

Policy:

FIN 004 – Procurement Policy

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Summary of policy

The aim of this document is to provide guidance to all Sheffield Health and Social Care NHS Foundation Trust (SHSC) staff on the principles of procurement for goods, works and services.

Target audience	(1) All full-time and part-time staff within the Trust including those on temporary or honorary contracts as well as Bank staff and students. (2) Individuals working on behalf of the Trust, such as Independent Contractors, Sub-Contractors and representatives from other Partner organisations.
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Keywords	Procurement, purchasing, buying, supplies, suppliers, purchase orders, expenditure, non-pay, acquisition, tenders, bids, contracts
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Storage & Version Control

Version 4.0 of this policy is stored and available through the SHSC intranet. This version of the policy supersedes the previous version (V3.0 dated Dec 2017). Any copies of the previous policy held separately should be destroyed and replaced with this version.

Version Control and Amendment Log (Example)

Version No.	Type of Change	Date	Description of change(s)
0.1	New draft policy created	05/2015	
1.0	Approval and issue	05/2015	
2.0	Review / approve / issue	09/2017	Re-drafted to make it more fit for purpose
2.1	Review on expiry of policy	09/2017	Re-drafted to make it more fit for purpose and updated accordingly
3.0	Review / approval / issue	12/2017	Re-drafted and updated to be reflective of the Working Together Partnership Procurement Workstream
4.0	Review on expiry of policy	12/2020	Adaptation of new Template Removed reference to the EU and Procurement legislation pending clarification on changes to legislation after EU Exit Links added to new legislation and e-notification service at the end of EU Exit Deployment Other minor grammatical and cosmetic changes applied.

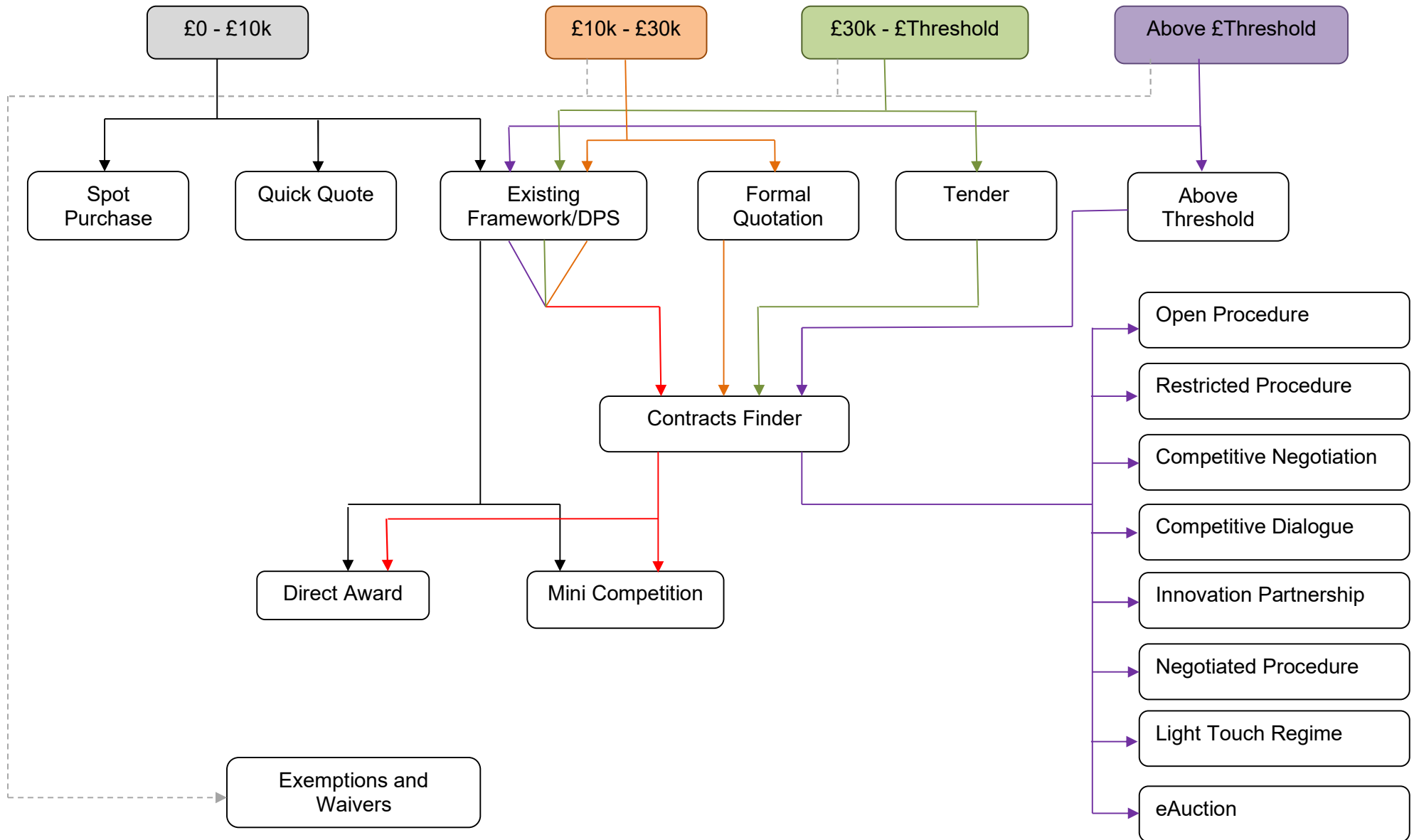
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Flowchart

Flowchart – Procurement Route Planner (excludes Pharmacy products)



1 Introduction

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

This Policy is designed to ensure that the purchase of all goods, works and services required by Sheffield Health and Social Care NHS Foundation Trust (the "Trust") is handled in a transparent, timely, cost efficient and effective manner with due regard to purchasing best practice, the Trust's overall Strategy, Procurement Transformation Plan and the plans of individual User Departments. It includes all stages in the process; from identifying need, gaining approval to proceed, considering options, obtaining the required solution, contract monitoring, through to final disposal of goods or cessation of services.

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.

The Trust has a legal requirement to comply with UK public procurement law in relation to its procurement activities. Such activities are also influenced by policies and guidance issued by the Department of Health and NHS Improvement, and the Trust's own policies and procedures.

A list of the relevant legislation, Trust controlled documents and other associated documents relating to procurement activities can be found in Section 11 of this Policy.

2 Scope

This Policy applies to all procurement activities (clinical and non-clinical) within the Trust (excluding Pharmacy products). It applies to all full-time and part-time staff within Sheffield Health and Social Care NHS Foundation 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 Policy should be read in conjunction with those policies listed in the Associated Documentation section.

3 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 (excluding Pharmacy products):

- 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;
- Monitoring of the Trust's spend on goods, works (in conjunction with Facilities/Estates) and services to identify other arrangements that can be developed to improve quality and/or reduce costs;

- Lead on all procurement-related tasks in respect of high value/high risk procurements;
- Provide advice and guidance to the Facilities/Estates Directorate on the procurement of works;
- Monitor and manage 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 Directorate staff involved in the procurement and evaluation process;
- Provide advice and support to facilitate effective 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, whilst ensuring the evaluation process remains fair and transparent;
- Ensure the Trust adheres to the requirements of the current Regulations and the Trust's internal Standing Orders, Standing Financial Instructions and Reservation of Powers (Scheme of Delegation);
- 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 staff with clear understanding and guidelines on the processes to follow when dealing with commercial contacts.

4 Definitions

Term	Definition
CIPS	Chartered Institute of Procurement and Supply – the leading independent global body representing the Procurement and Supply profession. It promotes and develops high standards of professional skill, ability and integrity among all those engaged in purchasing and supply chain management
e-notification Service	e-notification Service - the publication in which all tender opportunities and contract awards from the public sector and which are valued above certain financial thresholds, must be published. This is enacted in UK legislation.

5 Duties

Roles	Responsibilities
Board of Directors	Responsible for ensuring the Policy is implemented effectively and the strategic context of the Policy is appropriate and meets the needs of the Trust
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. This is enacted through the Trust's Standing Orders, Standing Financial Instructions and Reservation of Powers (Scheme of Delegation)
Director of Finance	Responsible for ensuring the adherence to and implementation of the Procurement 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 procurement procedures and systems relating to procurement activity are maintained.
Procurement Team	<p>The Procurement Team will work with Budget Holders, Budget Managers and Authorised Signatories as maintained in the Directorate's approved Scheme of Delegation to improve adherence to good procurement practices and to ensure compliance with the Policy.</p> <p>Responsibilities of respective Procurement managers will include:</p> <ul style="list-style-type: none"> • Conducting procurement activities in accordance with the Standing Orders/Standing Financial Instructions/Scheme of Delegation framework and any other relevant governing legislation; • Liaising with and managing all company representatives; • Managing the evaluation and assessment of goods and services; • Managing communications between the Trust's clinical and non-clinical areas and the Procurement Team regarding the introduction of new products and services; • Acting as the interface between the Trust's clinical and non-clinical areas and the Supplier in order to ensure that best procurement practice is maintained; • Managing supplier engagement with particular emphasis on contract and performance management of suppliers via regular review meetings, supporting clinical and non-clinical colleagues.

<p>Clinical/Corporate Executive Directors (Budget Holders)</p>	<p>Budget Holders are responsible for ensuring that the Delegated Budget Holders and Budget Managers for whom they are responsible are aware of and adhere to this Policy, alongside the Trust Scheme of Delegation. They are also responsible for ensuring Delegated Budget Holders and Budget Managers are updated in regard to any changes in this Policy.</p> <p>Budget Holders/Delegated Budget Holders will be expected to ensure Procurement activity carried out in their area is compliant with the policy.</p>
<p>Deputy Directors to Clinical/Operational Directors or Deputy Directors to Corporate Executive Directors (Budget Managers)</p>	<p>Budget Managers are responsible for ensuring that the Authorised Signatory staff for whom they are responsible are aware of and adhere to this Policy, alongside the Trust Scheme of Delegation.</p> <p>They are also responsible for ensuring such nominated and approved staff are updated in regard to any changes in this Policy.</p> <p>Budget Managers will be expected to incorporate understanding and expected future compliance of this Trust policy into local induction procedures.</p>
<p>All Personnel (Including Permanent, Temporary or Honorary Staff. Also includes individuals working on behalf of the Trust including Independent Contractors)</p>	<p>It is the individual's responsibility to comply with this and any other associated policies. A failure to comply may result in disciplinary action.</p>
<p>Supplier Representatives</p>	<p>Representatives visiting Sheffield Health and Social Care NHS Foundation Trust are expected to comply with the Supplier Representatives Policy¹, as well as observing the Code of Practice for the Pharmaceutical Industry drawn up by the ABPI, the Trust's Medicines Management Policy and Managing Conflicts of Interest in the NHS Policy, and codes of practice of the ABHI for other goods and services.</p> <p>Companies are to be made aware that if this policy is breached by a Commercial Representative, then it is the duty of the 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.</p>

¹ Currently being drafted

6 Procedure

6.1. Responsibilities and Authority

All requests to purchase goods and services must be appropriately authorised under the Trust's Scheme of Delegation defined by the Board of Directors. The Authorised Signatory List is approved and maintained by the Director of Finance.

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 a 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 Trust's Standing Orders, Standing Financial Instructions and Scheme of Delegation. The key test is what is most likely to deliver Best Value for the Trust and its service users.

6.2. Effective Competition

Goods and services must be acquired through open competition unless there are convincing reasons as to why this cannot be achieved.

6.2.1. 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 may be 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. Nonetheless, where better value can be achieved by competition, considering the resource costs involved, then this may be adopted at the Procurement Department's discretion by agreement with the budget holder/manager.

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.

The principles of Best Value (see 6.3.1) and good procurement practice should always be followed

6.2.2. Circumstances where formal tendering may be waived

The circumstances under which formal tendering procedures may be waived by Trust Officers, to whom powers have been delegated, are detailed in Section 9.6 of the Trust's SFIs. Broadly, these are where:

- the estimated expenditure or income does not, or is not reasonably expected to, exceed £30,000 (excluding VAT) in total;
- the supply is proposed under special arrangements negotiated by Crown Commercial Services (CCS) or other recognised collaborative procurement organisations (e.g. NHS Supply Chain, North of England Commercial Procurement Collaborative) such arrangements must be complied with where overall benefit to the Trust can be demonstrated;

- the timescale genuinely precludes competitive tendering. Note that failure to plan the work properly is not a justification for single tender;
- specialist expertise is required and is available from only one source;
- the task is essential to complete the project, and arises as a consequence of a recently completed assignment and engaging different consultants for the new task would be inappropriate;
- there is a clear benefit to be gained from maintaining continuity with an earlier project. However, in such cases the benefits of such continuity must outweigh any potential financial advantage to be gained by competitive tendering.
- where provided for in the Capital Investment Manual.

The limited application of the single tender rules should not be used to avoid competition, or for administrative convenience, or to award further work to a consultant originally appointed through a competitive procedure.

Where it is decided that competitive tendering is not applicable and should be waived, the fact of the waiver and the reasons should be documented on the Trust's "Request to Waiver Trust Standing Orders/Standing Financial Instructions" form (see Appendix 4). All waiver requests will be reported by the Chief Executive to the Trust in a formal meeting. Such reports shall be received by the Audit Committee.

6.3. Achievement of Overall Best Value

6.3.1. Best value

This Policy works to the principles of procuring goods and services in the manner of Best Value. 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 can be demonstrated that 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.”

6.3.2. 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.

6.3.3. Working Together Programme

Working Together is a partnership involving a number of trusts in South Yorkshire. 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 was established in January 2013 as a cohort of acute trusts however since April 2017, Sheffield Health and Social Care NHS Foundation Trust and Rotherham, Doncaster and South Humber NHS Foundation Trust have become members. Together, the Partnership has achieved some real benefits for patient care, use of resources and sharing of good practice. Where projects relating to the procurement of goods and services have resulted in significant savings, these will be retained by the trusts to reinvest in patient care. There are a number of projects in the pipeline relating to sharing of systems, policies and procedures that will particularly benefit Sheffield Health and Social Care.

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 member Trusts will be reviewed for implementation in Sheffield Health and Social Care NHS Foundation Trust for as long as the partnership exists.

6.3.4. Zero Inflation Pledge

The Trust is committed to combating inflationary increases from its supply chain in line with guidance from the Department of Health, and to ensure the Trust is working towards its own efficiency targets. The Trust does not expect to receive a price increase 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. The Procurement Department 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 the Procurement Department in the first instance.

To help enable suppliers to meet this pledge we will work with suppliers and staff to recognise opportunities to identify cost reduction initiatives such as reducing the number of deliveries, standardising on products, early payment discounts, or switching to alternative items. Procurement will lead on this work but all staff should be aware of the on-going requirement in this area.

6.3.5. No Purchase Order, No Payment

The Trust is in the process of planning the implementation an electronic Purchase to Pay process (P2P). Requisitions will be created by end users and wherever possible, automatically converted into Purchase Orders (POs). All remaining requisitions will be filtered through the Procurement Department to be generated into POs. These orders are then fulfilled by the supplier who will provide an invoice that references the order number and the details of the purchase which, after matching with the goods received note, will allow the Trust to pay the supplier following identification through the system that the invoice is valid.

Although the Trust will operate a strictly controlled P2P process, invoices may also be received without a PO number (i.e. where a supplier has been contacted directly by a member of staff to supply goods, services or works outside of the Purchase to Pay process). This creates the potential for a number of issues for staff including

disciplinary action as there could be a breach of Standing Orders/SFIs if individuals contacting suppliers are not authorised to commit funds. There are also potential legal issues as the supplier used may not have an existing contract with the Trust **or** approaching a supplier directly may make the Trust non-compliant with UK Law. The Trust may also be potentially signing up to onerous terms and conditions or other conditions such as on-going maintenance or servicing.

There are a number of alternative ordering systems that will remain within the Trust at this time and these can be found in Appendix 3.

Suppliers increasingly expect to receive a Purchase Order as a sign of good business practice. The Procurement Team absolutely holds 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 (on whom due diligence checks have been completed) 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 Purchase Order for all non-pay expenditure is created by the authorised budget holder/manager prior to any commitment being given to a supplier. There are approved exceptions to raising a purchase order listed in Appendix 3.

The Procurement Department will engage with all relevant suppliers to advise of the “No Purchase Order No Payment” policy, and will continue to monitor and work with suppliers to ensure they are paid for the service they provide, in line with Trust requirements, by obtaining orders prior to supply.

6.4. Corporate Social Responsibility (CSR) and Procurement

6.4.1. 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 an organisation that spends a significant amount of public money, Sheffield Health and Social Care NHS Foundation Trust has a role to play in addressing social impact and cohesion across the city of Sheffield.

There are a number of benefits that can be obtained by having a robust and 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 Sheffield pound within the Sheffield area.

The Public Services Social Value Act 2012 puts a duty on public sector organisations to ensure that they consider how services can improve the 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.

The Head of Procurement represents the Trust on the Progressive Procurement Group. The Group comprises procurement leads from public sector bodies across

Sheffield (e.g. health, higher education, housing association, local authority) and seeks to identify collective procurement opportunities where public sector expenditure could be used for the greater good of the city of Sheffield.

The aim is to link into key policy themes of the Sheffield City Region² such as:

- Increasing private sector/economic growth;
- Increasing the number of jobs in the local economy;
- Tackling worklessness;
- Increasing local environmental sustainability.

The Trust recognises and values the added benefits that local businesses and organisations can provide to us and to the wider community. All procurement activity will, where appropriate, be structured to maximise the potential for skills training, apprenticeships and job creation within Sheffield.

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

- Improve skills and job opportunities for local people across Sheffield;
- 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 can 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.

6.4.2. Environmental Impact

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:

² <https://sheffieldcityregion.org.uk/>

- 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;
- Insisting that when tender contracts are developed, that suppliers provide a range of goods and services that are in keeping with Trust environmental policies;
- Wherever possible, purchasing Fair Trade goods.

6.4.3. Equalities Considerations

It is Trust policy that appropriate equal opportunities considerations be incorporated into the production of specifications, 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.

6.4.4. Modern Slavery Act

In accordance with the Modern Slavery Act 2015, the Trust makes the following statement regarding the steps it has taken to ensure that Modern Slavery (i.e. slavery and human trafficking) is not taking place in any part of its supply chains.

“SHSC is committed to ensuring that there is no Modern Slavery or Human Trafficking in our supply chains or in any part of our business. We are committed to social and environmental responsibility and have zero tolerance for Modern Slavery and Human Trafficking. Any identified concerns regarding Modern Slavery and Human Trafficking are escalated as part of the organisational safeguarding process working in conjunction with our partner agencies.”

The Trust aims to be as effective as possible in ensuring that Modern Slavery and Human Trafficking is not taking place in any part of its business or supply chains and in addition to the above actions, will measure its performance against the following indicators:

- The Trust will strive to build long standing relationships with its suppliers and make clear the Trust's expectations of business behaviour. Where national or international supply chains are used, the Trust expects suppliers to have suitable anti-slavery and human trafficking policies and procedures and where there is a risk of Slavery and Human Trafficking taking place, steps will be taken to assess and manage that risk.
- To develop a level of communication with the next link in the supply chain and their understanding of, and compliance with, the Trust's expectations in relation to the NHS terms and conditions. These conditions relate to issues such as bribery, slavery and other ethical considerations.
- To work in partnership with multi-agency partners leading on this agenda in South Yorkshire, and ensure that the Trust is represented on these Committees.
- To ensure that Modern Slavery and Human Trafficking training is available to staff and to incorporate it into safeguarding training. In addition, that all new staff will complete safeguarding training which includes Modern Slavery. The

Trust will ensure that additional training is available via the Safeguarding team and appropriate training is designed for the Procurement Department.

6.5. Ethical Standards

It is the intention of the Trust that all suppliers must be treated fairly and equitably, and purchasers and Trust staff engaged in the procurement process must always act with integrity and honesty. To support the importance of ethical behaviour, Trust staff should have an awareness of the seven Principles of Public Life - known as the Nolan principles - which can be accessed here:

<https://www.gov.uk/government/publications/the-7-principles-of-public-life/the-7-principles-of-public-life--2>

6.5.1. NHS Employees' Responsibilities

All members of staff must comply with the Trust Standing Orders (SOs) and Standing Financial Instructions (SFIs). Additionally, all members of the Procurement Department are expected to abide by the professional Code of Conduct of the Chartered Institute of Procurement and Supply (CIPS). Members of CIPS are required to uphold this code and to seek commitment to it by all the parties they engage with in their professional practice.

Any breaches of Trust SOs or SFIs will be reported via an escalation process through to the Director of Finance, Audit Committee and Counter Fraud Specialist, to determine if any wrongdoing has occurred.

6.5.2. Conflicts of Interest

Potential conflicts of interest can sometimes arise when dealing with suppliers. Spouses or other relatives may be employed by the supplier company or possess shareholdings or other stakes; personal friendships may grow over time. Such potential conflicts should be reported to a line manager as soon as they are identified. They will not normally prevent the Trust 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 Trust 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.

Consideration should also be given to employees who may need to declare a negative interest; an employee may have personal reasons which may mean they are not impartial to a particular company.

As far as possible employees should avoid dealing with Trust 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.

6.5.3. Relationship Management

Purchasers, and other Trust staff, contractors and management consultants involved in a 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 to 6.5.4 and 6.5.5).

6.5.4. 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, stakeholders involved within that process will be required to complete a Declaration of Interest and Confidentiality Agreement Form as it will be necessary to identify who may be involved in that process and whether any conflict of interest may apply. Where conflicts do apply or are perceived to be so, they will be managed appropriately.

6.5.5. Personal Gain and Gifts

This should be read in conjunction with the Trust's Standing Financial Instructions and the Standards of Business Conduct 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

In addition to any disciplinary action, suspicions of fraud, bribery or corruption will be referred to the Trust's Counter Fraud Specialist for further investigation.

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 in the Standards of Business Conduct Policy.

6.5.6. 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 Deputy 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 and must also be recorded in the Gifts and Hospitality Register.

6.6. Openness and Accessibility

6.6.1. 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. From 1 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.

6.6.2. Press Release 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 Head of Procurement on the appropriateness of granting any approval.

6.7. Other Procurement Related Areas

6.7.1. Purchase Order Processing

All purchase orders will be placed via the Trust's Integra ordering system (unless an alternative method has been approved by the Head of Procurement). All orders placed using Integra will be through catalogue ordering (where available) or via ad-hoc requirements that have been authorised and set up via the Procurement Department.

High volume consumables products will be ordered via NHS Supply Chain.

6.7.2. Tendering

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

6.7.3. Contract management

Records of all Trust contracts for goods, services and works (excluding Pharmacy) will be maintained using the Trust's contract management system (In-tend). There is a need for Trust managers/contract owners to manage and monitor performance of contracts awarded by the Trust. The Procurement Department will support Trust managers achieve this by attending contract review meetings (if required), and providing commercial contract expertise as and when required.

Contracts will be reviewed regularly and, after a set period of time, the Trust may go back out to the market for competitive bids. Before the contract term is due to expire, the Procurement Department will work with the Trust contract owner to agree the future contracting strategy where retendering the contract will be one option considered.

6.8. Procurement of Medical Consumables, Equipment and Equipment Trials

6.8.1. Medical consumable samples must only be left on wards with the express permission of the Head of Procurement. All medical samples must be CE marked (Conformité Européene). CE markings are an indication that the product has undergone some form of acceptable verification and validation process. Product indemnity must be sought in all instances (see 6.8.3 below).

6.8.2. Any commercially sponsored trials/agreements must be advised through to the Procurement Department to ensure that:

- Trials are carried out in accordance with Trust guidelines for trials;
- Trials are carried out on a controlled basis;
- The product in question meets the appropriate safety standards;
- Trials are not duplicated;
- Accurate records of the trialled products and evaluation reports are kept.

6.8.3. In any product trial, the following points will be considered and recorded in Procurement. On completion of the trial, all forms are to be returned to the relevant Category Manager/Buyer.

- Has a formal risk assessment been completed;
- How the trial is to be administered;
- How the trial is to be financed;
- How samples are to be provided;
- How long the trial will last;
- Whether technical staff need to be involved;
- Current safety regulations and quality standards;
- How the trial will be assessed;
- Whether other criteria (for example, packaging) needs to be taken into account;

- Whether the supplier should be involved;
- How the results of the trial will be disseminated;
- Indemnity needs to be assured **before** any trial product is used (see 6.8.5 below);
- Any item that is of an electrical nature is to be tested by the Trust's Estates Services or (in the case of a medical device) by the Clinical Engineering Department³ **before** it is used for the first time. Staff should contact Estates Services or the Clinical Engineering Department if unsure;
- Any request for payment should be agreed beforehand enabling an order number to be raised with Procurement;
- Goods must not be taken on trial or loan in circumstances that could commit the Trust to a future uncompetitive purchase.

6.8.4. 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 and/or specific Category Manager/Buyer 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.

6.8.5. Confirmation that the supplier is listed on the National Master Indemnity Agreement (MIA) should be sought prior to the trial of all medical equipment. If they are not, suppliers must register on the MIA 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 trials⁴.

6.8.6. The Trust requires that all medical equipment be obtained via the Procurement Department. This includes all equipment on loan. (Refer to the Medical Devices Policy).

6.8.7. Under no circumstances should medical equipment be delivered directly to a ward without the prior knowledge of the Procurement Department. The department using the equipment should assure themselves that the process described in 6.8.5 above has been followed. The purpose of the Indemnity is to ensure the supplier is responsible for the equipment and use on patients whilst it is on Trust premises for the trial.

6.8.8. Trial evaluation procedures detailed in 6.8.3 and 6.8.4 are to be observed when any medical trial is undertaken.

6.8.9. Where the decision has been made to procure equipment, weighted evaluation criteria will be agreed in advance by the product evaluation team, which must consist of a member of the Procurement and Finance teams, 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.

6.8.10. Contracts will only be let once relevant Budget Managers have reviewed the capital aspect and Directorate Budget Holders have confirmed their acceptance of all revenue consequences for the procurement, including those for maintenance and consumables. Any medical device to be purchased by the Trust will be subject to

³ Services currently outsourced to Sheffield Teaching Hospitals NHS Foundation Trust

⁴ Currently being drafted

acceptance of the Pre-Acquisition Questionnaire (PAQ) issued to the supplier and verified/accepted by the Trust, prior to purchase.

6.9. Product Rationalisation and Standardisation

There will be an on-going 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 risk through eliminating unnecessary variation in the ranges of products used for the same procedures and reduce training requirements. The Trust will utilise its existing committees and governance groups to identify, review and implement any changes, as well as using wider collaborative review groups within Working Together, etc.

6.10. Audit of Procurement Activity

The Head of Procurement has overall responsibility for ensuring that the procurement of all goods and services (excluding pharmacy and works) is executed within agreed procurement policy and procedures.

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

Audits may include (but are not limited to):

- Purchase Orders raised through Integra;
- Purchases made outside the Procurement department (for example, through delegated systems);
- Procurement activity in line with SFIs;
- High value business-critical projects;
- Single Tender Waivers;
- Compliance with current Procurement Regulations and UK Public Contracts legislation.

6.11. 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.

Staff involved in the conduct or review of procurement processes should have an understanding of the key fraud, bribery and corruption issues, and how to report any concerns that may arise.

Action will be taken against any staff member found to have breached procurement regulations and procedures.

6.12. The Generic Procurement Process

6.12.1. Identifying and authorising 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. Items identified as surplus to the Trust's needs and which can be transferred internally (often on a free of charge basis) can be found on the Trust's Warp It page;
- There may be existing corporate contracts already in place (the Procurement Department will be able to advise);
- 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 stages described below as part of a good practice procurement process to ensure a best value outcome is achieved.

Authorisation for the procurement to be initiated should be secured in accordance with the categories and limits outlined in the Trust's Scheme of Delegation, and provided to the Procurement Department.

Any matters relating to the acquisition of goods and/or services must be discussed with the Procurement Department at the earliest possible stage of the process.

6.12.2. Preparation and development of documents

In the majority of cases the Procurement Department will be able to provide advice and assistance to the Trust business owner on most of the areas identified below with support from the Trust business owner, in terms of understanding the 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, linkages with other projects/systems, financial implications; any potential staff transfer issues and an options appraisal as a minimum;
- Specify what is required and why the need has arisen. In any exercise where tenders or quotations are being sought, a written specification must be produced. 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. For example, state that a device is needed to send and receive emails rather than a computer is needed with a minimum processing speed, specific software, keyboard and display.
- If what is required 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? The Management Accountant for the budget area should be involved from the outset.
- Establish the financial envelope; for a replacement of a product or service this is usually the previous cost.

- 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 them throughout the process between all relevant parties.
- Identify the most appropriate procurement “route”; i.e. which process is the most appropriate and likely to deliver the best value outcomes?
- **Do not underestimate the time needed to undertake the procurement process.**
- Establish the evaluation criteria in writing; how will the responses be evaluated? Note that in a tender exercise this stage is a legal requirement. It is also good practice and it helps bidders provide a better response if the evaluation criteria and process is clearly explained in the tender documents. The 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.
- Establish the evaluation weightings (see 6.14).
- Consider what controls there should be for managing and monitoring supplier performance; for example, develop a set of Key Performance Indicators; determine the process for continuous improvement and how to include supplier suggestions for improving quality; consider what price increase/reduction mechanisms are included.
- Consideration should be given to the pricing mechanism; will the contract be fixed price or variable? What method is to be applied for variable priced contracts - RPI/HCSI Index/other pricing indices? Note that all contracts should be fixed price wherever possible. Any variation to this should be approved by the Head of Procurement.
- Will there be options to extend the contract? If so, by how long?

6.12.3. 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 described below will be followed.

It is important to ensure that when deciding what is to be included in the contract that elements of it are not separated out of the requirement simply to avoid having to undertake a procurement process.

Under English law it is illegal to disaggregate requirements in this way; the offer to the market must be the total of the requirement. It is also important to understand that a better value deal can often be secured if it is made more attractive to the market by increasing the potential contract value.

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

6.12.4. Market Engagement

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

- It is essential that the Trust's Standing Financial Instructions, Scheme of Delegation and current Procurement Regulations (where applicable) are complied with.
- All contract opportunities over £25,000 must be advertised on the Government's Contracts Finder website unless a valid reason for exclusion can be demonstrated.
- The current 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 e-notification entries electronically. Procurement will undertake all the relevant elements of market engagement under these circumstances.
- The current values thresholds (which are reviewed every 2 years) 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 £40,000 it may appear that a tendering process is not required. However, if the contract length was for 5 years this would make the total contract value £200,000 which is above the threshold.

6.13. 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. Described below are the three 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.

6.13.1. Quotation

This process will account for any procurement which will exceed the financial thresholds identified in the Trust's Scheme of Delegation (currently £5,000 for informal quotations, £10,000 for formal quotations), and must be undertaken in line with the requirements of the Trust's Standing Financial Instructions.

Procurement must be advised prior to any quotations being obtained so that a unique contract reference number can be provided, and also to identify the potential contract on the Trust's contract management database.

Procurement will also be responsible for the advertising of the requirement if needed along with administering the quotation process if required.

If Procurement is not administering the process on behalf of the Trust then the following principles must be applied:

- All quotations must be received in writing (preferably using the In-tend 'Quick Quote' system which provides an auditable trail).
- If price is not the only consideration, this must be recorded and should be communicated to those suppliers invited to quote.

6.13.2. Evaluation of Quotations

The evaluation 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.

6.13.3. Tender below Value Threshold

This process will account for any procurement which will exceed the financial threshold identified in the Trust's Scheme of Delegation (currently £30,000) 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 and/or other relevant e-notification portals unless a valid reason not to advertise can be demonstrated.

All tenders will be sent out electronically via the Trust's preferred e-Tendering portal (In-tend).

The evaluation criteria must be identified and issued 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 will 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 days.

6.13.4. Tender above Value Threshold

This process will account for any procurement which will exceed the current value threshold pertaining at the time for the advertising of contracts for goods, services (including Light Touch Regime) and works in the relevant e-notification portal

Due to the likely complex nature of the process, Procurement **must be involved at the earliest opportunity** 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 current 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 that can be undertaken and Procurement will help decide which process is the best to follow. The processes are:

Open - Where any potential bidder who asks for information will be sent a tender document and may bid against it.

Restricted - Where only potential bidders who pass a pre-selection stage will be asked to bid for the contract.

Competitive Negotiated Procedure – Where one of the processes above has not identified a supplier or where the requirements cannot be fully defined and a degree of communication 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. This procedure is exceptional and must be used with caution.

Framework Agreement – Where a contract agreement is required with the ability to award to one or more suppliers during a given period. The purpose of a framework agreement is to establish the terms governing specific contracts which may be awarded during a given period, particularly with regard to the duration, subject, price, maximum value, implementation rules and the quantities envisaged.

Framework contracts with several suppliers are called 'multiple' framework contracts; they take the form of separate contracts but they are all concluded on identical terms. The specifications must state both the minimum and the maximum number of operators with which the contracting authority intends to conclude contracts. The minimum may not be less than three.

The duration of such contracts may not exceed four years, save in exceptional cases justified in particular by the subject of the framework contract. Contracting authorities may not make undue use of framework contracts or use them in such a way that the purpose or effect is to prevent, restrict or distort competition.

Specific contracts based on framework contracts are awarded under the terms of the framework contract and must obey the principles of transparency, proportionality, equal treatment, non-discrimination and fair competition.

6.13.5. Timescales

The timescales that have to be adhered to depend on which of the above processes 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 6-9 months depending on the availability of key individuals within the Trust.

Before any contract award can take place, there must be a pause in the process to allow a “standstill period” to be undertaken. In this time the Trust must advise all the

unsuccessful bidders of why their bid has not been chosen against the successful, and detail the scores of the winning bid against the scores given to the unsuccessful bidder(s). The Trust must also advise of the relevant characteristics of the winning bid and why it was selected above others received.

If during this standstill period (or any period up to this point) a supplier “challenges” the Trust’s methods of selection then the contract cannot be awarded unless to do so would not be in the best interest of the public e.g. patient safety may be put at risk. The Trust is not allowed to award the contract until such time as the “challenge” has been revoked or withdrawn.

6.14. 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, the table below gives 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 to help assist which 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 (the latter through a moderation process), but in all cases whole numbers should be used (i.e. 2.5 or 3.6).

Evaluations may also include presentations or interviews which may or may not be scored as part of the evaluation; where they are scored, this must be stated in the tender documents issued. 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 the supplier’s 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	<ul style="list-style-type: none"> • Low Value/High Volume • Many Sources of Supply • Many Existing Alternatives 	90:10 to 80:20
Leverage	<ul style="list-style-type: none"> • High Spend Area • Many Sources of Supply • Commercial involvement can 	70:30 to 60:40

	influence price	
Strategic	<ul style="list-style-type: none"> • Strategic to Operations • Few Sources of Supply • Large Spend Area • Specification may be complex 	60:40 to 50:50 to 40:60
Bottleneck	<ul style="list-style-type: none"> • 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

All tender bids are evaluated by the evaluation panel.

Methodology for Quality and Meeting the Trust's Requirements

Step 1 of the evaluation process is to evaluate the quality elements of the tender bid. The award criteria for meeting the trust requirements will be evaluated using the following statements to apportion a score to each of the non-commercial (non-price) areas identified.

Score Label	Score	Definition of Score	Equates to x%
Excellent	5	Meets all requirements and offers some added value	100%
Good	4	Meets all requirements	80%
Fair	3	Generally, meets all requirements with minor issues	60%
Doubtful	2	Meets some requirements but with a few major gaps/issues	40%
Poor	1	Meets few requirements; serious concerns	20%
Reject	0	Does not meet any requirements or fails to answer	0%

Methodology for Price

Step 2 is to evaluate the pricing element. The Trust will award the relevant percentage mark based upon:

(Lowest overall tendered price *divided by* overall tendered price being evaluated) *multiplied by* y equals %

(where y is the percentage weighting for the price element)

For example, if the lowest price was £90,000 and the percentage weighting for the price element was 25%, it would receive 25%. If the next lowest price was £110,000, this would be divided into the lowest price and multiplied by 25 to give a final percentage. Any part of a percentile will be rounded up or down according to nearest whole number.

Thus: $(£90,000 / £110,000) \times 25 = \%$

Therefore, the score would equal 20.5%

The total contract value to be used to compare against all bidders will be calculated on a whole life cost.

Offers that in the opinion of the Trust are unrealistically high or low (in terms of price) may be rejected.

6.15. Post-Tender Clarification

In Open and Restricted procedures all negotiations with candidates or bidders on fundamental aspects of contracts – for example variations that are likely to distort competition and (in particular) on prices - shall be ruled out. Discussions with candidates or bidders may be held **only** for the purpose of clarifying or supplementing the content of their tenders or the requirements of the Trust, and provided this does not involve discrimination.

Within the current Regulations, there is also the requirement that “Conversations with tenderers (bidders) must be documented to a sufficient degree”, therefore, the Trust’s e-tendering portal (In-tend) 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). Presentations and face-to-face clarifications can be used to adjust evaluation scores but the adjustment must clearly link to a tender question, response and clarification. The rationale must be clearly recorded to ensure transparency is maintained.

6.16. Debriefing Bidders

It is good practice and - in certain circumstances - a legal requirement, that unsuccessful Bidders be 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 Bidders who fail to reach an acceptable score at short-listing should be notified immediately after the short-listed Bidders have been notified that they have progressed to the next stage;
- Following contract award, all remaining unsuccessful Bidders should be notified immediately.
- The objectives of debriefing Bidders are to:
 - Assist suppliers to improve their performance;
 - Offer Bidders some benefit for the time and cost of preparing tenders;

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

All debrief communications must be carefully planned and only 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.

6.17. 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 staff are in any doubt they should 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. This authorisation is detailed in the Scheme of Delegation. 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 at 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.

Sheffield Health and Social Care NHS Foundation Trust will only award contracts using NHS Terms and Conditions of Contract. If in doubt, contact the 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 contracts, and all contracts must be in writing.

6.18. Signing of Contracts/Licenses/Agreements

All Trust procurement activity must be routed through the Procurement Department; there are two exceptions to this:

- The procurement of drugs, which is carried out by the Pharmacy Department; and
- The acquisition of licences for the use of accommodation or property, which is managed via the Director of Facilities Management.

An order for goods, services or works may result in a contract, licence or agreement to be signed by both the Trust and the supplier. Providing all the conditions and circumstances set out in the Trust’s SFIs have been fully complied with, formal authorisation and awarding of a contract may be decided by the staff and the contract signed (to the value of the contract) as follows:

Designated Budget Holders	Up to £4,999
Authorised Budget Holders/Managers (per Scheme of Delegation)	Up to £9,999
Head of Contracting/Procurement (per Scheme of Delegation)	Up to £9,999
Deputy Director of Finance	Up to £99,999
Chief Executive, Deputy Chief Executive, Director of Finance (with Business Planning Group approval)	Up to £249,999
Two from: Chief Executive, Deputy Chief Executive or Director of Finance (with Executive Directors’ Group approval)	Up to £499,999
Two from: Chief Executive, Deputy Chief Executive or Director of Finance (with Finance Investment Committee approval)	Up to £1m
Two from: Chief Executive, Deputy Chief Executive or Director of Finance (with Trust Board approval)	Over £1m

These levels of authorisation may be varied or changed and should be read in conjunction with the Trust’s Scheme of Delegation.

6.19. 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 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 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.

6.20. 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 costs should include VAT, where applicable. Local price comparisons should not be disclosed to representatives as they will contain confidential information.

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

6.21. Other Considerations

When considering the options described 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 they were made by and the rationale for the decisions. The process and documentation must be robust and be able to withstand scrutiny. The Freedom of Information Act 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.

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 situation 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 1981 (TUPE) implications, and risk analysis and risk management.

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, then on what terms. 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 from the Director of Facilities Management on the terms on which Trust owned accommodation (i.e. whether owned, leased or licensed by the Trust for its use) 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. The usual terms for occupancy by third parties are on a full cost recovery basis unless otherwise agreed by the Trust's Executive Directors Group. Any matters relating to property such as assignments of leases must be discussed with the Director of Facilities Management at the earliest possible stage of the process.

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.

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.

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.

Certain types of goods will require a maintenance contract to be entered into at the same time as the initial purchase to ensure they will be maintained and/or managed to acceptable standards. The issuing of a Pre-Acquisition Questionnaire (PAQ) to a prospective supplier prior to purchase will help to inform on this and many other aspects listed above. In many cases the Trust's Estates Services can offer advice on what is required. Maintenance costs will be met by the Service acquiring the goods in the majority of cases unless otherwise agreed by the Director of Facilities Management.

Where the goods to be purchased are classed as a medical device, the issuing of a PAQ will be mandatory. In such cases advice on maintenance, etc. may be obtained from the Clinical Engineering Department.

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.

6.22. 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. Orders should not be given to suppliers verbally or via any other means, but Trust staff should order using the electronic procurement systems used by the Trust (as available) or complete a requisition which is then sent to Procurement who will raise the order on behalf of the Trust. The Procurement Department will ensure that any requisition received - either electronically or in paper form - 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 Trust 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 Trust staff in identifying the price, source and ordering method of any given product/service before an order is placed.

6.23. Transactions not requiring Purchase Orders

The majority of purchasing transactions undertaken by the Trust will be supported by a Purchase Order, as described in paragraph 6.3.5 of this Policy. Appendix 3 provides a list of approved areas where such Purchase Orders are generated outside of the Trust's main financial system (Integra). System Owners in these areas must provide relevant information to the Procurement Department to ensure reporting against Carter and NHS Improvement procurement metric standards can be completed.

For purchasing activity in areas covered by ordering via Integra, a list of transactions exempt from requiring Purchase Orders to be raised can be found at Appendix 3.

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

- Appendix 3 – Exceptions to the Purchase Order Process
- Appendix 4 – Requests to Waiver Trust Standing Orders/Standing Financial Instructions

6.24. Environmental Procurement Policy Statement

6.24.1. 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 Procurement and Supply (CIPS) Environmental Purchasing in Practice Guidance which can be accessed here: <https://www.cips.org/Documents/Resources/Knowledge%20Summary/Sustainable%20Procurement.pdf> and with the United Kingdom's commitment to sustainable development.
- Will be reviewed and revised as necessary, at least annually.

6.24.2. Responsibility

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

6.24.3. 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 recycled products and materials where such alternatives are available.

6.24.4. 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 current 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.

6.25. Procurement Equalities Policy Statement

6.25.1. Key Responsibilities

Purchasers for the Trust must make best endeavours to ensure that suppliers and contractors work to eliminate the potential for unlawful or unfair discrimination to occur by including equalities issues in the procurement process, particularly within the specification, terms and conditions of contract, and evaluation and contract management stages.

- in relation to their own employment practices (including staff training, recruitment, promotion and monitoring), and;
- through the provision of goods, services and works to and on behalf of the Trust.

6.25.2. Application of this Policy

The key elements of general procurement remain, in that purchasing should be based on competition and best value. This principle is reinforced by the UK's international obligations. The policy does, however, allow business areas within the Trust to specify goods, services and works which are to be produced or provided in accordance with good equalities practice, provided a balance is struck between costs, benefits and other relevant factors.

Equalities considerations will be relevant to all contracts, with very few exceptions. However, such considerations will be particularly relevant when a contract requires - or is likely to require - a supplier to provide staff to work on Trust premises alongside Trust or other staff members or members of the public.

6.26. Bribery Act 2010

The potential for fraud, bribery and corruption exist throughout all stages of a procurement process and in the pre- and post- phases of a procurement exercise. This Policy 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 individual's - and the Trust's - exposure to fraud, bribery and corruption.

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.

This Act also created an offence, under section 7, which can be committed by organisations that fail to prevent persons associated with them from committing bribery on their behalf. An organisation will be liable to prosecution if a person associated with it bribes another person intending to obtain or retain business as an advantage in the conduct of business for that organisation. An organisation failing to prevent bribery is punishable by way of an unlimited fine.

For further information and guidance, see
<http://www.justice.gov.uk/guidance/docs/bribery-act-2010-quick-start-guide.pdf>

If you require assistance in determining the implications of the Bribery Act please refer to the

Trust's Counter Fraud, Bribery and Corruption Policy available under the Finance section of the Policies widget on the Trust's intranet, or contact the Local Counter Fraud Specialist on telephone 01709 428702 or by emailing robert.purseglove@nhs.net

The Bribery Act 2010 applies to this policy.

7 Development, Consultation and Approval

This Policy has been developed by the Head of Procurement in line with relevant legislation, standards, guidance and policies appertaining to public sector procurement that were applicable at the time of drafting the document.

Consultation was sought with Directorate Leads, Facilities, IMST and Finance representatives. Minor amendments were made as a result of the feedback received.

The Policy was formally submitted to the Policy Governance Group (PGG) to their January 2021 meeting for management review.

8 Audit, Monitoring and Review

The Procurement Department will monitor the application of the Policy via its monthly dashboard reporting. Procurement may also undertake its own audit of compliance using historic spend data and contract management information controlled by Procurement.

The appropriateness of the Policy will also be monitored and reviewed as required in light of proposed changes to the model of delivery for procurement services across the South Yorkshire and Bassetlaw Accountable Care System.

Monitoring Compliance Template						
Minimum Requirement	Process for Monitoring	Responsible Individual/group/committee	Frequency of Monitoring	Review of Results process (e.g. who does this?)	Responsible Individual/group/committee for action plan development	Responsible Individual/group/committee for action plan monitoring and implementation
Policy to be monitored as part of audit regime of contracts	Compliance with the Policy will be monitored through audit reporting	Internal Audit	Setting of timescales will be agreed as part of the annual audit plan. Full internal audit should be carried out at least once every three years.	Head of Procurement	Any required review/action to be determined by Trust Audit Committee	Senior Procurement staff in conjunction with Trust Audit Committee
Policy to be reviewed in line with Trust's normal review process and in line with public procurement legislation	To be reviewed after any relevant public procurement law changes	Senior Procurement staff	Whenever there are any changes to relevant public procurement legislation	Head of Procurement	Policy Governance Group (PGG), Business Planning Group (BPG) and Finance & Investment Committee (FIC)	Senior Procurement staff

Policy to be reviewed in line with proposed changes to model of delivery for procurement services	Appropriateness to be reviewed after any significant changes to model of delivery of procurement services to the Trust	Senior Procurement staff	Whenever there are any significant changes to the model of delivery of procurement services that directly affect the Trust	Head of Procurement	PGG, BPG and FIC	Senior Procurement staff
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The Procurement Policy will be reviewed in six months to incorporate any changes in legislation dictated by the EU Exit. The next policy review date is July 2021.

9 Implementation Plan

The policy is already widely available online via the intranet policy's widget. Few changes have been made to the wording of the policy to remove reference to specific Legislation until full clarity is given on EU Exit and transferring the policy over to the new template, minor grammatical and cosmetic changes have been made to the revised version 4.

Action / Task	Responsible Person	Deadline	Progress update
Upload new policy v4 onto intranet and remove old version v3	Communications Team	31/03/2021	

10 Dissemination, Storage and Archiving (Control)

Version	Date added to internet	Date of inclusion in Connect	Any other promotion/ dissemination (include dates)
4.0	January 2021 August 2021	January 2021 August 2021	N/A

11 Training and Other Resource Implications

The Procurement Department offers training and support to managers and staff in the implementation of this Procurement Policy.

12 Links to Other Policies, Standards (Associated Documents)

Associated Documents (Trust documents are located on the intranet site)

- Trust Declaration of Interests and Standards of Business Conduct Policy
- Trust Standing Orders Reservation and Delegation of Powers and Standing Financial Instructions
- Trust Anti-Bribery Policy
- Trust Counter Fraud Bribery and Corruption Policy
- Trust Delegation of Budgetary Authority
- Authorised Signatory Guidance
- Trust Engaging Individual Self-Employed Contractors (Procurement Policy)
- Trust Engagement and Deployment of Short Term Staffing Policy
- Trust Nutritional Strategy (links to the Government Buying Standards; see below)
- Trust Capital Programme Management Policy
- Trust Procurement Sustainability Policy
- NHS Procurement & Commercial Standards (2013, revised 2016)
- NHS eProcurement Strategy (2014)
- NHS Procurement Transparency Guidance (2017)
- Code of Conduct for NHS Managers

External Documentation

- [Official Journal of the European Union](#)
- [The Public Contracts Regulations 2015 \(S.I. 102\)](#)
- [The Public Procurement \(Amendment etc.\) \(EU Exit\) Regulations 2020 \(Deployed at the end of the Transition Period\)](#)
- The Light Touch Regime (Regulations 74 to 76 of the Public Contracts Regulations 2015)
- Guidance on the new Light Touch Regime for Health, Social, Education and Certain Other Service Contracts (2016)
- [Contracts Finder](#)
- [Tenders Electronic Daily \(TED\)](#)
- [Find A Tender \(Deployed at the end of the Transition Period\)](#)
- [Bribery Act 2010](#)
- [CIPS Code of Conduct](#)
- [Freedom of Information Act 2000](#)
- [Data Protection Act Chapter 29 \(to be strengthened in 2018 by the \[General Data Protection Regulation\]\(#\)\)](#)
- [Environmental Protection Act 1990](#)
- [The Government Buying Standards \(GBS\)](#)
- [The Environment Act 1995](#)
- [The Management of Health and Safety at Work Regulations 1992](#)
- [The Control of Substances Hazardous to Health \(Amendment\) Regulations 2004](#)
- [The Environmental Protection \(Duty of Care\) Regulations 1991](#)
- [The Environmental Information Regulations 2004](#)
- [Modern Slavery Act 2015](#)

DIRECTIVE 2004/18/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL This is the European Union's legal directive which is legally binding on all public sector organisations. A copy of the legislation is available from:

- <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32004L0018:EN:HTML>

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-pressure>

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

Lord Carter review into productivity and efficiency in the English NHS acute sector. Although referring specifically to the acute sector, many of the principles are equally applicable to non-acute trusts.

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

Legal Framework

DIRECTIVE 2004/18/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL This is the European Union's legal directive which is legally binding on all public sector organisations. A copy of the legislation is available from:

- <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32004L0018:EN:HTML>

13 Contact Details

<i>Title</i>	<i>Name</i>	<i>Phone</i>	<i>Email</i>
Head of Procurement (Acting)	Nikki Woodhead	0114 2718360	nicola.woodhead@shsc.nhs.uk
Deputy Head of Procurement (Acting)	Nathan Kelly	0114 2716147	nathan.kelly@shsc.nhs.uk

Appendix 1

Equality Impact Assessment Process and Record for Written Policies

Stage 1 – Relevance - Is the policy potentially relevant to equality i.e. will this policy potentially impact on staff, patients or the public? This should be considered as part of the Case of Need for new policies.

NO – No further action is required – please sign and date the following statement.
I confirm that this policy does not impact on staff, patients or the public.

I confirm that this policy does not impact on staff, patients or the public.

Name/Date: Nikki Woodhead, Acting Head of
 Procurement / December 2020

**YES, Go
 to Stage 2**

Stage 2 Policy Screening and Drafting Policy - Public authorities are legally required to have 'due regard' to eliminating discrimination, advancing equal opportunity and fostering good relations in relation to people who share certain 'protected characteristics' and those that do not. The following table should be used to consider this and inform changes to the policy (indicate yes/no/ don't know and note reasons). Please see the SHSC Guidance and Flow Chart.

Stage 3 – Policy Revision - Make amendments to the policy or identify any remedial action required and record any action planned in the policy implementation plan section

SCREENING RECORD	Does any aspect of this policy or potentially discriminate against this group?	Can equality of opportunity for this group be improved through this policy or changes to this policy?	Can this policy be amended so that it works to enhance relations between people in this group and people not in this group?
Age	NO	NO	NO
Disability	NO	NO	NO
Gender Reassignment	NO	NO	NO
Pregnancy and Maternity	NO	NO	NO

Race	NO	NO	NO
Religion or Belief	NO	NO	NO
Sex	NO	NO	NO
Sexual Orientation	NO	NO	NO
Marriage or Civil Partnership	NO		

Please delete as appropriate: - Policy Amended / Action Identified / no changes made.

Impact Assessment Completed by: Nikki Woodhead
Name /Date 29/12/2020

Appendix 2

Review/New Policy Checklist

This checklist to be used as part of the development or review of a policy and presented to the Policy Governance Group (PGG) with the revised policy.

		Tick to confirm
Engagement		
1.	Is the Executive Lead sighted on the development/review of the policy?	Yes
2.	Is the local Policy Champion member sighted on the development/review of the policy?	Yes
Development and Consultation		
3.	If the policy is a new policy, has the development of the policy been approved through the Case for Need approval process?	N/A
4.	Is there evidence of consultation with all relevant services, partners and other relevant bodies?	Yes
5.	Has the policy been discussed and agreed by the local governance groups?	N/A
6.	Have any relevant recommendations from Internal Audit or other relevant bodies been taken into account in preparing the policy?	No
Template Compliance		
7.	Has the version control/storage section been updated?	Yes
8.	Is the policy title clear and unambiguous?	Yes
9.	Is the policy in Arial font 12?	Yes
10.	Have page numbers been inserted?	Yes
11.	Has the policy been quality checked for spelling errors, links, accuracy?	Yes
Policy Content		
12.	Is the purpose of the policy clear?	Yes
13.	Does the policy comply with requirements of the CQC or other relevant bodies? (where appropriate)	N/A
14.	Does the policy reflect changes as a result of lessons identified from incidents, complaints, near misses, etc.?	N/A
15.	Where appropriate, does the policy contain a list of definitions of terms used?	Yes
16.	Does the policy include any references to other associated policies and key documents?	Yes
17.	Has the EIA Form been completed (Appendix 1)?	Yes
Dissemination, Implementation, Review and Audit Compliance		
18.	Does the dissemination plan identify how the policy will be implemented?	Yes
19.	Does the dissemination plan include the necessary training/support to ensure compliance?	Yes
20.	Is there a plan to i. review ii. audit compliance with the document?	Yes
21.	Is the review date identified, and is it appropriate and justifiable?	Yes

Appendix 3

Exception Areas to raising a Purchase Order via Integra and Exemption areas to raising a Purchase Order within Integra

Exception Areas/Approved Alternative Purchase Order System to Integra

Approved exception areas/systems to raising a purchase order via the Trust's main financial system (Integra) are as listed below. These areas raise purchase orders directly from the relevant specialised stock, asset management or works system.

Trust Activity Area	Alternative Purchase Order System	Alternative System Owner
Estates Capital Works	PLANET	Director of Facilities
Estates Revenue Works	PLANET	Director of Facilities
Estates Services/Maintenance Contracts (part)	PLANET	Director of Facilities
Estates Rental, Lease and Property Charges (e.g. Rates, Council Tax, etc)	PLANET	Director of Facilities
Pharmacy/Drugs provision	JAC	Chief Pharmacist
Medical Locums	Liaison TempRE	Director of Human Resources

Exceptions to Raising a Purchase Order within the Integra Purchase System

The following exceptions do not require advice from the Procurement Department on supply to be sought. However, payments should be authorized by the budget manager as per delegated limits.

Overarching Category	Expenditure Type	Accepted Alternative Control
Pay Deductions/ Employment-related payments, expenses and reimbursements	Employee Expenses	Governed by Authorised approvers in line with the Staff Expenses Policy
	Statutory Tax/NI Deductions Statutory Court Orders Salary Sacrifice Deductions	ESR Management/Reconciliation ESR Management/Reconciliation Contractual amendments/ESR Management/Reconciliation
	Retirement Gifts, Long Service Awards, etc.	Governed under HR Policy
Reimbursement claims	Patient travel claims	DH Guidance enacted by Cashiers Team
	Research Project GP/Taxi Claims	Enacted by Research Finance team under project protocol
	Loss & Compensation payments	Enacted by Financial Accounting team following authorised loss & compensation claim submission
Health care services – prescribed on an individual basis	Optical supplies Hospital prescriptions (via FP10)	

Category	Type of Expenditure
Deductions, Expenses and Claims	Governors' expenses claims
	Ex-gratia payments to Service Users/Staff under the Losses and Special Payments policy
	Salary advances to staff
	Petty cash reimbursements (assuming appropriate receipts presented and appropriately approved within delegated limits)
	VAT return payments
	Payroll deduction payments (for example to Unison, Westfield, Salary Sacrifice providers, etc.)
	Litigation payments under NHSLA direction
	HMRC payroll pay-overs (Superannuation etc.)
	Bank charges
	Charity Trust Fund recharges
Utilities, Rent and Leases	National non- domestic rates paid to Sheffield City Council
	Utility charges (Gas, Water, Telephony, Electricity)
Services and Contracts	Kings Armoured Petty Cash reimbursement cheques
	NHS Supply Chain payments

Appendix 4

REQUEST TO WAIVER TRUST STANDING ORDERS/STANDING FINANCIAL INSTRUCTIONS

In accordance with Standing Order 9.6, formal tender/quotation procedures may be waived by officers to whom powers have been delegated by the Chief Executive without reference to the Chief Executive or Deputy Chief Executive (except in (c), (e) and (f) below).

Please tick appropriate reason(s) for waiver in Section A below and give further details in Section B.

SECTION A

(a)	The estimated expenditure or income does not, or is not reasonably expected to, exceed £30,000 plus VAT (this figure to be reviewed annually); OR	
(b)	where the supply is proposed under special arrangements negotiated by Crown Commercial Services (CCS) or other recognised collaborative procurement organisations (e.g. NHS Supply Chain, North of England Commercial Procurement Collaborative), such arrangements must be complied with where overall benefit to the Trust can be demonstrated; OR	
(c)	the timescale genuinely precludes competitive tendering. Failure to plan the work properly is not a justification for single tender; OR	
(d)	Specialist expertise is required and is available from only one source; OR	
(e)	The task is essential to complete the project, AND arises as a consequence of a recently completed assignment and engaging different consultants for the new task would be inappropriate; OR	
(f)	There is a clear benefit to be gained from maintaining continuity with an earlier project. However, in such cases the benefits of such continuity must outweigh any potential financial advantage to be gained by competitive tendering; OR	
(g)	Provided for in the Capital Investment Manual.	
<p>NB: The limited application of the single tender rules should not be used to avoid competition or for administrative convenience, or to award further work to a consultant originally appointed through a competitive procedure.</p> <p>Where it is decided that competitive tendering is not applicable and should be waived by virtue of (c) to (f) above, the fact of the waiver and the reasons will be documented and reported by the Chief Executive to the Trust in a formal meeting.</p> <p>In accordance with Standing Order 9.12, quotations are required where formal tendering procedures are waived under Standing Order 9.5(a) or (c) and/or where the intended expenditure or income exceeds, or is reasonably expected to exceed, £10,000 plus VAT. For purchases below £9,999.99 plus VAT, quotations are not required</p>		

SECTION B

Description and value of goods/service for which waiver is sought:

Further explanation of reason(s) for waiver (please also attach any further documentation as appropriate):

PROPOSED BY:

NAME	
DESIGNATION	
SIGNATURE	
DATE	

APPROVED BY HEAD OF PROCUREMENT

NAME	
SIGNATURE	
DATE	

APPROVED BY DIRECTOR OF FINANCE/DEPUTY CHIEF EXECUTIVE

NAME	
SIGNATURE	
DATE	