



Procurement Policy

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1	31/01/18	Mike Fairbotham	D	Version drafted to replace previous Policy documents on this topic.
1.1	01/02/18	Mike Fairbotham	D	Final draft including comments by Perry Duke.

A = Approved D = Draft

This document is controlled.

If you would like to suggest amendments to this document please contact the document author.

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1. STATEMENT OF INTENT

- 1.1. This policy has been written to set out the control measures for procurement within Yorkshire Ambulance Service NHS Trust. It should be read in conjunction with the Trust's 5-year Procurement Strategy.

2. INTRODUCTION

- 2.1 A stretching and robust Procurement Strategy is an essential piece of the Trust's corporate documentation, as it not only gives direction and goals to Procurement & Logistics staff, but also describes the Trust's purchasing behaviour which will need to be adopted by all leaders, managers and individuals throughout the organisation in order to move the organisation forward. The strategic goal of the Procurement & Logistics department is to achieve *Confidence in Procurement and Logistics*.
- 2.2 This Procurement Policy document describes the rules and regulations which the organisation must adhere to when purchasing any Goods, Services, or Works, from any third-party organisation.
- 2.3 In addition to the 5-year Procurement Strategy, the two main feeder documents to this policy are the Public Contract Regulations 2015 (PCR 2015) and The Trust's Standing Orders, Scheme of Delegation, and Standing Financial Instructions (SFIs).
- 2.4 This document supersedes Appendix 3 of the SFIs, Procurement Contracts and Tenders.

3. POLICY DETAIL

- 3.1 The purpose of this policy and procedure is:
 - To support the Trust's Strategic objective '*Our People*' by ensuring effective implementation and monitoring of this policy and procedure.
 - To support the Trust's '*Purpose*' (to save lives and ensure everyone in our communities receives the right care, whenever and wherever they need it).
 - To support the Trust's '*Vision*' (to be trusted as the best urgent and emergency care provider, with the best people and partnerships, delivering the best outcomes for patients).
 - To support the Trust's '*Value*' of Integrity.
 - To support the Procurement & Logistics Department's strategic goal of achieving *Confidence in Procurement & Logistics*.
 - To help ensure that the Trust is compliant with PCR 2015, and the SFIs.
 - To help ensure that the NHS Professional Standards of Procurement, 2016, can be adhered to.
- 3.2 The key points of the policy are as follows:
 - That failure to follow this policy could result in the instigation of disciplinary procedures for the individuals involved.

- That all Trust purchases of Goods, Services and Works from third parties shall be undertaken as per the instructions, described in the SFIs, this Procurement Policy document, and UK Procurement Law (PCR 2015). In case of conflicts PCR 2015 always takes precedence.
- That the Executive Director of Finance is the Senior Leadership Team member accountable for Procurement, with the Associate Director of Procurement & Logistics as the Trust's nominated Procurement Lead.
- The Trust shall comply as far as is practicable with the requirements of the Department of Health, NHS Improvement, and NHS England, regarding Capital expenditure; the procurement of Consultants and temporary staffing; and any other contentious areas of spend or central policies as they emerge.
- The use of non-standard procurement techniques not described in this document, such as reverse eAuctions, are permitted, following Crown Commercial Services best practice guidance, and with the approval of the Associate Director of Procurement & Logistics.
- All requests for external Legal assistance must go via the Trust's in-house Legal team in the first instance.

3.3 Tendering thresholds (based on a reasonable expectation of total through-life costs, including VAT) are as follows:

- Below £5k, authorised signatories can procure Goods and Services themselves, via the Purchase to Pay (P2P) process, ensuring a Purchase Order is raised wherever possible. Formal tendering does not apply.
- Between £5k and £25k, the Request For Quote (RFQ) process shall be followed, where a minimum of three potential suppliers shall be given the opportunity to submit their written quotes for the Trust's requirement. The winning supplier shall be selected on the basis of lowest price, or Most Economically Advantageous Tender, where technical evaluation is specified.
- Between £25k and £100k, a formal tendering process shall be followed where a minimum of three potential suppliers shall be given the opportunity to submit their written quotes/tenders for the Trust's requirement, via the Trust's e-tendering portal. The winning supplier shall be selected on the basis of lowest price or the Most Economically Advantageous Tender. If the requirement is to be openly advertised via the Trust's e-tendering portal, the requirement must also be advertised on the Contracts Finder tool. Please note this is a Legal requirement in line with PCR 2015.
- Above £100k, the OJEU Open process shall be followed, where all potential suppliers shall be given the opportunity to submit their written tender for the Trust's requirement. The winning supplier shall be selected on the basis of the Most Economically Advantageous Tender.
- The use of an OJEU compliant Framework is acceptable for any of the above thresholds, with guidance from the Trust's Procurement lead, but may be subject to a Single Tender Waiver (see below).

3.4 Formal tendering may only be waived through the use of a Single Tender Waiver process. All procurement undertaken through this process shall be reported to the Audit Committee on a quarterly basis, and no funds shall be committed to a supplier until the STW is signed in accordance with the SFI delegation levels. Examples of appropriate STWs are:

- Where a Regional or National Framework exists.
- Where an Existing Contract exists and there are additional requirements.
- Where there has been no acceptable response from the marketplace, to a competitive tender, or RFQ.
- Where there are clear technical or artistic reasons, such as Intellectual Property Rights (IPR).
- Where there is unpreventable extreme urgency, such as for the preservation of human life.
- Where a change of supplier would oblige the Trust to acquire supplies which have different technical characteristics resulting in incompatibility in operation and maintenance.
- Where the procurement is related to research experimentation.

3.5 There are a few particular situations which are not covered by either the PCR 2015 regulations, or the Trust's policy to compete. It is the budget holder's responsibility to ensure that neither this Policy, nor the Financial delegations within the SFIs have been breached, and that Value for Money (VfM) is obtained on behalf of the Trust. These situations are:

- All property transactions (purchase, rental, or disposal). Please refer to the SFI Property Transaction Appendix (11).
- Disposal of vehicles and equipment.

4 PROCESS FOR REVIEW AND REVISION

4.1 This policy will be reviewed in two years' time unless legislative or other changes necessitate an earlier review.

5 ASSOCIATED DOCUMENTATION

5.1 This policy should be read in association with the following documentation:

- The Trust's Standing Orders, Scheme of Delegation, and Standing Financial Instructions (2017).
- The Trust's 5-Year Procurement Strategy (2015-2020).
- The Public Contract Regulations (2015).
- NHS Standards of Procurement (2016).
- Request for Quote (RFQ) Process.
- Sub-OJEU and OJEU Process.
- Single Tender Waiver (STW) Process.