East Sussex Healthcare
NHS Trust

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FOI REF: 25/735

24th October 2025

FREEDOM OF INFORMATION ACT

I am responding to your request for information under the Freedom of Information Act. The answers to your specific questions are as follows:

Procurement Strategy: Please confirm the expected publication date or approximate timeframe for release.

East Sussex Healthcare NHS Trust expects to publish the Procurement Strategy by the end of December 2025.

Please find attached the Trust's Procurement Policy, for your information, which was renewed in September 2025.

Please note that we have redacted the names of individuals that no longer work with the Trust and personal email address and have applied Section 40(2) and Section 44 exemptions accordingly.

I can confirm that we hold this information, but it is exempt under section 40(2) of the Freedom of Information Act 2000 – Personal Information of third parties. This is because disclosure of this information would breach the principles of the Data Protection Act.

This is an absolute exemption and there is, therefore, no requirement to consider the public interest.

We are unable to provide the contact details of staff as we consider this information to be exempt from release in accordance with section 44 of the Freedom of Information Act (Prohibition on disclosure) and would refer to the Privacy and Electronic Communications EC Directive Regulations 2003 which provide specific rules on electronic communication services, including marketing (by phone, fax, email or text) and keeping communications services secure. We will not provide any information that could result in the transmission of unsolicited communications which may place an unacceptable risk to our email network and could also have a detrimental impact on patient care and treatment.

Cont…/

The contact number for the Trust are accessible on the Trust website http://www.esht.nhs.uk.

This is an absolute exemption and there is, therefore, no requirement to consider the public interest.

If I can be of any further assistance, please do not hesitate to contact me.

Should you be dissatisfied with the Trust's response to your request, you have the right to request an internal review. Please write to the Freedom of Information Department (esh-tr.foi@nhs.net), quoting the above reference, within 40 working days. The Trust is not obliged to accept an internal review after this date.

Should you still be dissatisfied with your FOI request, you have the right of complaint to the Information Commissioner at the following address:

The Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire SK9 5AF

Telephone: 0303 123 1113

Yours sincerely

Freedom of Information Department
esh-tr.foi@nhs.net

NHS
East Sussex Healthcare
NHS Trust

Procurement and Supplies Policy and Procedure

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Legacy ID Number	1092
Version:	V3.2
Ratified by:	Senior Finance Team Meeting
Date ratified:	July 2025
Name of author and title:	Angela Alletson, Head of Procurement
Date originally written:	February 2010
Date current version was completed	September 2025
Name of responsible committee/individual:	Senior Finance Team
Division/Speciality:	Procurement and Supplies
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Target audience:	All Trust staff involved with the procurement of goods, works and services.
Compliance with CQC Fundamental Standard	Not applicable
Compliance with any other external requirements (e.g. Information Governance	Procurement Act 2023 (PA 2023) and its secondary legislation including Procurement Regulations 2024; The Health Care Services (Provider Selection Regime) Regulations 2023 ("PSR"), its statutory guidance and associated legislation (health services only).
Associated Documents:	East Sussex Healthcare NHS Trust governing documents, incorporating: Standing Orders, Standing Financial Instructions, Scheme of Delegation Conflict of Interest Policy Anti-Fraud, Bribery and Corruption Policy Interests, Gifts, Hospitality and Sponsorship Policy Purchase Ledger Procedure

Did you print this yourself?
Please be advised the Trust discourages retention of hard copies of the procedural document and can only guarantee that the procedural document on the Trust website is the most up to date version

Procurement and Supplies – Policy and Procedure

Version Control Table

Version number and issue number	Date	Author	Reason for Change	Description of Changes Made
V 1.0	February 2010	[redacted]		
V 2.0	December 2017	[redacted]		Incorporation of OJEU threshold limit changes made in The Public Contracts Regulations 2015
V 3.0	June 2022	Angela Alletson	EU Exit Changes to thresholds. Counter Fraud changes. Sustainability addition.	• Change of procedures • Change in values and Thresholds • Updated NHS Counter Fraud Authority information • Inclusion of sustainability
V3.1	September 2025	Angela Alletson	Digital Security Legislation change	• Inclusion of cyber security and information governance • Updated PCR 2015 to Procurement Act 2023
V3.2	September 2025	Angela Alletson	Additional sections	• New supplier procedure • Disaggregation • Supplier visits

Consultation Table

This document has been developed in consultation with the groups and/or individuals in this table:

Name of Individual or group	Title	Date
[redacted]	Head of Financial Management	January 2018
Angela Alletson	Deputy Head of Procurement	January 2018
[redacted]	Director of Finance	January 2018
[redacted]	Deputy Director of Finance	July 2023
Chris Sutton	Director of Operational Finance	September 2025
Division Governance Group	Senior Finance Team	September 2025

This information may be made available in alternative languages and formats, such as large print, upon request. Please contact the document author to discuss.

Procurement and Supplies – Policy and Procedure

Table of Contents

Procurement and Supplies – Policy and Procedure

1. Introduction

This Procurement and Supplies – Policy and Procedure (the Policy) sets out the framework within which all procurement in the Trust should be undertaken, in order to ensure and promote consistent and high-quality procurement and contracting.

One of the basic principles of public sector organisations is the proper use of public funds. The majority of people who work in the NHS are honest and professional and they find that fraud and bribery committed by a minority is wholly unacceptable as it ultimately leads to a reduction in the resources available for patient care.

The NHS Counter Fraud Authority (CFA) is independent from other NHS bodies and directly accountable to the Department of Health and Social Care and has responsibility for all policy and operational matters relating to the identification, investigation and preventing of fraud and other economic crime within the NHS and wider health group.

All instances where fraud and bribery is suspected should be investigated until their conclusion by the Local Counter Fraud Specialist (LCFS) or other counter fraud investigators who work for NHS CFA or referred to the appropriate enforcement agency such as the Police or United Kingdom Border Agency. Any investigations will be handled in accordance with the NHS Counter Fraud Manual.
It is important to note that the Policy will not provide step by step 'how to' instructions as each procurement will have its own unique requirements and circumstances. In all instances, advice from the Procurement team is advised.

The SFI's shall take precedence in all instances of conflict between the Policy and the SFI's. Procurement Act 2023 (PA 2023) and its secondary legislation including Procurement Regulations 2024; The Health Care Services (Provider Selection Regime) Regulations 2023 ("PSR"), its statutory guidance and associated legislation (health services only) (**the Regulations**) shall take precedence in all instances of conflict between the SFI's and the Regulations

2. Purpose

The purpose of this document is to detail the key elements of the Trust's Procurement and Supplies Policy, together with procedural guidance for the effective discharge of the Procurement and Supplies function. It also provides guidance in respect of, compliance with UK procurement legislation, Trust Standing Orders, Standing Financial Instructions and best practice.

This Policy should be read in conjunction with those policies listed in Associated Documents section, including the Trust **Anti-Fraud, Bribery and Corruption Policy** the purpose of which is summarised in the Policy Introduction and Purpose. East Sussex Healthcare NHS Trust is committed to reducing the level of fraud and bribery within the NHS to an absolute minimum and keeping it at that level, thus helping to ensure that public resources are focused on providing better patient care rather than being diverted elsewhere.

This policy has been produced, using the NHS CFA model template, by the Local Counter Fraud Specialist and is intended as instruction for all employees on counter fraud work within the NHS. All genuine suspicions of fraud and bribery should be reported to the LCFS in the first instance or through the NHS Fraud and Corruption Reporting Line (FCRL) on free phone 0800 028 40 60 or the Chief Finance Officer

2.1. Rationale

This policy aims to reduce risk by setting out guidance following legislation, best practice and Trust policies and objectives for all staff to follow.

It is not the intention to include highly detailed procedures covering every aspect of each task, but to provide clear guidance on the key elements that are considered essential and where staff are most likely to require guidance and support.

2.2. Principles

East Sussex Healthcare NHS Trust adopts a zero tolerance attitude to fraud and bribery within the NHS. The aim is to eliminate all fraud and bribery within the NHS as far as possible. It is incumbent on all public sector staff to achieve value for money wherever possible. Whilst clinical need and patient care is the overwhelming priority, it is incumbent on all public sector staff to achieve value for money wherever possible whilst undertaking procurement in full compliance with the relevant legislation and good practise guidelines.

PA23 – Part 2 – Principles and Objectives

(1) In carrying out a covered procurement, a contracting authority must have regard to the importance of—
(a)delivering value for money;
(b)maximising public benefit;
(c)sharing information for the purpose of allowing suppliers and others to understand the authority's procurement policies and decisions;
(d)acting, and being seen to act, with integrity.
(2) In carrying out a covered procurement, a contracting authority must treat suppliers the same unless a difference between the suppliers justifies different treatment.
(3) If a contracting authority considers that different treatment is justified in a particular case, the authority must take all reasonable steps to ensure it does not put a supplier at an unfair advantage or disadvantage.
(4) In carrying out a covered procurement, a contracting authority must—
(a)have regard to the fact that small and medium-sized enterprises may face particular barriers to participation, and
(b)consider whether such barriers can be removed or reduced.

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2.3. Scope

This policy applies to all procurement activities (clinical and non-clinical) within the Trust (excluding Pharmacy products and NHS to NHS and Healthcare Contracts covered under PSR). This policy applies to all full-time and part-time personnel within East Sussex Healthcare NHS Trust including bank staff and students. This policy also covers individuals working on behalf of the Trust, such as Independent Contractors, Sub-Contractors and representatives from other Partner organisations.

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

3. Definitions

Procurement and supply management involves obtaining the goods, services and works that enable an organisation to operate efficiently, ethically, and with value for money. Procurement are responsible for overseeing the procurement cycle from sourcing, contracting and supplier management through to end of asset life while managing risk.

Definition and Abbreviations

Authorised Signatory Database	ASD
Capital Resource Group	CRG
Carbon Reduction Plan	CRP
Chartered Institute of Procurement and Supply	CIPS
Clinical Engineering (Electronics and Medical Engineering)	EME
Crown Commercial Services	CCS
Data Protection Impact Assessment	DPIA

Department of Health and Social Care	DHSC
Digital Technology Assessment Criteria	DTAC
East Sussex Healthcare NHS Trust	ESHT
Finance & Productivity Committee	F&PC
Find a Tender	FTS
Fraud and Corruption Reporting Line	FCRL
Government Procurement Agreement	GPA
Invitation to Tender	ITT
Local Counter Fraud Specialist	LCFS
Materials Management	MatMan
Medical Industry Accreditation	MIA
Most Advantageous Tender	MAT
NHS Protect Counter Fraud Authority	CFA
Procurement Act 2023	PA23
Procurement Specific Questionnaire	PSQ
Provider Selection Regime	PSR
Purchase Order	PO
Quotation Recommendation Report	ESQRR
Quotation Report	ESQ
Standing Financial Instructions	SFIs
Standing Orders	SOs
Transfer of Undertakings	TUPE
Value for Money	VFM
World Trade Organisation	WTO

Procurement Thresholds
In public procurement, contract thresholds are predefined monetary limits that determine when a contracting authority must publish notices and comply with specific procurement regulations. These thresholds are set by legislation, such as the Procurement Act 2023. Contracts above a certain threshold are subject to the standard provisions of the Act, while those below may have different regulations.

These thresholds remain aligned with the GPA thresholds which were updated on 1 January 2024 and are revised every 2 years and are covered further on in this policy under Statutory Obligations

4. Accountabilities and Responsibilities

All Trust procurement activity must be directed through the Procurement and Supplies Department; there are three exceptions to this:

- The procurement of drugs, which is carried out by the Pharmacy Department;
- NHS to NHS and Healthcare services contracts, which are carried out by the Contracts and Income team;
  and
- The acquisition of licences for the use of accommodation or property, which is managed via the Director of Estates and Facilities.

All requests to purchase goods and services must be appropriately authorised under the Trust's Scheme of Delegation.

These levels of authorisation may be varied or changed and need to be read in conjunction with the Trust Board's Scheme of Delegation. Both Chief Executive and Chief Finance Officer may delegate their limits to their Deputies during absences.

New Spend or Changes to Spend Model must have the appropriate approval as set out in SFI's and the Capital and Revenue Process prior to procurement commencement and/or contract signature, this includes appropriate committee approval; Executive Committee, Board, F&PC, BDG or CRG.

No person other than those named below are permitted to enter into procurement agreements or authorise procurement purchase orders.

Trust Board	Authorisation of Waivers £2.5m and above Authorisation of PO's £2.5m and above
Audit Committee	Authorisation of Waivers from £500k to £2.5m to be signed off by the Audit Committee Chair
Chief Executive	Authorisation of Waivers up to £500k in conjunction with Chief Finance Officer Authorisation of Waivers up to the Procurement threshold Authorisation of PO's up to £2.5m
Chief Finance Officer	Authorisation of Waivers up to £500k in conjunction with Chief Executive Authorisation of Waivers up to the Public Procurement threshold Authorisation of PO's up to £2.5m
Director of Operational Finance	Authorisation of PO's up to £500k
Head of Procurement	Authorisation of Waivers up to £70k Authorisation of PO's up to £150k
Deputy Head of Procurement	Authorisation of PO's up to £50k
Category Manager	Authorisation of PO's up to £25k
Buyers	Authorisation of PO's up to £5k
Assistant Buyers	Authorisation of PO's up to £1k
Procurement team	Management of Tenders and transactional procurement on behalf of the Trust

Signing of Procurement Contracts following above written authorisation

Above £2.5m	Trust Seal
Below £2.5m	Chief Executive Chief Finance Officer Director of Operational Finance Head of Procurement Deputy Head of Procurement

Procurement Contracts must **NOT** be signed by anyone but the above authorities. If in doubt or if asked to sign anything resembling a contract or committing the Trust to any product, service or spend please contact the Procurement Team **BEFORE** signing.

5. Process

5.1. Business Ethics and Code of Conduct

Within the procurement profession, there is the need for the highest levels of probity and impartiality when dealing with public money. 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) Appendix B.

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

There is also a Code of Ethics set by the Chartered Institute of Procurement and Supply, Appendix C. All Trust staff are required to act both within the spirit and letter of the codes.

5.2. CIPS Precepts

Members shall never use their authority or office for personal gain and shall seek to uphold and enhance the standing of the Procurement and Supply profession and the Institute by:

- Maintaining an unimpeachable standard of integrity in all their business relationships both inside and outside the organisations in which they are employed.
- Fostering the highest possible standards of professional competence amongst those for whom they are responsible.
- Optimising the use of resources for which they are responsible to provide the maximum benefit to their employing organisation.
- Complying both with the letter and the spirit of:
- The law of the UK.
- Such guidance on professional practice as may be issued by the Institute from time to time.
- Contractual obligations.
- Rejecting any business practice which might reasonably be deemed improper.

Guidance

In applying these precepts, members should follow the guidance set out below:

- Declaration of Interest – Any personal interest, which may impinge or might reasonably be deemed by others to impinge on a member's impartiality in any matter relevant to his or her duties, should be declared.
- Confidentiality and accuracy of information – The confidentiality of information received in the course of duty should be respected and should never be used for personal gain; information given in the course of duty should be true and fair and never designed to mislead.
- Competition – While bearing in mind the advantages to the member's employing organisation of maintaining a continuing relationship with a supplier, any relationship which might, in the long term, prevent the effective operation of fair competition should be avoided.
- Business Gifts – Business gifts other than promotional/advertising items with a small intrinsic value such as diaries or calendars should not be accepted.
- Hospitality – Modest hospitality is an accepted courtesy of a business relationship. However, the recipient should not allow him or herself to reach a position whereby he or she might be deemed by others to have been influenced in main a business decision as a consequence of accepting such hospitality; the frequency and scale of hospitality accepted should not be significantly greater than the recipient's employer would be likely to provide in return.
- When it is not easy to decide between what is and is not acceptable in terms of gifts or hospitality, the offer should be declined, or advice sought from the employee's line manager.

For further information the following documents should be accessed

- Interests, Gifts, Hospitality and Sponsorship Policy
- Conflict of Interest recording

5.3. Sustainability

Procurement has an essential part to play in helping the NHS deliver its target of Net Zero by 2045 and achieving wider Social Value priorities therefore these must be considered in all

Procurements. All NHS organisations must include a minimum of a 10% weighting for net zero and social value in above threshold tenders. There are a number of themes that can be applied considering proportionality and relevance to the subject matter:

- Reduce Demand.
- Reduce in use emissions.
- Substitution and Innovation.
- Supply Chain Management.

The NHS Social Value Playbook provides guidance for each stage of the procurement or commissioning lifecycles.

5.4. NHS Data and Security

All contracting processes and resultant contracts must include a consideration of cyber security and Information Governance (IG).

5.5. Information Governance

All contracts with suppliers or third parties which may lead to information being shared which could be covered by the General Data Protection Regulation (UK GDPR) must include terms which will meet the threshold needed to ensure appropriate Information Governance. All contracts must state whether there will be any personal data processing and whether it can be transferred, accessed, processed and stored only in the UK and if this is to change to discuss with the IG team.
Advice on IG matters can be obtained from the Trust's IG Team (details available on the Trust intranet).

5.6. Cyber Security

Consideration must be given to the cybersecurity obligations relevant to the goods or services provided. These obligations should reflect the potential risk to essential functions and operations in the event the supplier is compromised by a cybersecurity incident. Appropriate cybersecurity requirements must be developed with input from relevant stakeholders and digital/IT security teams and incorporated into supplier contracts and procurement processes to ensure alignment with the organisation's risk management policies and regulatory requirements.

Examples of cyber security obligations to consider are:

- right to audit - the right to conduct audits of the supplier's infrastructure, systems, services and premises with appropriate notification or in case of an incident
- incident management - the requirement for suppliers to inform your organisation of ongoing incidents and any impacts to your organisation
- assurance - the requirement for the supplier to provide appropriate assurance evidence at the commencement of the contract and regularly throughout the lifetime of the contract (the specific requirements around this will vary depending upon system and data sensitivity)
- service level agreements (SLAs) - these should also include security service levels covering out of hours support and reporting, handling and remediation of incidents
- vulnerability management - the requirement for the supplier to keep the system, service or software patched and on up-to-date operating systems
- security governance - the expectations of the organisation around security governance within the supplier including security risk management and signing off residual risks

6. Conflicts of Interest

In line with the Procurement Act 2023, all actual, potential, or perceived conflicts of interest are identified, declared, and managed appropriately throughout the procurement lifecycle.

A conflict of interest may arise where the personal, financial, or professional interests of an individual (or a connected party) could influence, or be seen to influence, their impartiality in relation to a procurement decision.

All stakeholders involved in procurement activity — including requisitioners, evaluators, approvers, subject matter experts, and decision-makers — must complete a conflict of interest declaration for each procurement exercise in which they are involved.

Any actual or potential conflicts must be recorded, assessed, and mitigated before progressing further in the process.

Where a conflict cannot be managed, the individual concerned must step back from the process.

All staff involved in procurement activity (including those with budget-holding or decision-making responsibilities) are required to complete an annual Declaration of Interests, confirming any relevant external roles, financial interests, or relationships that could give rise to a conflict.

Annual declarations are recorded in the ESR system, under ‘personal information’ section and must be updated immediately if circumstances change during the year.

Failure to declare a conflict of interest, or to comply with these requirements, may result in disciplinary action and/or referral to the appropriate regulatory authority.

Procurement will maintain a register of interests and conflict of interest records to support transparency and compliance with statutory obligations.

7. Trust Standing Financial Instructions and Standing Orders

The Trust has a statutory obligation to ensure that the conduct of its employees is regulated. Standing Orders and Standing Financial Instructions exist to ensure effective financial control when dealing with public money. Trust staff must ensure that at all times, purchases and procurement processes comply with Trust Standing Orders and Standing Financial Instructions.

8. Waivers of Standing Financial Instructions and Standing Orders

The requirement by which waivers of Standing Financial Instructions or Standing Orders may be instigated are set out in Standing Orders and the Trust Standing Financial Instructions the latest versions of which are found on the Trust Intranet site.

Waivers are required to be submitted when **Single Tender** action is being undertaken, e.g. where only one supplier is being asked to tender, or other instances where competition is not used.

This procedure should only be used with specific authority as laid down in the above Financial Regulations, when:

- the firm possesses ‘unique’ technology or facilities;
- the need, because of its specialism cannot be sufficiently defined for competitive tenders to be obtained;
- compatibility with other similar products within a given environment is essential or desirable;
- reasons of extreme urgency.

The personnel authorised to waive standing Financial Instructions and/or Standing Orders are:

VALUE (Ex. VAT)	TITLE
£0 to 70,000	Head of Procurement or Chief Finance Officer or Chief Executive
£70,000 to Procurement threshold	Chief Finance Officer or Chief Executive
Procurement threshold to £500,000	Chief Finance Officer and Chief Executive
£500,000 to £2,500,000	Audit Committee Chair
£2,500,000 and above	Trust Board

Waivers will only be signed if accompanied by full costing details and part A and B completed detailing the reasons for waiver action. All waivers must be pre-authorised by the Head of Procurement. No procurement shall be undertaken prior to appropriate authorisation of the single tender waiver form.

9. Purchasing Procedure

9.1. Request to Purchase

Purchase action should not start until a formal Purchase Requisition has been received from the 'customer'.

On receipt of the requisition the Buyer should:

Determine the Need - for example:

- what is wanted, for whom and where?
- are there any special supply/delivery requirements? Make sure everyone who needs to know about these requirements does know;
- description and /or the specification? - check with end user;
- can the need be '**aggregated'** with any other outstanding similar requirement?
- challenge the need or specification in the light of your personal knowledge and offer alternative, VFM solutions where appropriate, including the availability of redundant equipment.

Pre-plan the Purchase - consider:

- Delegated responsibility to purchase, i.e. Have you the personal authority to handle and progress the requisition; what is the likely value of the purchase?
- Type of purchasing procedure to be followed i.e.
- Low value – verbal/written quotation, use of the purchasing card
- Medium value - written quotations
- High value - formal tenders
- Establish whether PA23 rules apply.
- Notify 'customer' of any likely time constraints, difficulties etc. Which may affect completion of purchase.

Check - for example:

- Have you an estimate of total cost for the purchase to use as a 'benchmark' when evaluating bids, have whole life costs been considered?
- Is a capex required? If yes has it been fully completed?
- Is a business case needed to support the purchase, has a fully signed off version been included?
- Is this cross-departmental? If yes are there financial implications across the divisions
- Does this need sign off from other teams or groups, i.e. Digital, Estates, CPG etc
- Low Value Purchase Procedure (less than £25,000 Ex. VAT)
- For orders less than £25,000 competitive purchases should be made requesting at least two verbal quotations where available.

- Basic rules of purchasing will apply when buying items of low value e.g. buy locally or from Trade Catalogues, Contracts or Price Agreements.
- Use the purchasing card where possible and appropriate (typically orders under £100).
- Is it available through NHS Supply Chain.

Buyers should consider:

- The maximum use of Contracted Products/Suppliers
- The use at all times of a clear and concise description/specification
- Encouraging alternative cost-effective suggestions by suppliers as an additional offer;
- The cost of time spent by you and suppliers on the enquiry related to the value of the purchase;
- The need for effective and real competition to maximise VFM;
- At all times the customer must be 'kept in touch' with the purchase action.

In this low value category there is no requirement to get or receive response to purchase enquiries other than from one source. It is however good procurement practice to do so. If only one invitation is requested between the values of £10,000 and £25,000 an ESQRR is required.

There is no requirement to get a waiver if a single source purchase is actioned at this financial level.

<u>Medium Value Purchase Procedure (Between £25,000 and £70,000 Ex. VAT)</u>

For all purchases in this category a minimum of two written Competitive Quotations must be requested as detailed in Standing Financial Instructions - Appendix 1.

As with low value purchases, the following good practice should be considered:

- The **maximum** use of Contracted Products/Suppliers
- Obtain a **minimum** of three written quotations, preferably utilising Multi-quote or Atamis.
- The use at all times of a clear and concise performance specification developed by the 'customer' in conjunction with the Buyer;
- Encouraging alternative cost-effective suggestions by suppliers as an additional offer;
- The need for effective and real competition to maximise VFM.

Purchases within this category are subject to different rulings from Low Value Purchases. Single quotation requests require an official Waiver of Standing Financial Instructions/Standing Orders.

As a result of competitive quotations being requested there should be a minimum of **two** <u>written</u> quotations requested and a Quotation Recommendation Report (ESQRR) is required to be completed, if 3 or more are requested then this can be evidenced by quotations received or on a Quotation Report (ESQ). Where two requests are not achievable an official Waiver of Standing Financial Instructions must be completed and approved prior to purchase.

<u>High Value Purchases (above £70,000 Ex. VAT)</u>

All purchases in this category are subject to the Competitive Tender requirement.

<u>Consider</u>

- Invitations to Tender must contain identical and unambiguous information, including a clear and concise performance or output specification together with details of all appropriate NHS terms and conditions
- The Trusts eProcurement system must be used to Always allow reasonable time for a response. In the case of Tenders governed by PA23 rules, the minimum mandatory advert, tender and 'standstill' periods must be strictly adhered to.

- Asking potential suppliers to acknowledge receipt of the Invitation to Tender.
- Encouraging innovative supplier solutions, to be submitted as an additional offer.
- The need to obtain agreement to, and authority for, 'single source' action if this is deemed to be the most appropriate purchasing method. This will require a Waiver of SFI's.
- Tenders below the Procurement threshold level should be advertised through "Contracts Finder".

Single Tender Waiver - will be considered where only one supplier is being requested to tender. **This procedure should only be used with specific authority when the:**

- Proposed supplier has proprietary rights over an article, perhaps the sole outlet or manufacturer;
- The supplier possesses 'unique' technology or facilities unable to be obtained elsewhere;
- Need, because of its specialism, cannot be sufficiently defined for competitive tenders to be obtained;
- Urgency Criteria.

10. Order Process - Non-Stock Requisitioning Procedure

Introduction

Non-Stock purchases are defined as:

> *"Goods or services that are requested directly from Suppliers for delivery to the Trust that are not stored in a local or Central NHS Supply Chain Warehouse".*

The purpose of the non-stock requisitioning system is to allow authorised staff access to goods/services from external suppliers that are required for the legitimate business of the Trust. The system is designed to meet both the needs of internal customers and the Financial and Audit requirements of the Trust, whilst facilitating the achievement of **Value for Money.**

East Sussex Healthcare is a **"No Purchase Order No Pay"** Trust, which means no invoice will be paid without a valid purchase order number. There are a small number of exceptions which can be found in the Purchase Ledger Procedure.

<u>Procedure – Hardcopy Requisitioning</u>

This should only be used in exceptional circumstances. Whenever possible, electronic requisitioning should be undertaken

Requisition points will be issued with a requisition pad, which will be numerically sequenced for Audit purposes. A register will be maintained in the Supplies Department of requisition pads, detailing to whom and where they have been issued. Register of which is kept in the Main Stores.

When completing the requisition, the Requisitioner must provide the following details:

- Requisitioner's Name
- Requisition Date
- Requisition Point Number
- Department Name
- Budget Holder Name and Signature
- Cost Centre/GL4 Code
- Description of Goods
- Details of Supplier and cost (if known)

Failure to provide any of these details may result in the requisition being returned to the Requisitioner for further completion.

Each requisition has two copies, one White (for sending to Procurement) and one Pink for retention in the requisition pad.

The following details are mandatory requirements:

- Department Name
- Requisition Point Number
- Delivery Address
- Authorised Budget Holder name and signature
- Full Description of goods, including supplier part numbers if known
- GL4 code

If any of these details are not available, contact will be made with the Department/Manager concerned. Failure to obtain any of these details will result in the Requisition being **returned to the department** for further action.

In most instances an order will be placed within 48 hours of receipt of the requisition unless the value is such that Quotation/Tender or Waiver action is required. If such action is deemed necessary the requisitioner will be advised as soon as possible.

Electronic Requisitioning (Integra E-Series)

Requisitions are received via the E-Series Electronic Requisitioning system for approval and then the purchase order is raised and issued. All users of the electronic requisitioning system must be authorised and trained in its use and operation prior to use.

When completing the electronic requisition, the Requisitioner must complete the following fields:

- Requisitioner Code
- Requisition Point
- Supplier Number (if known)
- User Reference
- Requisition Notes
- Category/Commodity Code
- Description of Goods
- Quantity of Goods required
- Price of Goods (this will be added automatically where catalogue code already exists)
- VAT Details
- Delivery Date (automatically entered)
- GL Code (automatically entered if item is catalogued).

When all goods have been entered on the requisition, the requisition is accepted. The requisition must be approved by an authorised person i.e. budget holder (this can be the requisitioner). It is the requisitioners responsibility to ensure that the budget holder has enough information to be able to reject or authorise appropriately. In most instances an order will be placed within 48 hours of authorisation of the requisition unless the value is such that Quotation/Tender or Waiver action is required Failure to meet this deadline may delay the despatch of the Purchase Order to the next working day. If there is an urgent requirement the Buyer must be contacted to enable the expedition of the purchase order.

A Buyer with the necessary authorisation within Procurement & Supplies will process the Requisition into a Purchase Order. When completing the electronic requisition, the Buyer must complete the following in the Buyer Authorisation field:

- Buyer Code

- Approve individual lines of requisition
- Create into Order

Electronic Orders via Integra E-Series

Integra E-Series is On-Line Requisitioning

This is an electronic requisitioning system to replace paper requisitions.

Users of this system must be Authorised by Finance, their own General Manager through the Authorised Signatory Database (ASD), have access to the Intranet and be trained by Financial Systems accordingly.

User guides are available from within Integra. Further help and assistance is offered by Financial Systems.

When completing E-Series requisitions:

- After log on you will see the Homepage
- Select Navigate/Menus/Purchase Ordering/Web Basket/Web Basket Data Entry/Basket Entry
- If your Requisitioner Code does not infill automatically click the magnifying glass icon and select your Requisitioner Code
- If your Requisition Point does not infill automatically click the magnifying glass icon and select from the list
- Click Next to proceed to the requisitioning screen
- Click the magnifying glass icon next to the For Supplier field in the centre of the screen
- Complete the grid with as much information as you have to narrow the search
- Double click on the required item
- Click the Search button next to the infilled Search field
- Enter any notes by clicking on the pad and pencil icon
- Enter the quantity required and click on Add
- Click on the cart icon and then Requisition Summary to complete requisition

11. Sourcing of Goods and Services

Internal Sources

- In-house records including purchase orders, supplier assessment, contract lists. These may include local firms as well as national or international companies and will normally be held in the Procurement department.
- From the procurement department system.
- Internal specialist expertise or knowledge.

Other Public Sector Sources

- Other government departments' central Procurement units
- Central Procurement Agencies, (CCS, NHS Supply Chain)
- Collaborative Procurement Hubs
- Other NHS Trusts procurement departments
- NHS collaborative resources (NHS Futures)

External Sources

- Web based supply directories
- Trades directories

- General press advertisements
- Exhibitions - public and private
- Professional bodies
- Responses to Contracts Finder/Find a Tender notices
- Search engines

12. Placing of Non-Stock Orders

Following the selection of a supplier, the next stage is to place a Purchase Order, using standard NHS terms and conditions of purchase. This is to be used for all purchases, clearly showing what the purchaser is committed to accept and pay for.

Purchase Orders are legally binding on all parties as contracts and are 'tailored' to specific events.

Completion of Purchase Order

Before authorising the Purchase Order, it must be checked to ensure that it is comprehensive. The following checklist should be completed:

- Purchase Order number - sequential; as a unique reference number for correspondence, security, goods receipts and invoice payment
- Order issue date
- Customer's requisition number
- Supplier full name and address
- Delivery location name and address - any special requirements
- Trust full name and invoicing address
- Quantity, full description, price of goods etc. to be supplied (including discounts and whether VAT inclusive)
- Supplier quotation/tender reference and date
- Payment terms, including any cash settlement discounts (pre- payment and 'cash with order' payments must not be made without specific authority)
- Delivery/completion date required (quote a specific date i.e. 10th January 2023, NOT '4 weeks'
- Delivery terms (i.e. free, ex-works etc)
- Any special packaging details
- Any special purchase terms and conditions (other than those printed as standard terms and conditions)
- Applicability of appropriate legislation to the goods to be supplied (Health and Safety etc)
- Requirement for any certificates, notices of compliance, manuals, etc
- VAT exemption for purchasing supplies, authorised by Chief Finance Officer or Nominated Officer.
- Total value figure for the order
- 'Customer' cost centre and accounts codes; and
- Authorising signature(s) in accordance with current policy

Where the Purchase Order is being issued to confirm a verbal instruction already given, it should be annotated to avoid duplication, e.g. ***'Confirmation of Purchase Order No…. placed by telephone with X on 21st January 2023'.*** The order number quoted verbally must correspond with that on the confirming Purchase Order - Verbal orders should only be given in cases of extreme urgency.

Once the appropriate Purchase Order activity has been completed, a signed Purchase Order will be emailed through to the Supplier dependent upon the urgency of the required item.

Authority to Sign Official Orders

An official Purchase Order placed by the Procurement Department must be signed by an Authorised Officer. The Officers authorised are:

TITLE	**TO A VALUE INCL. OF VAT**
Trust Board Seal	Above £2,500,000 (for contract)
Chief Executive	£2,500,000 (above £2,500,000 if original contract Trust Sealed)
Chief Finance Officer	£2,500,000 (above £2,500,000 if original contract Trust Sealed)
Director of Operational Finance	£500,000
Head of Procurement	£150,000
Deputy Head of Procurement	£50,000
Category Manager	£25,000
Category Assistant	£20,000
General Supplies Buyer	£5,000
General Supplies Assistant Buyer	£1,000
Auto-email orders non-contract lines	£10,000
Auto-email orders contract lines	£20,000

Individuals may **not** sign their own orders.

Distribution of Order Copies

Copies of orders for all Electronics and Medical Engineering (EME Equipment) must be sent to the appropriate EME Office. All orders for EME equipment must be delivered direct to the EME department.

13. Types of Purchase Ordering

Standard Purchase Orders

Under normal circumstances, a purchase order will be placed with a supplier following receipt of an authorised requisition. Official Orders will comply with the requirements of these procedures and will normally be placed with suppliers by Auto-email. Where this is not possible, the order should be sent to the Supplier by email or post.

Urgent or 'Reserved' Purchase Orders

Where goods or services are required as a matter of urgency, an Official Order Number can be given to a supplier to allow them to commence work or supply goods. This action **must**, be followed, as soon as possible by a 'Confirmation' Purchase Order. Purchase orders may also be placed urgently by email with Suppliers. Order Numbers **must not** be given to or by unauthorised staff.

Standing Order

This is where a Purchase Order is placed with a supplier detailing regular pre-arranged deliveries of specified goods and quantities again an agreed schedule. The Purchase Order is specific to one customer and one supplier and will have a quantity schedule. Conditions of contract and prices will either be as per contract or negotiated prior to the purchase order being placed.

Call off Order

This facility exists to allow specific items to be 'called off" from a supplier at intervals to suit the customer. These orders are customer, supplier and product specific. Prices and Terms & Conditions must be pre-negotiated. The Purchase Order will either have a value and/or time restriction. These orders should be used with great caution and **must** be monitored each month by the Procurement Department. This type of ordering should not be regarded as open-ended and will be subject to regular review by the Procurement Department in conjunction with the user.

Delegated Ordering (Local Orders)

The procurement of all goods and services, (excluding drugs, and pharmaceutical) within the Trust is the responsibility of the Head of Procurement.

This responsibility may, be delegated (or removed) by the Head of Procurement, to individual Managers by way of a local ordering facility. The purpose of this is, in certain circumstances, to allow local operational flexibility for Managers to ensure continuity of services, and/or supplies.

The circumstances where this is acceptable are where:

- The purchases are against pre-set products at pre-negotiated prices e.g. Contract or Formal Price Agreement.
- The activity is unique to the function or department.
- The activity is of a low value, repetitive type nature.
- An emergency situation exists.
- In accordance with the Trust Standing Financial Instructions.

Only Budget Managers, or who act on behalf of Budget Managers are authorised to sign local orders.

A list of authorised signatories will be maintained. Any changes in authorised signatories must be communicated to the Chief Finance Officer and will be available via the Integra E-series.

Unauthorised use of local orders will result in the facility being withdrawn. Budget Managers are reminded that close control over local orders is essential and that the facility can and will be periodically audited on behalf of the Chief Finance Officer.

Misuse of Local Orders

If any delegated officer is found to be abusing the use of local ordering, the matter will be referred to the Head of Procurement, who may, at his discretion, withdraw the local order facility.

General

The above procedure outlines and satisfies the requirements of the Trusts Standing Orders and Financial Instructions and enables the Trust to comply with its audit requirements. The issuing of local ordering facility must, be based on operational departmental need against the criteria detailed in section 4.3.

14. Simplified Procedures for Purchasing Card Holders

- Your card monthly spend limit is pre-set and agreed with the Purchase Card Administrator.
- Your single transaction limit is pre-set and agreed with the Purchase Card Administrator.

- Only the Purchase Card Administrator can amend pre-set limits.
- You can place purchasing card orders either in person, on the Internet or over the phone.

However, either way you must record the details on the purchase card log sheet.

- Keep this on Excel and add to it after each transaction.
- A purchase order requisition should be retained and filed where the purchase is being made centrally by Procurement & Supplies buyers.
- The key information you will need to keep is;
- Buyers initials
- Date of order
- Supplier
- Ward/Dept
- Contact name
- Description of Goods
- GL4 Code
- Carriage
- Value
- Total including VAT
- Statement Paid
- Credit Received
- Date Received
- Delivery Date Due
- Breakdown
- Total including VAT

As you place the order, make sure you ask for a VAT invoice; this should be kept within a file with your log sheets. At present, statements must be retained for 2 years.
Your monthly statement must be downloaded, check the details off against your PC log. If you find any queries take these up with the supplier. Sign and return the statement by the 4th of the Month to the Treasury Services Accountant, along with the statement. Financial Services require the sheet to match and a GL4 code to be logged for each transaction. Sheet must be signed by the relevant Manager.
If the card is declined, the cardholder can obtain further assistance from the Treasury Accountant.

15. Expediting

Expediting is the process of informing external suppliers of the importance of delivering to an agreed timetable and it is also known as ‘progressing’. This is the responsibility of the Procurement Department. From the Quotation or Tender, the supplier should be aware that we place significant importance on timely delivery when choosing where to place business.

Source information for use by the Buyer is available through Integra standard reports. The supplier should also be informed of the need for expediting at the inception of a Purchase Order. It may be linked to ‘milestones’ within the suppliers’ own supply programme but action should not wait until goods are overdue. There should be close liaison between the stakeholder, the buyer and the supplier on key equipment and products.

The method and frequency of expediting an order will vary according to the nature and importance of the purchase. To be effective it must be selective.

16. Cancellation and Force Completion of Purchase Order

A properly processed purchase order is a legally binding contract between a purchaser and a seller and it is therefore essential if cancellation is being considered, that the full consequences and costs of cancellation are assessed and understood.

A decision to cancel a purchase order must be made in writing and must be accepted by the Supplier in writing.

As part of the expediting process, the Buyer must seek to establish if a part delivered order is considered complete by the Supplier. Many suppliers fail to supply the full quantity ordered and if left this can cause an order to remain on the ledger indefinitely. Therefore it is the Buyer's responsibility to establish the order status and request the Finance Systems Liaison Officer to amend the purchase order within Integra to reflect its force *completion* or cancelled status. Any queries regarding Integra procedure should be raised with Financial Systems.

17. Purchase of Capital Equipment

All Procurement of Capital Equipment will be undertaken in consultation with the Deputy Head of Financial Services, the Operational Services Director and Department Head where the equipment is to be fitted/used.

Capital Equipment is defined as items of Equipment purchased with non-revenue money (which includes equipment purchased wholly or in part by charitable donations) and having a Capital Asset Register value of greater than £5,000.

Any Capital Purchases made will normally form part of the Capital Programme, which is the responsibility of the Head of Financial Services and the Chief Finance Officer.

All medical equipment purchases must be accompanied by a CAPEX form. It is the responsibility of the Requisitioner to raise this document and for the obtaining of relevant signatories. All requests for the procurement of new medical equipment must have the approval of the Clinical Procurement Group prior to submission to the Capital Resource Group (CRG). A Quality Impact Assessment must be undertaken, signed by the Medical Director and appended to the Capex form prior to submission to the CRG.

Capital purchases over £250,000 require a Business Case to be approved by the Chief Finance Officer before the tender process can commence. Written confirmation of this acceptance must be obtained from the Deputy Head of Financial Services.

The table below summarises the approval requirements for capital cases:

Asset Type	Documentation		Approval			
	Capex	Business case	CRG	Executive Directors	F&I	Board
Replacement	✓	<£1,000k	All	<£1,000k	<£2,500k	<£5,000k
Investment	✓	<£250k	All	<£250k	<£500k	<£1,000k

18. Quotation and Tender Procedure

Introduction

The key objective of the competitive Quotation and Tendering process is to ensure that the 'most suitable' supplier is selected to provide goods and/or services on terms which offers best value for money (VFM). The most suitable supplier is one who is technically and commercially capable, financially sound, keenest to obtain and agree a contract on the best VFM terms, and who will execute it efficiently. Value for Money in the Procurement Process can be summarised as:

- ✓ **Right Quality**
- ✓ **Right Quantity**
- ✓ **Right Place**
- ✓ **Right Time**
- ✓ **Right Price**

VFM is not just about price it also includes:

- Fitness for purpose (Quality)
- Delivery and availability (against price)
- Whole life costs or the cost of ownership (maintenance/running costs), disposal of delivery packaging and disposal of the products/equipment at the end of their useful life
- On cost (Storage and Transport)
- The cost of procurement itself (the time spent on the purchase, invoicing etc)

The Trust has a statutory obligation to achieve value for money and be able to publicly demonstrate that it has done so through the Internal and External Audit Process and that it has done in an ethical manner in compliance with NHS England's Standards of Business Conduct Policy.

<u>Standing Financial Instructions/Standing Orders</u>

All Quotation and Tender action must be performed in compliance with the above. These are contained within **Standing Financial Instructions– Non Pay Expenditure - Section 10**

These are mandatory requirements and detail the procedures to be adopted and the financial limits set by the Board of Directors for quotation and tender action.

<u>The Financial limits are currently</u>:

FINANCIAL VALUE	PROCEDURE
Up to £25,000 ex VAT	Minimum of 1 written quotation (where this may be impractical, 1 verbal quotation may be obtained and the reasons for this documented)
Above £25,000 to £70,000 ex VAT	Minimum of 2 suppliers invited to submit written quotations
Tenders above £70,000 ex VAT to Procurement Threshold	Minimum of 3 invitations to tender
Tenders above The Public Procurement Threshold	Minimum of 4 invitations to tender

Contained within the respective Standing Orders and Instructions are the circumstances under which the need for competitive procurement may be waivered (See Waivers of Standing Financial Instructions and Standing Orders).

Evaluation Criteria for Quotations/Contracts

The aim of the evaluation process is to select the proposal, which represents the **most advantageous tender (MAT)** by a balance between price, quality, performance, delivery, risk and overall cost of ownership. The criteria used in making this judgement, and their weightings, must be agreed with the project team **before** inviting bids. The criteria must be included in the Find a Tender Service (FTS) advert or in the Invitation to Tender (ITT) document (if over the threshold).

Criteria for judging bids will include capability, technical compliance, and quality of proposed performance and the relative costs of the various tenders. It is essential that Tenderers are aware of the evaluation criteria to be used. Buyers should avoid any subsequent change, which may lead to legal challenge as well as being unethical.

An acceptable minimum criterion is the '*MOST ADVANTAGEOUS TO THE CONTRACTING AUTHORITY'* This criterion is commonly quoted on Trust Find a Tender adverts, however, other technical and commercial factors, which may have a significant effect on the evaluation, should and are, also included.

When advertising on the FTS portal, evaluation criteria must be shown in the notice or referred to and defined in the tender documentation. If these are weighted during the process of evaluation, this must be declared in the advert and in the ITT document.

Statutory Obligations

The Procurement Act 2023 regulations set out the law on public procurement. Their purpose is to open up the public procurement market and to ensure the free movement of goods and services within the EU. The Full legislation can be found on the Governments Legislation page; https://www.legislation.gov.uk/ukpga/2023/54/contents

The rules apply to certain purchases by public bodies such as the Trust which are above set monetary thresholds. The threshold values at which public procurement opportunities are subject to the full suite of regulations governing public contracts are revised every two years to take account of currency fluctuations, and to ensure the UK complies with its obligations under the World Trade Organisation's Agreement on Government Procurement Agreement (GPA). The latest thresholds can be found on the gov.uk website; https://www.gov.uk/government/publications/procurement-act-2023-guidance-documents-define-phase/guidance-thresholds-html

Gateway Process and Tender Preparation

All work which is competitively tendered must be advertised to ensure full market potential is explored. Tenders should only be started once full approval has been received for the expenditure and the Gateway Process has been completed through the Procurement Initiation Form (PIF).

Gateway Process (via PIF)

- Completion of the PIF is mandatory for all non-transactional procurements prior to commencing any tender.
- The PIF must be signed by the Budget Holder, Finance Business Partner/Deputy, and Head of Procurement (or delegate), confirming that the requirement, budget, and approvals are in place.
- Procurement will not commence until a fully approved PIF has been submitted to the Procurement & Supplies Department.

- The PIF provides assurance that cross-departmental input (e.g. Finance, Digital, Estates, HR, IG, IPC) has been obtained, conflicts of interest have been declared, and that the requirement is aligned with Trust strategy.
- Associated documentation such as Business Cases, DPIA, DTAC, TUPE, CRP/Net Zero and other compliance evidence must be attached where relevant.

Advertising and Market Engagement

Advertisements should be placed in Central Digital Platform under the Find a Tender Service (FTS). The advertisements should contain a description of the type and volume of the work and invite potential contractors to make themselves known, with evidence of their suitability, by a specified date. If a shortlist is to be created, all suppliers who have expressed interest and meet the suitability criteria must be considered.

In addition, procurement staff should consider widening their knowledge of a particular market by engaging with:

- Trade associations and research institutes
- Local chambers of commerce
- Industry representatives interested in expansion or diversification
- Other NHS Trust supplies departments, NHS Supply Chain, NHS Commercial Solutions, or CCS central buying teams
- Trust medical and operational staff

Communication - Contacts with Potential Tenderers

Pre-tender meetings with potential contractors are important, but no Tenderer should be given advantage by offering more information than another.

The Trust may wish to request a visit to all potential contractors' premises, so that a first-hand assessment of facilities and systems can be made. This is to be encouraged.

Potential contractors may welcome an opportunity to obtain further information on the way in which a service is currently delivered, possibly including a visit to relevant customer sites. The aim is to be as helpful as is reasonably possible, without spending excessive time or money. Ensure all potential suppliers receive the same information, limited to details of how the function is organised and delivered.

You may need to meet after tenders have been submitted, to clarify specification, methods, standards and controls. Departments may need to check work done by potential contractors and to remind them of any legal requirements.

To demonstrate that all Tenderers are treated equally, any information provided should be carefully recorded.

Conditions of Participation of Prospective Tenders (Procurement Act 2023)

Under the Procurement Act 2023 (PA23), contracting authorities must only set conditions of participation that are proportionate, relevant to the subject matter of the contract, and necessary to confirm that a supplier has the capability and capacity to deliver.

The Procurement Specific Questionnaire (PSQ) will be the primary tool for assessing these conditions for above-threshold procurements. The PSQ is used to confirm:

- Legal status of the supplier (including grounds for exclusion)
- Financial standing and ability to deliver the contract

- Technical and professional ability relevant to the goods, works or services

Conditions of participation must:

- Be clear and objectively measurable
- Avoid unnecessary barriers for Small Medium Enterpises, Voluntary, Community and Social Enterprises, or new entrants
- Only relate to information the supplier can reasonably provide at this stage

Important: Under PA23, suppliers who pass the conditions of participation stage cannot be re-tested against those same conditions later at tender evaluation.

The PSQ should be issued at the outset of the process, and only suppliers who meet the conditions should proceed to the tender stage. This ensures that:

Only suppliers with a realistic prospect of winning the contract incur the cost of preparing a full tender

The Trust's procurement process remains efficient, fair and transparent

Evaluation of PSQs must be:

- Conducted jointly by the procurement team and subject matter experts
- Fully documented with clear reasoning for decisions
- Retained for audit purposes in line with PA23's transparency obligations

Procurement teams should remain open to early supplier engagement (e.g., site visits, market briefings) where appropriate, provided all suppliers receive the same information and opportunities.

All suppliers who express interest must be informed of the outcome of the PSQ stage:

Successful suppliers should be invited to tender

Unsuccessful suppliers must receive a formal notification explaining why they did not meet the conditions of participation, in line with PA23's fairness and transparency principles

19. Framework Agreements

The Procurement Act 2023 (Act) defines a framework as:

"a contract between a contracting authority and one or more suppliers that provides for the future award of contracts by a contracting authority to the supplier or suppliers.' (section 45(2)). This means that a framework sets out the provisions under which future contracts for the supply of goods, services and/or works are to be awarded.

The Act defines an open framework as a: 'scheme of frameworks that provides for the award of successive frameworks on substantially the same terms' (section 49(1)).'

The Act rules on framework agreements allows for calls-off to be made following the conditions:

- **Call-off contracts** under a framework can be awarded **with or without competition** among framework suppliers.
- A **competitive selection process** is required if competition is used, and the **selection process must be described in the framework agreement** (section 45(5)(d)). The detail may be **high-level or more specific**, depending on the framework.

- Contracting authorities may set general or specific **conditions of participation** to assess suppliers' technical capabilities during the call-off process.
- In a competitive process, **only the original framework award criteria** may be used to assess suppliers, though these may be **refined** (e.g., adding sub-criteria or clarifications) (section 46(9)).
- A **non-competitive call-off** is only permitted if:
    - There is an **objective mechanism for supplier selection** set out in the framework.
    - The **core terms** of the call-off contract are predefined and unaltered (except as allowed under section 74). Core terms may include deliverables, pricing, warranties, record keeping, indemnities, termination, etc.
- Examples of objective selection mechanisms include:
    - **Taxi-rank system** (rotational basis).
    - **Highest-ranking system** with a cap on the number/value of contracts per supplier.
- A framework **cannot be used** to award:
    - Another framework.
    - A concession contract (section 45(8)).

20. Opening Formal Tenders – Electronic Submissions

Wherever possible, the Atamis portal shall be used for the return of tender submissions. The portal maintains an audit trail of tender submissions and negates the use of the process detailed below – "Opening Formal Tenders if hard copy returns are required".

The Procurement manager responsible for the Tender exercise shall ensure that, on receipt of tenders, they are checked for compliance. They will then be responsible for the distribution of all compliant submissions to the relevant evaluators ensuring that only the "quality/technical" responses are disclosed to evaluators.

The Commercial element of responses shall be maintained in confidence by the Procurement manager and only disclosed following final evaluation of the quality responses.

21. Opening Formal Tenders – Hard Copy Returns

This is only to be used in exceptional circumstances and must be agreed in advance with the Head of Procurement.

Between the receipt and opening of sealed tenders, the tenders shall be retained securely by the Chief Executive's Office for hard copy tenders or within the secure e-VAULT for e-tenders.

As soon as practicable after the date and time stated as being the latest time for the receipt of tenders they shall be opened in the presence of two senior officers ('witnesses') designated by the Chief Executive. To reflect good practice, this should be within 5 days. A list of authorised persons can be found in *Reservation of Powers to the Board and Delegation of Powers* within the Corporate Governance file.

At the tender opening, each page of the tender containing prices shall be stamped with the date and time of opening and the two witnesses shall initial the stamp.

A tender opening summary sheet shall also be completed during the opening of the tenders in order to create a permanent record of competitive tenders received.

The tender opening summary sheet shall record the following information:

a) the suppliers/individuals invited to tender;
b) the names of suppliers/individuals from which tenders have been received by the due date and time, by the placing of a Y beside those listed in (a);
c) the total price(s) tendered by each tenderer (where this is possible);
d) the total number of tenders received;
e) the date and time of opening, by the stamping of the summary sheet in the bottom right hand corner and the initialling of that stamp by both witnesses.

Both witnesses shall also print and sign the tender opening summary sheet in full and their job title shall be shown. The original is retained in the Tender Opening Records folder kept by Procurement Contracts Coordinator; the second copy is kept with the tender documentation folder.

Each page within the tender return with a value on shall be stamped and initialled by both witnesses. This copy will be kept by Procurement.

If, following a request for sealed tenders, one or more tenders are submitted not under seal, that tender(s) may be considered. In such cases, the tender pricing pages will be stamped as normal, but the first page will be annotated 'not under seal' and initialled by both witnesses. Such tenders shall also be recorded on the tender summary sheet in the normal way but the sheet shall also be endorsed 'not under seal' beside the firm/individual's name.

Tenders received after the due date and time shall be disqualified.

A record shall be maintained of all price alterations on tenders i.e. where a price has apparently been altered, and the final price shown shall be recorded. Both witnesses should initial every price alteration appearing on a tender and the tender opening summary sheet.

A report shall be attached to the tender opening summary sheet if, on any one tender, price alterations are so numerous as to render the procedure unreasonable.

All envelopes in which the tenders were returned should be retained with the tender returns.

22. Evaluation of Tenders (Electronic and hard copy)

The Procurement & Supplies Department will convene a tender evaluation team.

The overriding principles in the evaluation and management of tenders must be those of transparency and non-discrimination.

The evaluation team must always comprise the Procurement manager and the user department representatives and all tender evaluators. Additionally, where appropriate, the following professionals should also be considered:

- Infection Control
- Health & Safety / Risk Management
- EME
- Personnel
- Estates / Facilities
- ESHT Digital
- Other stakeholders with a bona fide interest in the tender

All tenders shall be evaluated individually by members of the evaluation panel. The Evaluation Panel must record comments against all evaluation criteria scores detailing the reasons for the decision. Following individual evaluation, a moderation panel of all evaluators shall be convened and final scoring for each submission agreed by the panel with comments recorded. A record of all comments and scores shall be prepared explaining where non-compliance exists, identifying all changes made to ensure full compliance to be kept by the Procurement manager.

The evaluation moderation meeting should assess the relative merits of the returned tenders on the basis of the advertised criteria and weightings which have been agreed by the Evaluation Panel (and Project Board if appropriate) prior to and published in Notice and or the ITT documentation issued to Tenderers. Before undertaking the evaluation each Evaluation Panel Member must sign a declaration stating:

- that they don't have any financial or any other interest in the business of the tenderers who have been invited to submit tenders.; and
- that they will undertake the evaluation in an ethical manner without showing any favours to any tenderers.

Evaluation of tenders is carried out using the agreed evaluation criteria and weighting by assessing (but not limited to) the following:

- the overall compliance
- ability to supply
- the technical compliance with the specification
- Whole Life Costs
- Social and environmental values

23. Award of Contract

On completion of the evaluation exercise, the 'Contract Award Recommendation Report" will be written by the Procurement manager and presented to the 'customer' who will sign off the award recommendation; this will then be forwarded to the Head of Procurement for approval of contract award approval. Notification of the award of contract will be made in writing to the successful Tenderer. Notification to award is also required to be sent to Contracts Finder dependent on value.

24. Mandatory and Voluntary Standstill Period

Unsuccessful Tenderers shall be notified in writing and given relative merits/demerits of their own tender and their scoring against the winning scores (Assessment Summary).

If the tender is governed by PA23 rules, then there are key deadlines for advertising the award of the contract and notifying successful and unsuccessful suppliers.

The standstill period is a minimum of 8 working days. If no legal challenges are issued by suppliers, the contract may proceed with the contract from working day 9. Weekends and bank holidays (bank holidays in the UK are listed or created under the Banking and Financial Dealings Act 1977) in any part of the United Kingdom do not count as working days for the purposes of calculating the standstill period. This means that all of the bank holidays in England, Wales, Scotland and Northern Ireland will need to be factored in when calculating the standstill period. The same process applies to voluntary standstill periods.

Certain contracts (section 51(3)), such as direct awards for extreme urgency or light touch contracts, are exempt from the mandatory standstill period, though a voluntary pause may still be observed.

Working Day 1	Publication of Contract Award Notice – Start of Standstill Period
Working Day 9	The Contract may be entered into
Day 11	Conclusion (final award of contract if no legal challenge has been received.)

All relevant UK procurement legislation must be adhered to.

The contract award notice is published at the end of a process to award a contract. It will be preceded by either the tender notice (for competitive tendering procedures) or the transparency notice (for contracts awarded directly under sections 41 or 43 or under regulations made under section 42)

25. Supplier Representatives

Only individuals accredited under the Medical Industry Accreditation (MIA) Scheme are permitted to visit wards or departments. All supplier representatives must comply with the Medical Industry Accreditation (MIA) Scheme before attending any ward or department full details are set out in the Company Representative Policy and Procedure.

- Representatives must hold valid and current MIA membership.
- All visits must be arranged in advance via the MIA website, which records the purpose of the visit.
- The visit has been registered through the MIA Appointment Booking System at least 48 hours in advance, unless attendance is required for an urgent case.
- The representative has downloaded the MIA Smartphone App and is wearing their official MIA identification badge while on Trust premises.

Suppliers who do not meet these requirements may be refused entry.

For all queries regarding the MIA system, suppliers should be directed to help@miaweb.co.uk or telephone 01732 920 900.

26. Onboarding of New Suppliers

In accordance with the Procurement Act 2023, all new suppliers must undergo a proportionate due diligence and exclusion checks process before being approved for use by the Trust. A New Supplier Onboarding Form, managed by Accounts Payable in conjunction with the Procurement Team, must be completed in full. This form captures key due diligence information including company registration, VAT details, financial standing, mandatory and discretionary exclusion grounds, and conflict of interest declarations. Procurement will review and risk-profile the supplier to ensure suitability before approval is granted. No supplier may be onboarded onto the Finance and Procurement system or engaged in any procurement activity until the form has been submitted, reviewed, and approved, and all compliance checks have been satisfied.

In addition to onboarding, the Trust will carry out ongoing due diligence and exclusion checks throughout the lifecycle of supplier engagement. This ensures that suppliers remain compliant with legislative requirements, retain financial and technical capability, and are not subject to mandatory or discretionary exclusion grounds during the course of their contracts.

27. Disaggregation Monitoring

To ensure compliance with the Procurement Act 2023 and the Trust's Standing Financial Instructions, the Procurement Team will monitor procurement activity for signs of disaggregation (i.e., the artificial splitting of requirements to avoid procurement thresholds or approval routes). Category Managers are responsible for reviewing requisition and spend data on a monthly basis to identify patterns of repeat or cumulative spend with the same supplier or within the same category. Any potential cases of disaggregation must be investigated with corrective action taken where required.

28. Freedom of Information Act

The Freedom of Information Act (FOI) gives a general right of access to all types of recorded information held by public bodies (including the NHS) and sets out exemptions from that right and places a number of obligations on public authorities. Buyers and the Evaluation Panel must be aware that any information recorded either in hard copy and / or in an electronic format may have to be disclosed.

Further information can be found on the ICO website https://ico.org.uk/for-organisations/guide-to-data-protection/

29. Retention of Tender Documentation and Recording of Statistics

A Tender Register will be maintained in the Procurement Department, which details the following information:

- Date
- Render Reference number
- Project title
- Directorate/Department
- Buyer
- Number of Tenders received
- Supplier with the lowest tender
- Awarded to
- ESHT Contract
- Awarded
- Total value of contract (primary period)
- Initial contract period years
- Optional extension on period (years)
- Tender opening date
- Contract award date
- Reported to Audit Committee
- Reported to Supply Board
- Contract start date
- Contract finish date
- Contract extension start date
- Contract extension finish date
- Contracting Authority
- Notes

This will be retained together with the tender details.

A flow chart of the full tender process from initial request from a sponsoring department through to award is shown in Appendix 2.

30. Archiving Procedures

<u>Archiving of New Files</u>

- File for archiving should be given to the Procurement and Contracts Coordinator
- This will be added to the current archive box
- Contents will be added to the “Live Archiving” register
- The box will labelled on both ends and the top with contents and register number
- New boxes will then be archived with our off-site storage facility and recorded as such

Retrieval of Tender Files & Boxes

- Buyer places request for tender file or box with the Procurement and Contracts Coordinator
- These will be recalled from the off-site storage facility
- File or box will be listed as out of archive to that buyer
- When the buyer has finished with file or box they will be returned to the Procurement and Contracts Coordinator
- The Procurement and Contracts Coordinator will then return file or box to the off-site storage facility and amend register accordingly

Objectives achieved by above procedure;

a) Centralised tracking of all archive files and boxes.
b) Archives tended to by same staff.
c) Each buyer remains responsible for files and boxes whilst signed out.

31. Disposal of Surplus or Obsolete Stocks or Equipment

Introduction

The Trust during the course of its normal business activities will generate items for which it no longer has a use.

Under the current Standing Orders of East Sussex Healthcare NHS Trust, it is the responsibility of the Head of Procurement to set and agree a policy on disposals for the Trust. (See Standing Order 37, section B). The policy and procedural document for disposals is published on the Trust Intranet. It is also incumbent on the Head of Procurement to ensure that any disposals activity complies with Standing Financial Instructions, Standing Orders and any Statutory and/or Legal requirements. Disposals activity in the Supplies Context will cover all consumable articles, plant equipment, fixtures and fittings, machinery and old material.

The main purpose of the Disposals procedure is to maximise the residual value received from any disposals activity, whilst ensuring that the Trust acts in such a manner as to comply with the guidance set out in HN (89)22 regarding the disposal of obsolete or surplus socks or equipment. Under these regulations, the Trust has a duty and responsibility to ensure that all disposals or sales comply with statutory and legal requirements.

Procurement staff should be aware of the relevant provisions of the Trade Description Acts 1968 and 1972, Consumer Protection from Unfair Trading Regulations 2008 and of the duties imposed upon them by sections 3 and 6 of the Health and Safety at Work Act 1974 and the Electricity at Work Regulations 1989 and WEEE Regulations.

The Consumer Protection Act 1987 makes specific provision in relation to consumer safety (in force as from 1 October 1987) and in relation to product liability (in force as from 1 March 1988). Health Authorities/Trusts could become liable to prosecution or payment of damages under the Act if care is not taken when disposing of obsolete or surplus stocks and equipment.

Implications of the Consumer Rights Act 2015

The liability provisions of the Act apply principally to the producers of products (or those deemed to stand in their place). The consumer safety provisions are directed at the suppliers of new consumer goods or products intended for private use or consumption. Nevertheless, when disposing of surplus or obsolete stocks and equipment other than by destruction or scrapping, if Health Authorities/Trusts inadvertently supply a defective or dangerous product, they can become liable to prosecution or substantial damages. Contractual or tortuous liability at common law might also arise as well as or irrespective of the various statutory provisions.

Written Undertakings

The Trust must obtain a written undertaking from any new owner at the time of sale or disposal. This will not itself protect the Trust from the legal consequences of selling or disposing of defective or dangerous products but is important because it draws the attention of the recipient to latent or inherent risks. An undertaking along the following lines may be appropriate:

'In consideration of sale (or gift) ... (the recipient) accepts responsibility for having (the equipment) checked before use and thereafter maintained appropriately to ensure its continued safe effective use and for following any instructions, advice or warnings issued by the manufacturer or other competent body'.

Procedure

The means of disposal of surplus or obsolete stock and equipment will depend on their state. Manufacturers or Suppliers may take back unused, undamaged, not time-expired, materials and give credit. Payment/credit must be obtained for stock disposed of in this way.

Direct sale or gift of stocks or equipment to private individuals should be done with extreme caution. Sales of Electro Medical Products should only be done with the written authorisation of the EME Manager.

When disposing of items as scrap, the Trust should raise Condemnation Note to indicate the items can be disposed of. In cases of doubt, the appropriate Scientific and Technical or Legal advice should be sought.

The items for disposal will split into two categories:

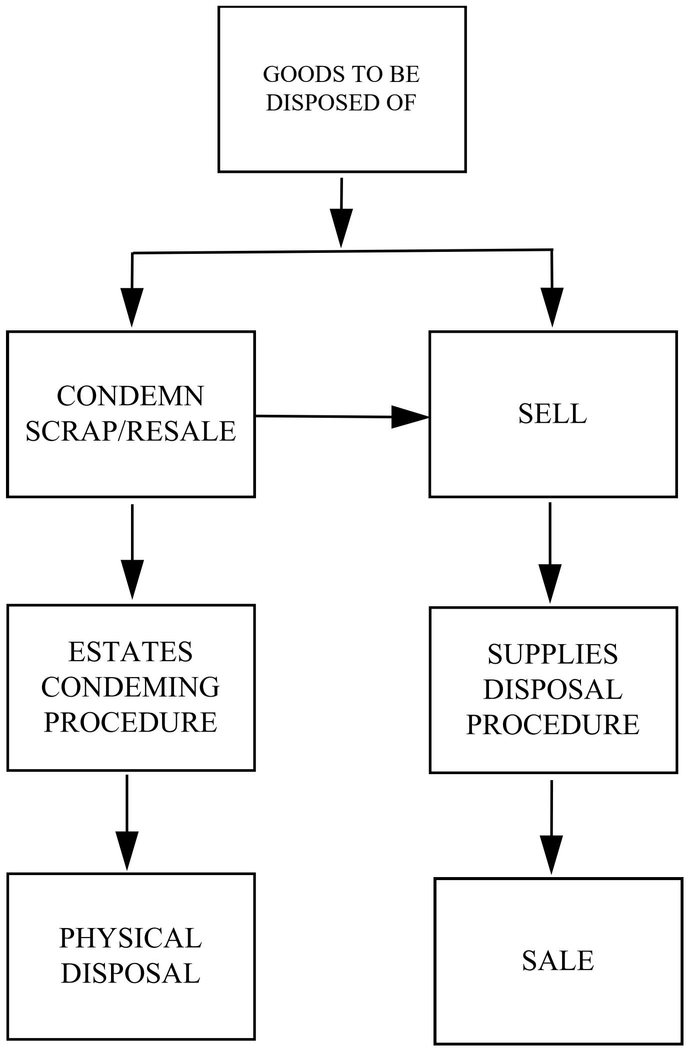
- those which have reached the end of their life expectancy and have been condemned
- items for which we no longer have a use, and wish to dispose of by sale

The underlying rule for the disposal of surplus or obsolete stock must be to ensure their disposal in carried out in a transparent manner and reflects good value for money.

Arrangements for Disposals in excess of £2,000 Gross other than by tender, Quotation or Auction shall be referred to the Chief Finance Officer. (NOTE not included in SFI's only on disposal form)

All Disposals of Capital Assets will be notified to the Financial Accountant and the Chief Finance Officer by writing prior to their sale.

These two categories are identified following the flow chart:



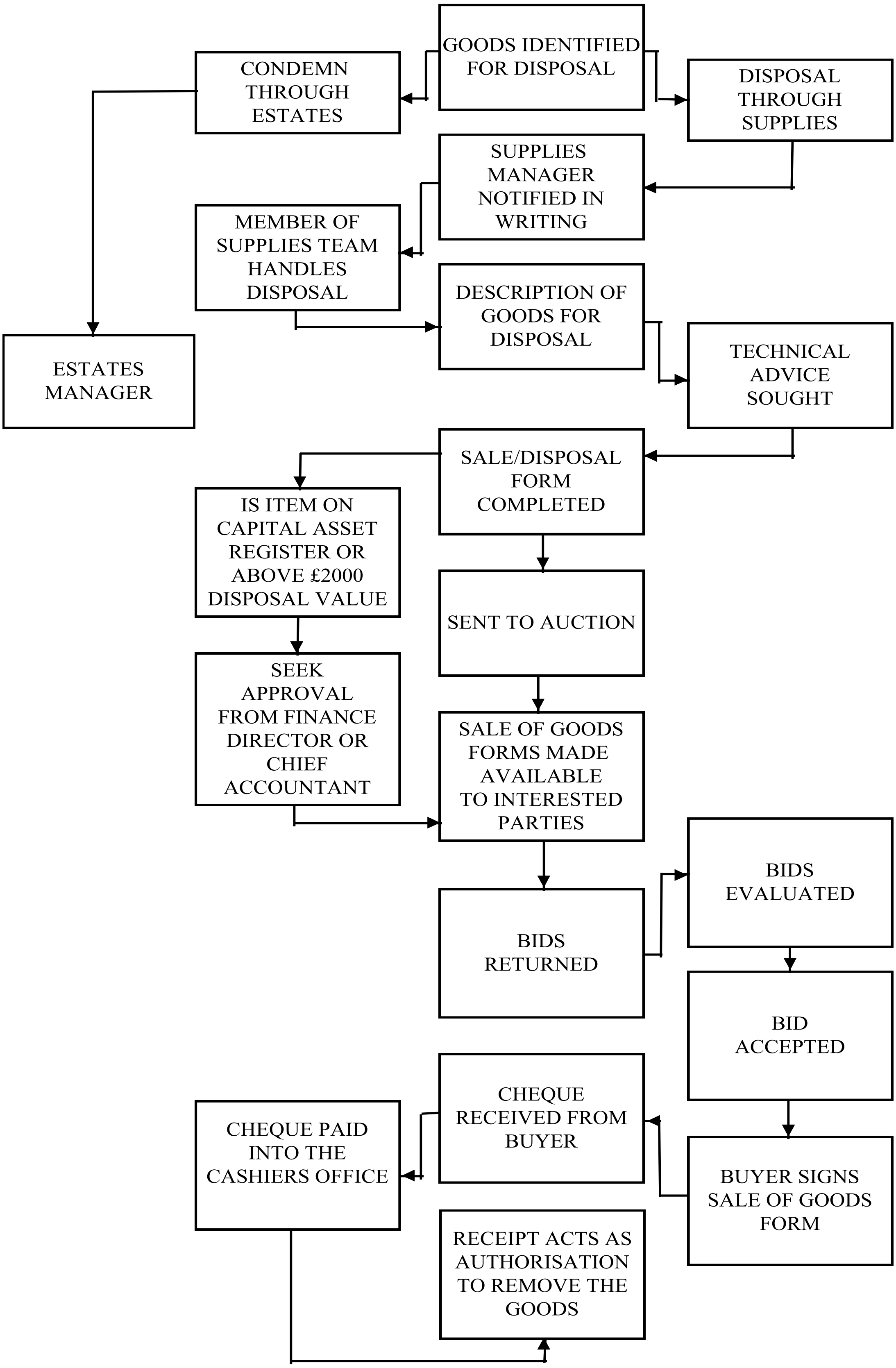
<u>Best Practice</u>

When disposing of any surplus or obsolete stocks or equipment other than by destruction or scrapping, the following precautions should be taken:

a) stocks or equipment must be checked to ensure they are safe at the time of sale or disposal;
b) a signed receipt must be obtained from the recipient, accepting responsibility for use only in accordance with the manufacturers' instructions and for ensuring further regular checking and maintenance;
c) in the case of obsolete or surplus equipment, all instruction books, maintenance manuals and logbooks showing the service history and any other relevant information about it should be passed to the recipient;
d) all information, including patient identifiable data, must be wiped from any type of memory and relevant certification received;
e) in every case details of any problems which have been identified, or modifications which have been made, while using the stock or equipment should be passed to the recipient, together with notice of any increased hazard likely to arise from their age;
f) even if it is decided to scrap the material, there is a continuing underlying obligation to ensure this is done safely. There should be no risk to anyone disposing of them nor to anyone who may subsequently try to salvage them. This may involve marking them as noxious or dangerous, or dismantling or making safe potentially dangerous equipment.

The flow chart below details the procedure to be followed by Trust staff regarding the disposal sale of goods.

Flow Diagram of Disposal of Goods



32. Receipting Procedures

Receipt of Non-Stock Goods

A Corporate aim is to minimise the costs and delays associated with checks and physical inspection whilst maintaining a proper defence against accepting and subsequently paying for goods which are defective, incomplete, under or over the quantity required, that arrive too late (in some cases arrive too early) or that otherwise fail to meet the specification and the conditions of contract.

For every category of goods receivable, the Procurement Department will inform those responsible for receiving goods of the inspection requirements. These will vary depending on the criticality of the specification and the nature and track record of the supplier. It is the Procurement Department's responsibility to ensure that the appropriate checks are undertaken.

All goods received must be checked against the delivery advice for a minimum of, quantity and for obvious transit damage. Any such defect must be immediately advised to the Category Manager, who may instruct Goods-Inwards to refuse delivery.

Goods may be subject to 100% inspection, to random sampling, or to no inspection at all. It is the Procurement department's responsibility to set the standard for Goods-Inwards to follow. The Head of Procurement and Senior buying staff will issue the Goods-Inwards staff with a written guide as to agreed inspection by product category and supplier.

Inspection for readily discoverable defects should be carried out as soon as possible, provided that this does not compromise the future integrity of the goods concerned, by for example, removing protective packaging.

For goods, which will not be fully inspected until they are used, the Procurement Department must ensure that the contract does not imply acceptance of any supplier's term tending to limit the period of time during which defects must be reported if redress is to be obtained. Equally however, the Procurement Department has a duty to ensure that employees responsible for storing goods are aware of any special precautions needed to prevent deterioration of the goods whilst in stores, e.g. keep refrigerated.

Results of inspection, positive or negative should be reported back to the Category Manager.

Where defects or other instances of non-compliance are reported, the Procurement Department, in conjunction with the User Department, must decide on a course of action.

Examples as follows:

- Reject the goods and return them at the supplier's expense
- Cancel the contract, or
- Require their replacement with non-defective goods. Where real quantifiable loss has occurred, the Procurement department should negotiate appropriate compensation from the supplier. Examples of which may include:
    - Reduction in the price of the transaction in question
    - Credit note
    - Discounts on future purchases

The Procurement Department may, under certain circumstances, recommend acceptance of goods with discovered defects (where, for example, the defects are minor, rectification in-house is possible and the need is urgent). This should only be undertaken with the full knowledge and approval of the user and if appropriate, the EME and Health & Safety Managers. The supplier must still be promptly informed of the defects and negotiations started to recover any costs incurred in rectification. If rectification is undertaken in-house, then the Procurement Department must have particular regard to any contract clauses, which would remove the liability of the supplier for future failure of goods in service or public/product liability.

Practical application of the policy by Goods-Inwards staff

Goods being delivered to the receipt point by external supplier, carriers or couriers should be checked and signed for by Supplies staff at the time of delivery.

Identify that the goods are for delivery to the receipt point and check to see if there is a relevant order number and that the order is current.
Check the quantity of outer/packets against the courier's delivery docket and check for any external damage. If satisfied, sign but state 'unexamined' where this is possible.
Couriers' delivery notes are to be retained in the Stores and attached to a copy of the order.
Unpack the goods and locate supplier's delivery note.
Complete the non-stock DAILY DELIVERY RECORD AND GOODS-IN REGISTRATION (see below) identifying date, order number, name of supplier, department, courier's delivery note number, supplier's delivery note number and quantity of packages.

Daily Delivery Record Schedule

Supplier	Carrier	No of Parcels	Time of Delivery	Received By

Goods Inwards Registration Sheet

Order Number	Supplier	No of Items	Courier Company	Departmen t	Stores Initials

- On delivery to the Department the Customer will sign the Non Stock Delivery Record sheet detailing the goods delivered.

Non Stock Delivery Record Sheet

Numb er	Departme nt	No of Parce ls	Order No or Description	Signatu re	Print Name	Ti me	Deliver ed By

- If there is no person authorised to sign present, then the goods are returned to Stores for re-delivery at a time when the signatory is present.
- All invoices which accompany Purchasing Cards must be date stamped and forwarded the Procurement & Supplies department.

<u>Part Deliveries and Deliveries against Call Off and Standing Orders</u>

Where there is a Part Delivery, the order will be part receipted on to the Integra system and the Delivery Note will be filed in numeric order. The Procurement Department should establish whether or not the balance will be received.

<u>Shortages, Damaged Goods, Rejected Goods</u>

If any damage or shortages are identified when the goods are delivered, request carrier to inspect, record and sign on their delivery docket and the hospital copy which is retained. Inform Procurement Buyer immediately.

Over Deliveries

Inform the Procurement Buyer who will make a decision as to whether to accept or reject excess and will inform the Requisitioner accordingly.

Incorrect Delivery (Goods not in accordance with Order)

Inform the Procurement Buyer who will advise accordingly and take appropriate action.

Return of Goods

Where goods are to be returned, a 'Goods Return Note' must be made out by the Materials Administrator and a copy attached to the items for return. The Goods Returned application within Integra must be used, as this will enable Accounts Payable to balance the invoice and resulting credit.

Delivery Note

If no delivery note is provided by carriers or supplier, a pro-forma Replacement Delivery Note, is to be made out, signed by carrier, and original must be retained in Goods-Inwards.

Receipt of Electro Medical Equipment

Any receipt of the above will be in accordance with (HE198) and will normally be done in liaison with the EME or Estates Departments (See Section 4.8.5).

Deliveries Direct to User

Where an item is delivered direct to the end user, e.g. projection equipment to the Training Centre, it is the Buyer's responsibility to ensure that the user is fully aware of the procedure for receipt as detailed in 4.1 and undertakes checks and inspection as though this were being undertaken at the main Goods-Inwards point. It is also imperative that the user understands and acknowledges the need to forward the signed Delivery Note to the Buyer as soon as this is signed for.

33. Procedure for Returns to Suppliers

The customer identifies the need to return goods to the Supplier and informs the Procurement & Supplies Department along with the following information.

- Requisition /Purchase Order Number
- Quantity
- Reason for Return

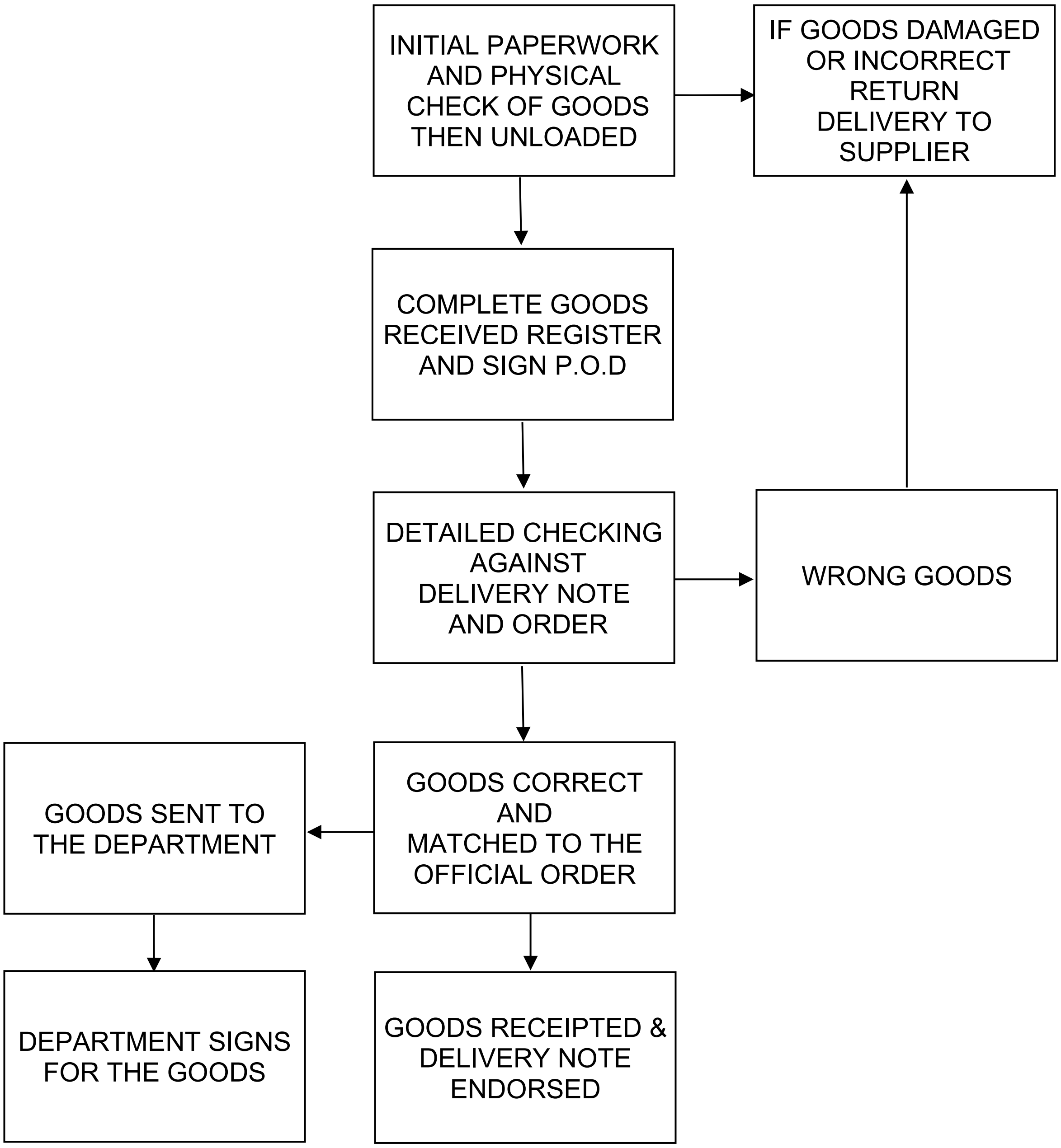
The customer returns the goods to the Main Stores.

Customer services contact the Supplier giving details of the purchase order number and reason for return. Uplift details are obtained from the Supplier, and the return is then processed through the Integra.

A letter to the supplier giving details of the goods being returned is raised by the Materials Administrator along with a copy to Payments and placed inside the box containing the items for return. An address label is produced and placed on the outside of the box.

Main Stores arrange for the goods to be returned to the Supplier via the Carrier.

Flow Diagram of Receipting Procedure



34. Materials Management Procedures

Materials Management Replenishment

The Materials Management section should give guidance to the User Department on stock and re-order levels/frequencies, informed by an understanding of applicable lead times.

Procurement and Materials Management will jointly develop procedures for economic but effective stock control and reconciliation and the identification of redundant, damaged or life expired stocks. Procurement is responsible for the safe and economic disposal of such stocks.

When carrying out replenishment at ward/departmental level it is important that complete checks are carried out to ensure that all requirements are requisitioned on behalf of the wards.

Ensure that customers' requirements are met by:

- Check all stock locations within the Ward/Department that are on Materials Management (e.g. those with a bar code label, or where bar code sheets exist i.e. Sluice rooms).
- If the R.O.L. (Re-order level) has been reached then read barcode to action a re-order.
- Check with ward staff to ensure that any additional requirements are taken into account.
- If additional requirements are not on the ward/area's Standard Product Range, refer to the Materials Management Supervisor.
- Once all Materials Management site replenishments are completed return to Supplies and upload the data from the PDA to NHS Supply Chain
- Check uploaded data and amend if necessary, check non-stock orders on Integra.
- Note that all Non-stock orders placed via the PDA must be 'linked' to the Integra purchase order processing system.

Materials Management Put-Away

- On delivery of the 'Order' from the NHS Supply Chain Distribution Centre, all items for the ward/department must be cross checked against the requisition and advice note issued with the goods. Ad-hoc items are checked by the Requisitioner.
- If there are any short or over deliveries these must be advised immediately to NHS Supply Chain Customer Services by the Materials Controller.
- Once checked a copy of the requisition and the delivery note will be retained at ward level in the file maintained by the Materials Controllers.
- When putting away stock the following must be done:
- Rotate stock in date sequence
- Bring items to the front of the 'bin' or storage area

Ad Hoc Requisitions

Ad Hoc Requisitions are either raised through Integra e-Series or manually written by ward staff and authorised by their Budget Holder. There is a minimum of two working days from NHSSC receipt of requisition to delivery, with a quantity amendment facility up to three days before delivery. It is not possible to add items to already allocated requisitions and Standing Orders. On receipt of the goods, ward staff are responsible for the unpacking, checking and put-away of the goods.

On receipt of Ad Hoc Requisition and Standing Order Information into the Supplies Department the following actions should be taken:

- On receipt into the department all documents must be date stamped.
- Check authorised signatory.
- Input to the system within 24 hours, or immediately if urgent.

- Advice Notes received from departments/wards not on Materials Management should be checked before filing for any necessary action i.e. credits or shortages and or comments.
- Input of Ad Hoc Requisition.
- Check Unit of Issue where Requisitioner puts order quantity of 1 box or pkt.
- Do number of lines and batch totals agree?
- Sign and date updated requisition.
- Record purchase order number

Standing Requisitions – Creation, Amendment and Cancellation

Standing Orders are requisitions of set amounts and goods on a regular schedule of weekly, 2 weekly or 4 weekly deliveries.

Creation

Details of Requisition Point, items and quantities and frequency of delivery are required on a completed Ad Hoc Requisition Integra e-Series at least 8 days before the first delivery is required.

Once input is complete the Standing Requisition Reference will appear.

-
- Print all details
- Start Date, frequency, items and quantities from completed standing order.
- Keep one copy and send one to Requisitioner
- All the above can be undertaken directly by the User

Amendment

All amendments should include the following information provided from Requisitioner is:

- Requisition Point
- Standing Requisition Reference
- Frequency of delivery
- Amendment details - Temporary or Permanent
- Length of amendment
- To amend, check if requisition is already allocated in Screen Enquiries
- Contact NHS Supply Chain Customer Services to amend warehouse requisitions, if allocated.
- Amend in Standing Requisition Temporary/Permanent Amendment as required.
- To permanently cancel an item on Standing Requisition use the delete button on the keyboard.
- Sign Amendment form when actioned.

N.B.

When using Permanent Amendment make sure you use the right hand arrow to move down to requisition.

Standing Orders are not encouraged and should only be used in circumstances where usage is regular and predictable. They should be reviewed on a regular basis.

Uplifting and Crediting Procedures

If items are wrongly ordered, the incorrect items sent or there is a short delivery, then a credit or uplift note is raised.

Should wards be overstocked with the implementation of Materials Management, items can also be sent back for credit using a de-stock sheet. All returns for de-stock attract a ‘handling charge’ of 10%.

- All sites must have a credit note raised within 3 working days of delivery.
- Only send items back over value of £10.00
- Overstock return arrangements do not apply to Blue Diamond products

Direct and Emergency Issues (Special Picks)

These are orders raised direct with NHS Supply Chain Customer Service staff for items required urgently, due to excessive usage, unsatisfied lines or incorrect ordering.

Direct issues are usually for next morning, emergencies are for items required the same day within 4 hours but will attract carriage costs.

- Next Day Direct Issues must be requested before 12.00 noon.
- An Ad Hoc Requisition should be filled out with Direct Issue and delivery information.
- Send white copy to Department.
- All Special Picks at the request of The Trust incur a £35 standard charge

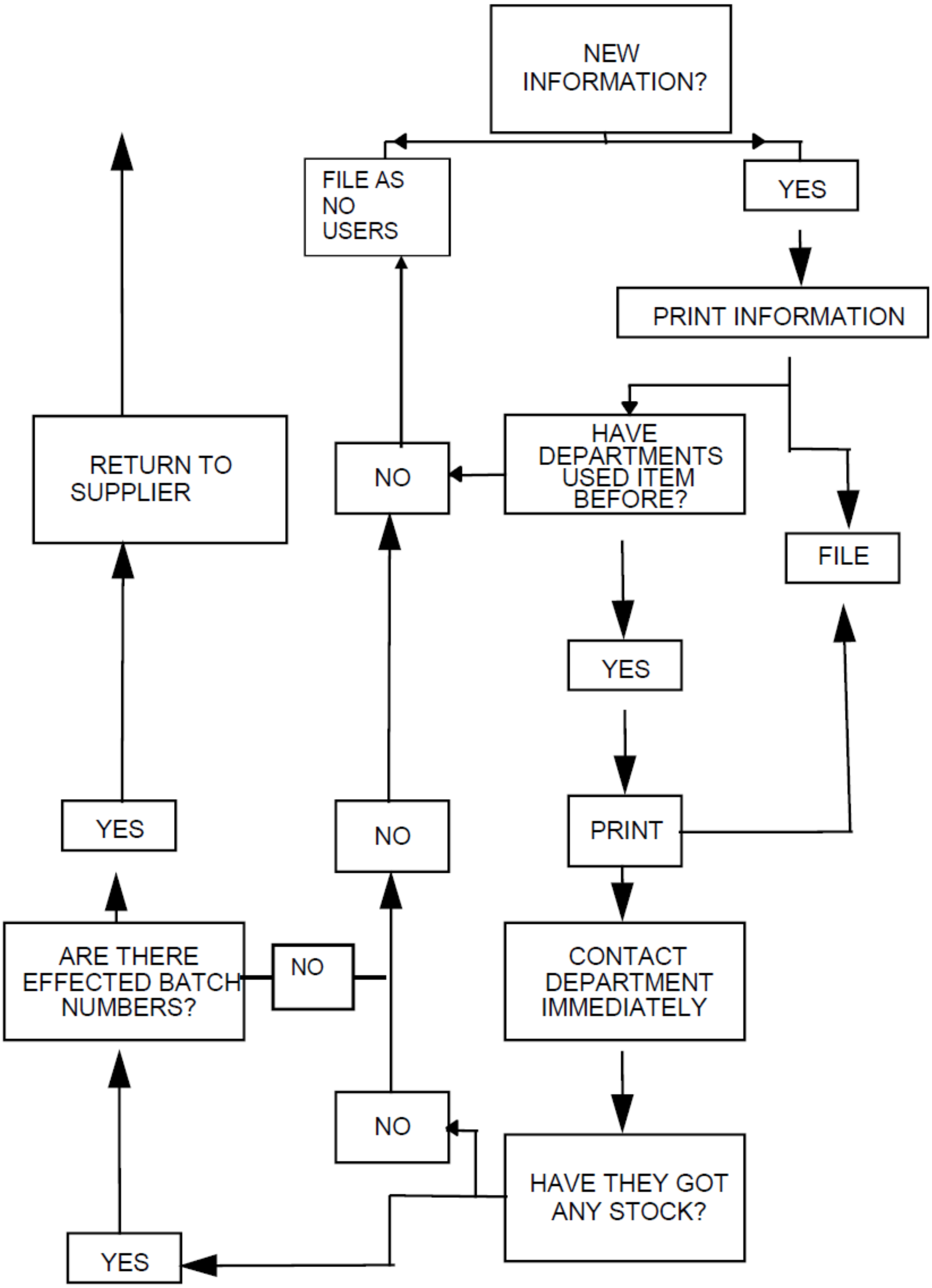
Product Information or Hazardous Item

Where a product is out of stock and/or has a hazard(s) against it and an alternative has been suggested, departments are contacted to check its suitability. If there is no alternative the department is informed.

The Flow Diagram below outlines the action to be taken for items from NHS Supply Chain where a hazard has been identified.

For Items that are going to be out of stock for some time and an alternative is suggested, departments are contacted to check its suitability. If there is no alternative the department is informed.

Sequence of Actions for Hazard Item



Addition of a new Requisitioning Point

The necessity for a new Requisition Point can arise from the appearance of a new department or where control has been devolved down from a central requisition point to ward level.

Procedure

- Numbers are allocated by the General Buyer using the next number in the Requisition Point List and then sent to NHSSC to set up the same requisition point.
- Delivery day should be the same as for similar locations within the site.
- A GL4 code is required, to be allocated by the Accountancy Services team.
- Linked hierarchy to reflect Authorised Signatory Database (ASD)
- Email copy of requisition point and delivery day to the requisitioner.

Filing

Each requisition point has its own file, with Materials Management sites having a second, which hold implementation information.

Within the file there are sections for Ad Hoc Requisitions, Uplift and Credits, Standing Requisition Information, Materials Management Requisitions and Advice Notes.

- Forms are placed with the most recent to the front
- Advice notes should be checked before filing for any necessary action i.e. credits.
- Review periods

Responsibilities

Responsibility for setting up stock for Requisition Points is allocated to individual Material Controllers.

Material Controllers are responsible for all replenishment and stock management issues for their sites, including reviews of authorised levels and stock checking in line with Trust Policies. The overall responsibility for effective day to day management of the 'Matman' system lies with the Materials Management.

35. Office and General Procedures

Controlled Stationery

Supplies Department currently has the following controlled (Auditable) Stationery. Those documents must be kept secure and their issue recorded in the Controlled Stationery issue book.

The documents concerned are:

- Non-Stock Requisition Books

Detailed below is the detail required in the 'issue' book:

Date	Form Type	Serial No From	Serial No To	Dept	Issued To	Issued By

Receipt of Post

On receipt, post will be opened and stamped with the Date and then be sorted and distributed under the following headings:

- Non-stock requisitions – General Buyers
- Ad hoc Stock Requisitions - Materials Management Team
- Personalised Post (individually addressed) - as per address
- Suppliers catalogues – General Buyers

Hazard Reporting

All hazards notified by any means whether internal or external notified by any means will immediately be reported to the Senior Supplies Manager on site who will take the appropriate action in accordance with the Trust Risk Management policy.

On receipt of a Hazard notice on a non-stock item a check will be carried out to identify whether or not we have purchased the item.

If a hazard is identified or a stock item supplied by NHS Supply Chain a listing will be made of all Requisitioners who have ordered the product. Details of the hazard are then to be reported in accordance with the Risk Management policy.

Copies of all Hazard Notifications and Safety Action Bulletins will be filed centrally in the filing system.

Hazardous Substances

The Procurement Department must have regard for hazards arising from the storage or use of materials and goods purchased including, but not confined to the following points:

COSHH (Control of Substances Hazardous to Health). The Trust Health and Safety Manager, is the officer designated under regulations as responsible for compliance with COSHH. However the Procurement Department must inform the H&S Manager in writing of any hazards and pass copies of product data sheets arising from the purchase of materials before such purchases are made.
Particular regard will be paid to the effects of scale on hazard, that is, increased risk posed by holding large quantities of materials, for example, cleaning fluids, which in small quantities do not pose an appreciable risk; and also of hazards created by the storage or use of dissimilar materials in close proximity.

Waste

The Procurement Department will work with Estates and Support Services, customers and suppliers, to reduce the Trust's liabilities under the Packaging Waste Regulations, by reducing the amount of packaging used and improving the efficacy of re-use and re-cycling routes.

36. Keys

The Department will maintain a record of personnel holding keys for the Eastbourne Main Stores entrance door. The record shall be kept by the Materials Manager.

37. Evidence Base/References

Public Sector: Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC

Concessions: Directive 2014/23/EU of the European Parliament and of the Council of 26 February 2014 on the award of concession contracts

Utilities: Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC

The Public Contracts Regulations 2015

Trust Standing Financial Instructions

Trust Standing Orders

Purchase Ledger Procedure

38. Competencies and Training Requirements

It will be the responsibility of the Head of Procurement to ensure all Procurement and Supplies staff are familiar with this policy and are trained to the correct standard to undertake tasks outlined in this policy.

39. Monitoring Arrangements

Compliance is monitored routinely by the Procurement and Supplies Department and Internal Audit.

Document Monitoring Table

Element to be Monitored	Lead	Tool for Monitoring	Frequency	Responsible Individual/Group/ Committee for review of results/report	Responsible individual/ group/ committee for acting on recommendations/action plan	Responsible individual/group/ committee for ensuring action plan/lessons learnt are Implemented
Policy compliance	Head of Procurement	Review of Procurement documentation	Ongoing	Head of Procurement Deputy Head of Procurement	Procurement staff	Procurement staff
Financial limits	Head of Procurement	Internal Audit	Ad-hoc	Chief Finance Officer	Head of Procurement Deputy Head of Procurement	Procurement staff

Guidance on completing an EHIA and the current template can be found via **Equality and Diversity Extranet page.**

40. Appendix A: Equality and Health Inequalities Impact Assessment (EHIA) template

Undertaking EHIA helps us to make sure that our services and polices do not inadvertently benefit some groups more than others, ensuring that we meet everyone's needs, and our legal and professional duties.

This is important because:

- Assessing the potential for services and policies to impact differently on some groups compared with others is a legal requirement.
- People who find it harder to access healthcare services are more likely to present later when their disease may be more progressed, have poorer outcomes from treatment, and need more services than other groups who have better access.

The Equality Act 2010 legally protects people from discrimination in the workplace and in wider society. It is against the law to discriminate against anyone because of:

- age
- gender reassignment
- being married or in a civil partnership
- being pregnant or on maternity leave
- disability
- race including colour, nationality, ethnic or national origin
- religion or belief
- sex
- sexual orientation.

These are called 'protected characteristics'. The Act requires that public sector organisations meet specific equality duties in respect of these protected characteristics. This is known as the public sector equality duty.

Public Sector Equality Duty
Public bodies have to consider all individuals when carrying out their day-to-day work – in shaping policy, in delivering services and in relation to their own employees.

Public bodies must have due regard to the need to:

- eliminate discrimination
- advance equality of opportunity
- foster good relations.

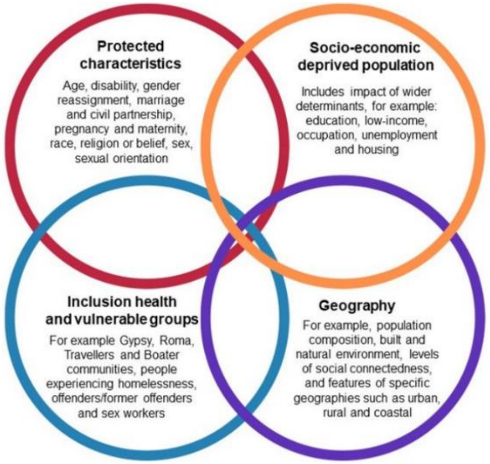
Armed Forces Covenant Duty
The new Covenant Duty raises awareness of how Service life can impact on the Armed Forces community, and how disadvantages can arise due to Service when members of that community seek to access key local services. The Duty requires organisations to pay due regard to the Covenant principles when exercising functions in healthcare. "Due regard" means that we need to consciously consider the unique obligations and sacrifices made by the Armed Forces; that it is desirable to remove disadvantages faced by the Armed Forces community; and that special provision may be justified in some circumstances.

Health Inequalities Duties- Equity for all
In addition to our legal duties in relation to Protected Characteristics, the Health and Social Care Act and other legislation, NHS Planning Guidance and sector specific recommendations require the NHS to have regard to the need to address health inequalities (or differences in access to or outcomes from healthcare) and take specific action to address them.

Figure 1 shows the different population groups, factors associated with where we live, or our individual circumstances, which separately, or when combined, influence access to and outcomes from health care.

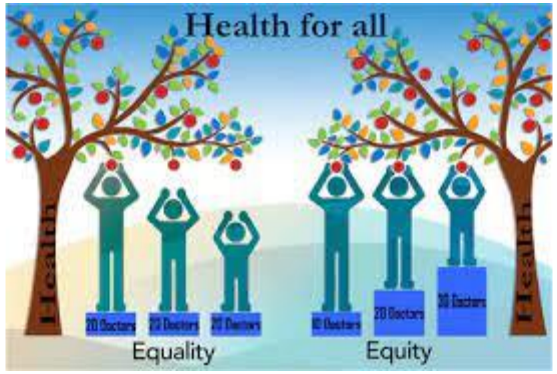
Getting equal outcomes may require different inputs (or services). In completing an EHIA its important to think about whether a one size fits all approach will generate the same good outcomes for everyone, or whether we might need to make some tweaks or adjustments to enable everyone to benefit equally. The health tree diagram shows that unless we think about the needs of different people, equal services might generate unequal outcomes.

Factors associated with poorer health outcomes (PHE 2021)[1]



The Health Tree[1]

[1] https://www.researchgate.net/figure/Equality-and-equity-of-medical-resources-distribution_fig2_323266914



The following principles, drawn from case law, explain what we must do to fulfil our duties under the Equality Act:

- **Knowledge:** everyone working for the Trust must be aware of our equality duties and apply them appropriately in their work.
- **Timeliness:** the duty applies at the time of considering policy options and/or before a final decision is taken – not afterwards.
- **Real Consideration:** the duty must be an integral and rigorous part of your decision-making and influence the process.
- **Sufficient Information:** you must assess what information you have and what is needed to give proper consideration.
- **No delegation:** the Trust is responsible for ensuring that any contracted services which provide services on our behalf can comply with the duty, are required in contracts to comply with it, and do comply in practice. It is a duty that cannot be delegated.
- **Review:** the equality duty is a continuing duty. It applies when a policy/process is developed/agreed, and when it is implemented/reviewed.
- **Proper Record Keeping:** to show that we have fulfilled our duties we must keep records of the process and the impacts identified.

NB: Filling out this EHIA in itself does not meet the requirements of the equality and health inequalities duties. All the requirements above must be fulfilled or the EHIA (and any decision based on it) may be open to challenge. Properly used, an EHIA can be a tool to help us comply with our equality and health inequalities duty and as a record that to demonstrate that we have done so. It is advised that you complete the short EHIA training session on MyLearn before completing this EHIA.

SECTION A ADMINISTRATIVE INFORMATION

This form is a central part of how the Trust makes sure and can demonstrate to others that we are meeting our legal duties; and how we can assure ourselves that all patients will get the best outcome for them from our services.

A completed copy of this form must be provided to the decision-makers in relation to your proposal. The decision-makers must consider the results of this assessment when they make their decision about your proposal. **Function/policy/service name and number:**	
Main aims and intended outcomes of the function/policy/service and summary of the changes you are making (if existing policy/service):	To ensure compliant, efficient, and fair procurement practices across the Trust, aligning with legal, financial, and ethical obligations.

How will the function/policy/service change be put into practice?	Through clear process documentation, accessible systems, staff training, and oversight by the Procurement team.		
Who will be affected/benefit from the policy?	All Trust staff involved in purchasing and supply chain activities, and external suppliers.		
State type of policy/service	Policy ☑	Service ☐	
	Business Case ☐	Function ☐	Existing ☑
Is an EHIA required? NB :Most policies/functions will require an EA with few exceptions such as routine procedures	Yes ☑		
	No ☐ (If no state reasons)		
Accountable Director: (Job Title)	Chris Sutton, Director of Operational Finance		
Assessment Carried out by:	Name: Angela Alletson		
Contact Details:	[redacted]		
Date Completed:	05/08/2025		

SECTION B ANALYSIS AND EVIDENCE

Analysis of the potential impact – Equality and Health Inequalities Duties
For this section you will need to think about all the different groups of people who are more likely to experience poorer access or have poorer outcomes from health and care services. For each group please describe in the first column the potential impact you have identified, in the second column explain how you have arrived at this conclusion and what information you used to identify the potential impact, and in the third column say what you are going to do to prevent it from happening, or which elements of a service or policy specifically address the potential impact. Key things to remember.

- Everyone has protected characteristics but some groups who share one or more protected characteristics may be more likely to have poorer outcomes or access compared with others – and it is this potential that the EHIA process seeks to identify and address.
- The information included here should be proportionate to the type and size of the policy/service/change.
- An update to a policy should demonstrate that you have considered the potential for the policy to impact differently on different groups and taken steps to address that.
- A minor policy update is likely to need to be much less comprehensive than an EHIA for a major service change.
- You will need to know information about who uses or could use your service/policy will apply to (the population). You can use information about current patients or staff, and about the general population the Trust serves.

3. PROTECTED CHARACTERISTICS - Main potential positive or negative impact of the proposal for protected characteristic groups summarised
Please write in the box below a brief summary of the main potential impact (positive or negative) Please state **N/A if your proposal will not impact adversely or positively on the protected characteristic groups listed below, but make sure you include information on how you know there will be no impact.**

N/A The policy is designed to be inclusive, fair, and accessible, and no adverse impacts have been identified for any group. The policy applies **neutrally across all groups**, including age, sex, race, religion, sexual orientation, gender identity, and marital status.

Protected characteristic groups	Summary explanation of the *potential* positive or adverse impact of your proposal	How do you know this? (include here a brief explanation of what information you have used to identify potential adverse impact e.g. NICE guidance, local data, evidence reviews, stakeholder or patient feedback	Action that will be taken to address the potential for negative impact.
Age: older people; middle years; early years; children and young people.	N/A		
Disability: physical, sensory and learning impairment; mental health condition; long-term conditions.	N/A		
Gender Reassignment and/or people who identify as Transgender	N/A		
Marriage & Civil Partnership: people married or in a civil partnership.	N/A		
Pregnancy and Maternity: before and after childbirth and who are breastfeeding.	N/A		
Race:	N/A		
Religion and belief: people with different religions/faiths or beliefs, or none.	N/A		

Protected characteristic groups	Summary explanation of the *potential* positive or adverse impact of your proposal	How do you know this? (include here a brief explanation of what information you have used to identify potential adverse impact e.g. NICE guidance, local data, evidence reviews, stakeholder or patient feedback	Action that will be taken to address the potential for negative impact.
Sex:	N/A		
Sexual orientation	N/A		
Veterans/Armed Forces Communities	N/A		

4. HEALTH INEQUALITIES -Potential positive or adverse impact for people who experience health inequalities summarised

Please briefly summarise the main potential impact (positive or negative) on people at particular risk of health inequalities (as listed below). **If the policy/procedure is unrelated to patients, this sections does not require completion.**

Please state none if you have assessed that there is not an impact, but please make sure you complete the 'how do you know this' column to demonstrate that you have considered the potential for impact**. If you identify the potential for impact for one or more of these groups please complete the full assessment in Appendix A**

Groups who face health inequalities[2]	Summary explanation of the potential positive or adverse impact of your proposal	How do you know this? (include here a brief explanation of what information you have used to identify potential adverse impact e.g. NICE guidance, local data, evidence reviews, stakeholder or patient feedback	Action that will be taken to address the potential for negative impact.
This includes all groups of people who may have poorer access to or outcomes from healthcare services. It includes: People who have experienced the care system; carers; homeless people; people involved in the criminal justice system; people who experience substance misuse or addiction; people who experience income or other deprivation; people with poor health literacy; people living in rural areas with limited access to services; refugees or asylum seekers; people in or who have been in the armed force; other groups who you identify as potentially having poorer access and outcomes.	N/A		

SECTION C ENGAGEMENT

5. Engagement and consultation

a. Talking to patients, families and local communities can be a rich source of information to inform health care services. If you are making substantial changes it's likely that you'll have to undertake specific engagement with patients. For smaller changes and policies your may have undertaken some engagement with patient groups, gained insight from routine sources e.g. patient surveys, PALS or Complaints information or information from Healthwatch, you may also have looked at relevant engagement that others have undertaken in the Trust, or locally
Have any engagement or consultative activities been undertaken that considered how to address equalities issues or reduce health inequalities? Please place an x in the appropriate box below.

Yes	**No** x

b. If yes, please ensure all stakeholders are listed in the consultation table at the beginning of the policy.

SECTION D SUMMARY OF FINDINGS

Reflecting on all of the information included in your review-

6. EQUALITY DUTIES: Is your assessment that your proposal will support compliance with the Public Sector Equality Duty? Please **add an x** to the relevant box below.

	Tackling discrimination	Advancing equality of opportunity	Fostering good relations
The proposal will support?			x
The proposal may support?		x	
Uncertain whether the proposal will support?	x		

7. HEALTH INEQUALITIES: Is your assessment that your proposal will support reducing health inequalities faced by patients? Please add an x to the relevant box below.

	Reducing inequalities in access to health care	Reducing inequalities in health outcomes
The proposal will support?		
The proposal may support?		
Uncertain if the proposal will support?	x	x

8. Outstanding key issues/questions that may require further consultation, research or additional evidence. Please list your top 3 in order of priority or state N/A

Key issue or question to be answered		Type of consultation, research or other evidence that would address the issue and/or answer the question
1	N/A	

2		
3		

9. EHIA sign-off: (this section must be signed)

Person completing the EHIA:	**Angela Alletson**	**Date: 05/08/2025**
Line Manager of person completing:	**Chris Sutton**	**Date: 13/08/2025**

Breakdown of Groups who are more likely to experience health inequalities:

Groups who face health inequalities[3]	**Summary explanation of the potential positive or adverse impact of your proposal**	**How do you know this? (include here a brief explanation of what information you have used to identify potential adverse impact e.g. NICE guidance, local data, evidence reviews, stakeholder or patient feedback**	**Action that will be taken to address the potential for negative impact.**
Looked after children and young people	N/A		
Carers of patients	N/A		
Homeless people. People on the street; staying temporarily with friends /family; in hostels or B&Bs.	N/A		
People involved in the criminal justice system:	N/A		

Groups who face health inequalities[3]	Summary explanation of the potential positive or adverse impact of your proposal	How do you know this? (include here a brief explanation of what information you have used to identify potential adverse impact e.g. NICE guidance, local data, evidence reviews, stakeholder or patient feedback	Action that will be taken to address the potential for negative impact.
offenders in prison/on probation, ex-offenders.			
People with addictions and/or substance misuse issues	N/A		
People or families on a low income	N/A		
People with poor literacy or health Literacy: (e.g. poor understanding of health services poor language skills).	N/A		
People living in deprived areas	N/A		
People living in remote, rural and island locations	N/A		
Refugees, asylum seekers or those experiencing modern slavery	N/A		
People who have served in the Armed Forces	N/A		
Other groups experiencing health inequalities (please describe)	N/A		

EHIA Resources
Sources of Information on the East Sussex population and sources of community or patient insight.

Population Data
State of the County 2021 Focus on East Sussex

East Sussex JSNA

Community Insight

Further Reading on Equality and Health Inequalities

Training