criteria are met. These criteria include the publication of a Prior Information Notice (PIN), giving bidders electronic access to the tender documentation and placing the FTS (find a Tender Service) entries electronically. Procurement will undertake all the relevant elements of market engagement under these circumstances.

- The UK thresholds apply to the Trust's aggregated value of spend in respect of specific goods services and works. For example, if a service requires office paper totalling £50,000, it may appear that an UK tendering process is not required. However, if the contract length was for 4 years then this would mean the total contract value is £200,000 and is above the threshold.

6.5 Type of Procurement Process

Dependant on the likely expenditure to be involved the type of process to be undertaken will vary in complexity and time requirements. Below are the 3 main types of process which will be used and relate to the financial thresholds as detailed in the Trust's Standing Financial Instructions.

Before any of these options are considered Procurement should be contacted to identify if there is already an existing contract in place which would meet the requirement.

6.5.1 Quotation

This process will account for any procurement which will exceed the financial threshold identified in the Trust's Delegation of Powers (currently £10,000) and must be undertaken in line with the requirements of the Trust's Standing Financial Instructions.

The following principles must be applied.

- All quotations must be received in writing (can be via email) providing the value is below £35k.
- If price is not the only consideration, procurement advice must be sought before requesting quotations.

6.5.2 Evaluation of Quotations

The valuation of quotations should be no more complicated than the requirement demands. However, there is no obligation to accept the lowest (or any) quotation if it does not offer best overall value for money in terms of whole life costs. The purchaser will make the award decision, ensuring always that the successful bid meets the specification in full and, where the lowest total price was not selected, fully record the reasons for selection.

6.5.3 Tender Below FTS Threshold

This process will account for any procurement which will exceed the financial threshold identified in the Trust's Delegation of Powers and must be undertaken in line with the requirements of the Trust's Standing Financial Instructions.

Procurement must be involved in all stages of the procurement process and will administer the tender process on behalf of the Trust.

All tenders must be advertised on Contracts Finder (for contracts £30,000 (including VAT to FTS Threshold) and/or other relevant portals unless a valid reason not to advertise can be demonstrated.

All tenders will be sent out electronically via the Trust's preferred e-commercial system

The evaluation criteria must be identified and sent out as part of the tender documents.

No communication should be undertaken with potential suppliers unless required (i.e. an incumbent supplier is bidding for a contract) and then the tender process should not be discussed.

Before a contract is awarded the Trust may enter a voluntary standstill period, where practical, to allow for feedback and potential challenges to be heard. This standstill period will be for a minimum of 10 calendar days and must start and end on a working day.

6.5.4 Tender Above FTS Threshold

This process will account for any procurement which will exceed the FTS threshold for the advertising of contracts on the FTS portal which currently stands at:

Works - £5,336,937 (Inclusive of VAT)
Services and Supplies £138,760 (Inclusive of VAT)

Due to the likely complex nature of the process Procurement must be involved at the earliest outset to advise of the processes to be followed. Identified below is information to help staff understand some of the requirements that need to be undertaken.

All potential requirements at this level must be advertised in accordance with UK legislation and both the contents of the advertisement and the processes to be adopted, including all timescales, are set by the legislation.

There are distinct processes (under UK Procurement regulations) that can be undertaken and Procurement will help decide which the best one to adopt is. These processes are:

Open - Where any potential bidder who asks for information will be sent a tender document and may bid against it. All open tenders received must be evaluated in accordance with the procurement documentation.

Restricted - Where only potential bidders who pass a Supplier Selection Questionnaire stage will be asked to bid for the contract.

Competitive Procedure with Negotiation – Where one of the processes above has not identified a supplier or where the requirements cannot be fully defined and a degree of communication and negotiation with potential suppliers is needed. It should be noted that this option has very stringent guidelines and methods of undertaking.

Competitive Dialogue – Where the requirements cannot be defined or are not known and potential bidders would be best placed to develop their bid based on formal dialogue with the Trust which will ultimately result in them responding with a formal bid document. It should be noted that this is a complex method which would only be considered after discounting all of the other processes.

Innovation Partnership -Innovation Partnership is where there is a need for the development of an product or service or innovative works and the subsequent purchase of the resulting supplies, services or works cannot be met by solutions already available on the market.'

Negotiated Procedure without Prior Publication This procedure can only be used in narrowly, defined and exceptional circumstances e.g. where no suitable tenders were submitted in an open or restricted procedure
Timescales

The timescales that have to be adhered to are dependent on which of the above process is adopted but as a general rule it will take a minimum of 3 months to instigate a process from start to finish and may well take between 6-12 months depending on the availability of key individuals within the Trust.

Before any framework or contract award can take place, there must be a pause in the process to allow a “10 calendar day standstill period” to be undertaken. In this time we must advise of all the unsuccessful bidders of why we have not chosen their bid against the successful and detail the scores of the winning bid against the scores we have given the unsuccessful bidder. We must also advise of the relevant characteristics of the winning bid and why this was better. If during this standstill period or any period up to this point, a supplier “challenges” our methods then we are unable to award the contract unless to do so would not be in the best interest of the public e.g. patient safety may be put at risk. We are not allowed to award the contract until such time as the “challenge” has been revoked or withdrawn.

6.5.5 Tender Evaluation

Tenders should be evaluated against pre-determined criteria, and the process documented. Be aware that all judgements and notes must be objective and capable of being evidenced should the documents

be disclosed under the Freedom of Information Act or in the case of a legal challenge to the process undertaken.

The evaluation criteria will be different for each contract and should reflect the requirements needed. As a guide, below is a table which identifies a general guide to a cost quality split and under what type of circumstances they should be used. There is also, for reference, an example of some scoring rationale. Procurement will work with all staff to ensure that the evaluation criteria used are fair to all potential bidders and are relevant to the requirements of the contract.

Tenders will be scored against the criteria identified as part of the process and must be fully documented. Procurement has developed an evaluation template, shown below, to help assist and this can be tailored to each contract requirement. The evaluation process will be scored and a justification for the score should be given where possible. Evaluations can be undertaken by individuals or groups, but it should be noted that where a group undertake an evaluation you cannot use average scores (e.g. 2.5 or 3.6) unless these scores have been included in the initial criteria given to all bidders.
Evaluations may also include presentations or interviews, they can also include references or site visits as long as they are relevant to the requirements needed.

Evaluations must be completed for all bidders who submit proposals and prior to any contract award all suppliers must be notified of the outcome of the procurement exercise, this notification should provide details of where their bid ranked overall as well as feedback on individual elements of their proposal. Due to the potential for challenge of the decision all communication with the suppliers must be conducted through Procurement.

Sample evaluation criteria and ratios

Commodity Type	Description	Suggested Price/Quality Ratio
Routine	• Low Value/High Volume • Many Sources of Supply • Many Existing Alternatives	90:10 to 80:20
Leverage	• High spend area • Many Sources of Supply • Commercial involvement can influence price.	70:30 to 60:40
Strategic	• Strategic to Operations • Few Sources of Supply • Large Spend Area • Specification may be complex	60:40 to 50:50 to 40:60
Bottleneck	• Few Sources of Supply and alternatives available • Complex specifications • If supply fails, impact on organisation could be significant.	40:60 to 10:90

Scoring Methodology for Price

All tenders are scored by a finance lead and validated via moderation. They are done so on a comparative basis, with the lowest compliant tender (excluding any tenders that the Trust rejects as being abnormally low or non-compliant) receiving 100% of the available marks e.g. 40% if price weighted at 40%. All other tenders will be compared against that lowest tender using the formula:

(A / B) x price weighting (e.g.40%)

A = price of lowest compliant tender

B = price of the tender being scored

If it appears to the Trust that any tender may be abnormally low then the Trust may ask the Tenderer to explain its price or costs. If following the Tenderers explanations the Trust is not satisfied with the account for the low level of price or cost in the Tender, the Trust may treat the tender as non-compliant and reject it.

Scoring Methodology for Quality & Meeting the Trust Requirements

The meeting the trust requirements award criteria will be evaluated using the following statements to apportion a score to each of the non-price areas identified.

Grade Label	Grade	Definition of Grade
Unacceptable	0	Nil or inadequate response. Fails to demonstrate an ability to meet the requirement
Poor	1	Response is partially relevant but generally poor. The response addresses some elements of the requirement but contains insufficient/limited detail or explanation to demonstrate how the requirement will be fulfilled
Acceptable	2	Response is relevant and acceptable. The response addresses a broad understanding of the requirement but lacks detail on how the requirement will be fulfilled in certain areas
Good	3	Response is relevant and good. The response is sufficiently detailed to demonstrate a good understanding and provides details on how the requirement will be fulfilled
Excellent	4	Response is completely relevant and excellent overall. The response is comprehensive, unambiguous and demonstrates a thorough understanding of the requirement and provides details of how the requirement will be met in full and/or the information provided demonstrates the organisation is able to provide this element to the best-in-class level.

6.6 Post Tender Clarification

In open and restricted procedures all negotiations with candidates or tenderers on fundamental aspects of contracts, variations in which are likely to distort competition, and in particular on prices, are ruled out; however, discussions with candidates or tenderers may be held only for the purpose of clarifying the content of their tenders or the requirements of the contracting authorities, and provided this does not involve discrimination.

Within the new Regulations, there is also the requirement that “Conversations with tenderers must be documented to a sufficient degree”, therefore, the Trust’s e-tendering portal must always be used for clarification purposes of “essential elements”. Presentations and face-to-face clarification meetings are allowed but if oral communication could impact on the content or assessment of a tender it must be recorded in writing or in audio (e.g. video recording).

6.7 Debriefing Tenders

It is good practice and, in certain circumstances, a legal requirement that unsuccessful Tenderers are offered a debrief to explain why their bid was unsuccessful. This will be undertaken by written communication only and will be managed by the Procurement Department with full input from the technical or clinical operational lead.

Unsuccessful Tenderers should be notified as follows:

- Those Tenderers who fail to reach an acceptable score at short-listing should be notified immediately after the short-listed Tenderers have been notified that they have progressed to the next stage;

- Following contract award, all remaining unsuccessful Tenderers should be notified immediately.

The objectives of debriefing Tenderers are to:

- Assist suppliers to improve their performance;

- Offer Tenderers some benefit for the time and cost of preparing tenders;

- Establish a reputation as a fair, honest and ethical customer.

All de-brief communications must be carefully planned and carried out by experienced and trained personnel. All information supplied must be able to be fully justified in the event of a formal complaint and/or legal action and details should be recorded and held on file.

6.8 Contract Award

For a contract to be awarded there must have been an offer and acceptance of this offer. The offer or the acceptance do not have to be in writing and can be given verbally or by the actions of either party to the contract. In principle the responses to the quotation or tender are offers and the Trust's evaluation of them will lead to a formal acceptance of one or more of them.

All staff must be aware that they could potentially enter a contract without formally accepting an offer and should be careful when communicating with suppliers by any means. If you are in any doubt then please contact Procurement who will be able to advise further.

All contract awards must be undertaken by Procurement who can ensure that they are entered into legally and that certain tracking and statistical information is captured for use by the Trust.

Authorisation of a contract award must only take place by those authorised in the Trust to do so. The Scheme of Delegation is detailed in section 5 of the Delegation of Powers. It should be noted that although the Scheme of Delegation identifies who is able to enter into a contract, in the eyes of the law any member of staff could enter into a contractual obligation, which would be binding on the Trust. Any resultant contract could result in a financial penalty incurred by the Trust as well as disciplinary proceedings being brought against an individual member of staff.

Be prepared for requests for debriefing unsuccessful bidders and the post completion reviews. Any debriefs must be co-ordinated and attended by Procurement staff. In the main non procurement staff will need to give a written account of the scoring they have given in the evaluation phase but may on occasion be required to be present with face to face debriefs with suppliers.

Any contract award process must be fully documented, be transparent, be undertaken to the highest standards of probity, and open to scrutiny.

The Trust will only award contracts using NHS Terms and Conditions of Contract or the appropriate Framework Terms and Conditions. If in doubt, please contact the Head of Procurement / Deputy Head of Procurement.

Under English law, a contract is an agreement between two or more parties that is enforceable by law. There is no fundamental difference between a "purchase", an "agreement" or a "contract".

A contract can be deemed to have been made by word of mouth or implied by the action of the parties, even though no formal written contract exists. If the contract contains the essential elements of a legally binding agreement then neither party can escape from its contractual obligations and responsibilities except by mutual consent.

Consequential costs when contracts go wrong can far exceed the "contract value" in some circumstances. Care is required to ensure that contracts are not entered into prematurely or by accident.

Only the Procurement Department has authority to commit to contracts and all contracts must be in writing.

6.8.1 Signing of Contracts/Licenses/Agreements

All Trust procurement activity must be routed through the Procurement department; the only exception to this is the Pharmacy department, which is permitted to procure drugs without seeking the advice of Procurement.

An order for goods, services or works may result in a contract, license or agreement to be signed by both the Trust and the supplier. All contracts must be agreed by the Head of Procurement /Deputy Head of Procurement. Contracts will be authorised in accordance with the Delegation of Powers Policy,
Consignment stock agreements are to be signed by the department manager to accept that the stock is correct.

6.9 Contract Management

The key to maintaining a successful contract and contractual relationship is in contract management. The level and type of contract management will vary depending on the nature of the contract, but can range from regular meetings with the supplier through to more formal contract monitoring against targets and key performance indicators.

Contract monitoring procedures should provide sufficient review of performance and the feedback should be used to inform other subsequent procurement exercises. Such reviews will highlight the

lessons to be learned and assist in continuous improvement in future contracts. It is therefore essential that appropriate reporting is established and utilised for this purpose.

Within any procurement process, performance and quality needs to be addressed in respect of the goods, services or works being procured. For example, all relevant key performance indicators, targets, monitoring and reporting procedures should be incorporated into the specification and evaluation processes. The Best Value requirement of delivering continuous improvement should also be addressed. It is also important to plan ahead to develop a process for dealing with the expiry or re-tendering of the contract.

6.9.1 Pricing

Staff and suppliers are reminded that commercial information is confidential. This must be borne in mind especially when discussing rival firms and their products and prices. Guidance is given in the Trust's Standards of Business Conduct. Representatives need to be aware that hospital costs should include VAT, where applicable. Price comparisons should not be disclosed to representatives as they will contain commercially sensitive and confidential information.

All procurement, pricing and contract-related enquiries should be directed to the Head of Procurement/Deputy Head of Procurement. The Category Managers can provide accurate usage reports and will carry out price comparisons.

6.9.2 Contractor Management

Contractors are responsible for ensuring compliance with all Health and Safety procedures and legislative requirements. Contractors working on premises, which are leased out, to another Trust must, in addition to the Trust procedures, set out in this policy, follow any relevant policies on Health and Safety Management that the occupying Trust has in place. Non-compliance with any of these policies may result in termination of the contract. The contractor must also ensure that they do not interfere with the day to day operation of the departments/site.

The contractor will also ensure that their activities will not endanger members of the public or Trust employees working in the location of the works. The contractor will ensure all their employees on the Trust's site have either Reset Certification Scheme (RCS) ID badges or ID badges which includes company name, employees name and photograph. The Trust's Representative who is responsible for a given project/work will under normal circumstances be the first person to contact in respect of any necessary permits and any issues associated therewith.

On arrival at site the contractor must follow the Trust's Policy and Procedure for the Management of Contractors together with the agreed methods of work. Prior to starting work the contractor must attend an agreed location in order to sign in and obtain the relevant identification, information relating to the contractor and their location of work must be entered onto the RCS system. All contractors working on behalf of DBTH will be expected to have attended the Contractor Induction.

Approved contractors who have been through a tendering process will be used at all times, but irregular circumstances may allow the use of contractors.. In such circumstances, contractors are to be financially assessed and credentials provided for the competence to complete work of the chosen nature and then finally approved by the Deputy Director of Estates and Facilities before they are engaged to carry out work on site. A Single Tender Waiver will be required to enable this short term solution and a contract raised.

Factors that should be taken into account when selecting a contractor would include availability, cost, competence, reliability, sustainability, social value and health, and safety performance.

6.9.3 Reset Certification

The RCS is a requirement at all DBTH sites, with the exception of those that fall under irregular circumstances.

The RCS allows us to verify competence of a company or individual working for the trust and also gives us a comprehensive log of attendance to site via the RCS Access system.

All companies providing services to the Trust must register with the RCS Company.

Any employees that will be working on the DBTH sites must be RCS Individual cardholders to allow checking of competence and to use the RCS Access systems.

Where installed, RCS Access touch screens will be used in conjunction with the RCS Individual card, this allows individuals to log on and off site, notify where they are working and what they are doing and also acknowledge risk assessments and warning notices.

If any other sub-contractors or self-employed individuals provide services to the Trust these must also be registered with RCS. They can register and subscribe themselves as companies or individuals.

For more information on the RCS visit rcscard.co.uk or contact
RCS Support on 0114 240 0699.

Method of Work Agreement

Once a contractor has been awarded a contract, a method of work including risk assessment and method statement must be agreed between the Trust representative and contractor. This must be undertaken at least a **minimum of five days prior to work commencing on site**. Failure to comply with this may result in a delay to the contractor commencing works

6.10 Other Considerations

When considering the options highlighted above it may also be relevant to think about other general considerations in relation to the procurement process. These may include:-

All procurement processes must be carried out with integrity, to the highest ethical standards, and be well documented to provide an “auditable trail”. The documentation should include a record of decisions, who made them and the rationale for the decisions. The process and documentation must be robust and be able to withstand scrutiny. The Freedom of Information Act 2000 enables any person to access a wide range of documents. Always produce documents on the assumption that companies and the public can view them unless they are excluded from publication by a specific exemption. Please be advised that this includes any e mail communication.

For all outsourced services, including cloud based services, the Trust shall identify, document and review the distribution of security related responsibilities between the Trust and the supplier. This documentation will form part of the contractual agreement, ensuring that both parties understand and fulfil their security obligations. Regular review will be conducted to maintain an accurate record of these responsibilities.

The procurement process undertaken must be based on a clear evaluation of the options, and the agreed process followed throughout unless there are genuine grounds for revising the process. If this case arises then Procurement will advise on the appropriate course of action.

Consultation with interested parties should be an intrinsic part of major processes to ensure that the required services or goods are specified and procured. Consultation should be undertaken at all levels including service recipients and potential providers.

Good practice, depending on the nature of the procurement process, will also include, researching existing or potential markets, identifying and addressing the legal and corporate requirements associated with the process, considering whether there may be Transfer of Undertakings (Protection of Employment) Regulations 2006 TUPE) implications and risk analysis and risk management.

If the contract includes a possible staff transfer build in compliance with all legislative, national and Trust requirements for staff transfers and address potential future transfer issues.

Ownership of intellectual property rights – identify who should own the intellectual property rights to software, documentation, trademarks, designs and other copyright material.

Support for the Trust's emergency planning and business continuity processes – ensure that contracts include the requirement to provide support in all related activity where appropriate.

Support for the Trust's standard payment terms, which are 30 days from the date of invoicing, and how the method of payment can affect the price that we pay.

Consider how assets are to be treated – if transferred, on what terms, and ensure that any assets transferred can be transferred back to the Trust with minimum financial impact should the contract be terminated or expire.

It is important to identify any possible accommodation issues at an early stage. Advice must be sought on the terms on which Trust owned accommodation can be made available to any successful bidder. This will include an assessment of the cost of provision and the risk to be retained and transferred.

Ensure that all third parties who can impact on, or influence, the contracting process are identified at an early stage. For example, if the Trust leases assets from a third party their consent will be required to assign those leases. An action plan for engaging and securing agreement with such parties must be included in the initial considerations.

Consider all aspects of the contract in advance. Examples would include:

- maintenance or running costs
- the cost and availability of consumables
- initial and on-going training requirements
- licensing requirements

- the use, disposal or transfer of assets and the end of the contract, etc.

There is a legal requirement to carry out adequate vetting of contractors' personnel (including police checks in specified service areas) when staff will be accessing potentially sensitive or vulnerable service users, information or premises.

6.11 Ordering

All goods and services ordered by the Trust should be accompanied with an official purchase order, unless an alternative system is put in place via procurement and the users. Orders should not be given to suppliers verbally or via any other means but users should order via the electronic procurement systems used by the Trust or complete a requisition which is then sent to procurement that will raise the order on behalf of the Trust. The procurement department will ensure any requisition received will be checked to ensure the goods/services are sourced from the most appropriate supplier at the most cost effective price. This will include obtaining quotes from our approved suppliers as well as the wider market place to ensure best value is achieved.

Procurement will also offer advice on any requirement and can assist the end user in identifying the price, source and ordering method of any given product/service before an order is placed.

7. EQUALITY, DIVERSITY AND INCLUSION (EDI)

The Trust aims to design and implement services, policies and measures that meet the diverse needs of our service, population and workforce, ensuring that none are disadvantaged over others. Our objectives and responsibilities relating to equality, diversity and inclusion are outlined within our EDI plan. When considering the needs and assessing the impact of a procedural document any discriminatory factors must be identified.

An Equality Impact Assessment (EIA) has been conducted on this procedural document in line with the principles of the Equality Analysis Policy (CORP/EMP 27) and the Equality, Diversity and Inclusion Policy (CORP/EMP 59).

The purpose of the EIA is to minimise and if possible remove any disproportionate impact on employees on the grounds of race, sex, disability, age, sexual orientation or religious belief. No detriment was identified. (See Appendix 2)

8. MENTAL CAPACITY

This is a non-clinical policy, therefore, not relevant.

9. BRIBERY ACT

The potential for Fraud, Corruption and Bribery exist throughout all stages of a procurement process and in the pre and post phases of a procurement exercise. This procedure and the Standing Orders and scheme of delegation exist to reduce this potential and failure to adhere to the requirements of these documents increases the individuals, and the Trusts, exposure to fraud, corruption and bribery.

The Bribery Act 2010 makes it a criminal offence to bribe or be bribed by another person by offering or requesting a financial or other advantage as a reward or incentive to perform a relevant function or activity improperly performed.
The penalties for any breaches of the Act are potentially severe. There is no upper limit on the level of fines that can be imposed and an individual convicted of an offence can face a prison sentence of up to 10 years.

For further information see
https://www.justice.gov.uk/downloads/legislation/bribery-act-2010-quick-start-guide.pdf

If you require assistance in determining the implications of the Bribery Act please see further information at https://extranet.dbth.nhs.uk/fraud/

or contact the Local Counter Fraud Specialist on telephone 01302 642999 or by email: nlg-tr.counterfraudplus@nhs.net

10. IMPLEMENTATION

This policy will be disseminated by the method described in the Policy for the Development and Management of Procedural Documents.

The implementation of this policy requires no additional financial resource.

11. MONITORING AND AUDIT

Compliance with this policy will be monitored by internal Audit and will form part of the audit regime of contracts. The setting of timescales will be agreed as part of the annual audit plan and full internal audit should be carried out at least once every three years. The results of these audits will be controlled and reported by the internal auditors to the audit committee as part of the general audit reporting. Any required review or action will be determined by the audit committee.

Procurement will also undertake its own audit of compliance using historic spend data and contract management information controlled by Procurement.

12. CONSULTATION AND COMMUNICATION WITH STAKEHOLDERS

This document was developed in consultation with:

Financial and Performance Committee.
Executive Team

13. APPROVAL OF THE DOCUMENT

This document was approved by:

Financial and Performance Committee.
Executive Team

14. REVIEW AND REVISION ARRANGEMENTS

This document will be reviewed every three years unless such changes occur as to require an earlier review.

Head of Procurement / Deputy Head of Procurement are responsible for the review of this document.

15. DISSEMINATION AND COMMUNICATION PLAN

To be disseminated to	Disseminated by	How	When	Comments
Quality Governance Team via policies email	Author	Email	Within 1 week of ratification	Remove watermark from ratified document and inform Quality Governance Team if a revision and which document it replaces and where it should be located on the intranet. Ensure all documents templates are uploaded as word documents.
Communication Team	Quality Governance Team	Email	Within 1 week of ratification	Communication team to inform all email users of the location of the document.
All email users	Communication Team	Email	Within 1 week of ratification	Communication team will inform all email users of the policy and provide a link to the policy.
Key individuals Staff with a role/responsibility within the document Heads of Departments /Matrons	Author	Meeting/Email as appropriate	When final version completed	The author must inform staff of their duties in relation to the document.
All staff within area of management	Heads of Departments /Matrons	Meeting / Email as appropriate	As soon as received from the author	Ensure evidence of dissemination to staff is maintained. Request removal of paper copies Instruct them to inform all staff of the policy including those without access to emails

16. TRAINING/ SUPPORT

Procurement Policy training to be delivered by Procurement as required. There will also be training for evaluators as part of any tender evaluation process.

The Standard Training Needs Analysis (TNA) – The training requirements of staff will be identified through a training needs analysis. Role specific education will be delivered by the service lead.

17. MONITORING COMPLIANCE WITH THE PROCEDURAL DOCUMENT

17.1 Process for Monitoring Compliance and Effectiveness

What is being Monitored	Who will carry out the Monitoring	How often	How Reviewed/ Where Reported to
Monitor the amount of Single Tender Actions submitted with the aim of seeing a reduction and in order to evidence compliance with SFIs.	Audit Committee	Quarterly	Report provided for each meeting.

17.2 Standards/Key Performance Indicators (KPI's)

KPI's will be agreed with the Director of Finance at the start of each financial year to ensure the Procurement department continue to support the financial strategy of the Trust.

18. DEFINITIONS

Sponsorship Examples:

- A member of staff;
- Buildings or premises;
- Costs associated with meetings
- Equipment;
- Gifts, gratuity and hospitality (e.g. Entertainment).
- Hotel and transport costs (including trips abroad);
- Meeting Rooms;
- NHS Research;
- Pharmaceuticals (see Medicines Code);

- Provision of free services (speakers);
- Staff training;

For further information regarding declaration of sponsorship refer to Standards of Business Conduct.

FTS (Find a Tender Service)

FTS stands for the Find a Tender Service. This is a portal in which all tenders opportunities and contract awards from the public sector which are valued above a certain financial thresholds must be published. This is enacted in UK legislation.

THE PACKAGING AND PACKAGING WASTE DIRECTIVE (94/62/EC)

The Packaging and Packaging Waste Directive is a single market measure, with environmental goals. The Directive applies to all packaging placed on the market within the EU, and all packaging waste - whether disposed of at industrial or commercial sites, or from private homes.

19. EQUALITY IMPACT ASSESSMENT

An Equality Impact Assessment (EIA) has been conducted on this procedural document in line with the principles of the Equality Analysis Policy (CORP/EMP 27) and the Equality, diversity and Inclusion Policy (CORP/EMP 59).

The purpose of the EIA is to minimise and if possible remove any disproportionate impact on employees on the grounds of race, sex, disability, age, sexual orientation or religious belief. No detriment was identified. (See Appendix 2).

20. DATA PROTECTION

Any personal data processing associated with this policy will be carried out under 'Current data protection legislation' as in the Data Protection Act 2018 and the General Data Protection Regulation (GDPR) 2016.

For further information on data processing carried out by the trust, please refer to our Privacy Notices and other information which you can find on the trust website: https://www.dbth.nhs.uk/about-us/our-publications/information-governance/

21. ASSOCIATED TRUST PROCEDURAL DOCUMENTS

- Trust Standards of Business Conduct and Employees Declarations of Interest Policy – CORP/FIN 4
- Trust Standing Orders – CORP/FIN 1 (A)
- Trust Standing Financial Instructions – CORP/FIN 1 (B)
- Trust Waste Management Policy – CORP/HSFS 17
- Trust Data Protection Policy – CORP/ICT 7
- Trust Risk Identification, Assessment and Management Policy – CORP/RISK 30
- Trust Appraisal Policy – CORP/EMP 32

- Trust Medical Devices Management Policy – CORP/PROC 4
- Trust Fraud, Bribery and Corruption Policy and Response Plan – CORP/FIN 1 (D)

22. REFERENCES

- Association of British Healthcare Industries
- Contracts Finder
- GDPR 2016
- Data Protection Act Chapter 29
- Environmental Protection Act 1990
- Environmental Protection (Duty of Care) Regulations 1991
- Environmental Protection (Polychlorinated Biphenyls and Other Dangerous Substances) Regulations 2000
- Find a Tender Service
- Health Service Circular 1999/143 – Review of NHS Procurement
- Management of Health and Safety at Work Regulations 1992
- Procuring for Carbon Reduction (P4CR)
- Records Management: NHS Code of Practice – Part 1
- Records Management: NHS Code of Practice – Part 2
- Tenders Electronic Daily (TED)
- The Association of the British Pharmaceutical Industry
- The Chartered Institute of Purchasing and Supply Code of Conduct
- The Control of Substances Hazardous to Health (Amendment) Regulations 2004
- The Environment Act 1995
- The Environmental Information Regulations 2004
- The Packaging and Packaging Waste Directive
- The Public Contracts Regulations 2015
- Trading Standards

Public Services (Social Value) Act 2012.

- http://www.legislation.gov.uk/ukpga/2012/3/enacted

NHS: Resisting cost inflation pressures

- https://www.gov.uk/government/publications/nhs-resisting-cost-inflation-pressures

Securing best value for NHS Patients. This proposal identifies the requirements for Trusts to procure goods and services which attain Best Value

- https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/156122/PCCR-consultation-Final.pdf.pdf

Lord Carter review in to productivity and efficiency in the English NHS acute sector

- https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/499229/Operational_productivity_A.pdf

APPENDIX 1 – STANDARDS OF BUSINESS CONDUCT AND EMPLOYEES DECLARATIONS OF INTEREST POLICY

Standards of Business Conduct and Employees Declarations of Interest Policy

Details of the policy can be found on the Trust Intranet – please check the intranet for the latest policy.

See CORP/FIN 4

APPENDIX 2 - EQUALITY IMPACT ASSESSMENT PART 1 INITIAL SCREENING

Service/Function/Policy/Project/ Strategy	Division/Executive Directorate and Department	Assessor (s)	New or Existing Service or Policy?	Date of Assessment
Procurement Policy - CORP/PROC 8 v.2	Finance / Procurement	Richard Somerset	Existing Policy	September 2023

1) Who is responsible for this policy? Name of Division/Directorate: Finance and Healthcare Contracting

2) Describe the purpose of the service / function / policy / project/ strategy? To provide a framework for all procurement undertaken in the Trust

3) Are there any associated objectives? Legislation, targets national expectation, standards: Meets European and UK Competition Law

4) What factors contribute or detract from achieving intended outcomes? – None

5) Does the policy have an impact in terms of age, race, disability, gender, gender reassignment, sexual orientation, marriage/civil partnership, maternity/pregnancy and religion/belief? Details: [see Equality Impact Assessment Guidance] – NO

- **If yes, please describe current or planned activities to address the impact** [e.g. Monitoring, consultation] -

6) Is there any scope for new measures which would promote equality? [any actions to be taken] -

7) Are any of the following groups adversely affected by the policy? NO

Protected Characteristics	Affected?	Impact
a) Age	No	
b) Disability	No	
c) Gender	No	
d) Gender Reassignment	No	
e) Marriage/Civil Partnership	No	
f) Maternity/Pregnancy	No	
g) Race	No	
h) Religion/Belief	No	
i) Sexual Orientation	No	

8) Provide the Equality Rating of the service / function /policy / project / strategy – tick (✓) outcome box

Outcome 1 √	Outcome 2	Outcome 3	Outcome 4

If you have rated the policy as having an outcome of 2, 3 or 4, it is necessary to carry out a detailed assessment and complete a* **Detailed Equality Analysis form – see CORP/EMP 27

Date for next review: September 2026

Checked by: Jon Sargeant **Date: September 2023**