



Training Slides - Procurement

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Training | Agenda

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1	Who are SmartTogether
2	What is Procurement?
3	Value for Money and Competition
4	Sourcing, Tendering and Contracts (over £75k)
5	Frameworks
6	Waivers – Principles and Processes
7	Requisitions and Purchase Orders
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Training | 1. Who are Smart Together?

- A shared procurement and supply chain service hosted by Guy's and St Thomas' NHS Foundation Trust (GSTT).
- We provide services to GSTT, Lewisham & Greenwich NHS Foundation Trust, Great Ormond Street for Children NHS Foundation Trust, South London and Maudsley NHS Foundation Trust and Oxleas NHS Foundation Trust.
- Our structure is built on three key pillars for operating outlined below:

Procurement

Commercial & Contracts

Performance Excellence

- The key objectives of SmartTogether are to:
 - Support **Business As Usual** activity whilst improving assurance and reducing risk.
 - Deliver **complex, large-scale** procurements through dedicated category expertise.
 - Drive **continuous improvement** and provide **robust reporting** through **performance excellence**.



Training | 2. What is Procurement?

Procurement is the process of sourcing, negotiating terms and acquiring goods, services or works typically through a tendering or competitive bidding process.

The process ensures that the Trust secures goods, services or works at the best possible price, taking into account factors such as quality, quantity, timeliness, and service.

The process underpins fair and open competition whilst mitigating key risks, such as fraud, collusion and potential reputational damage to the Trust.



Training | 3. Value for Money & Competition

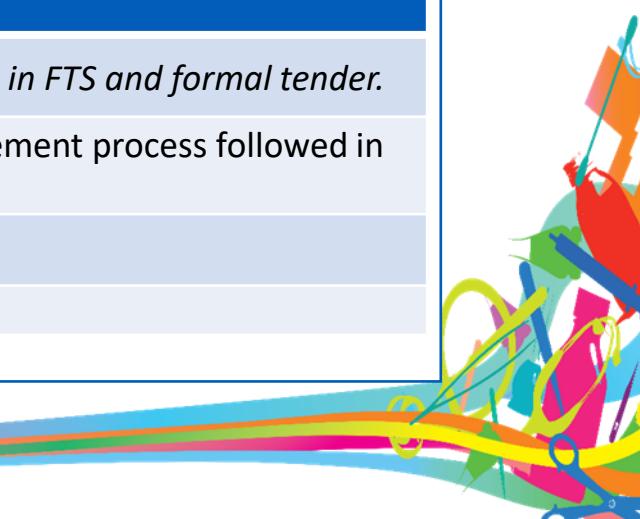
Trust Standing Financial Instructions / Procurement policy

Tender/Quotation Thresholds (Oxleas NHS Foundation Trust)

- Must demonstrate VFM on all expenditure and comply with Trust Standing Financial Instructions:

Works	Value (inc VAT)	Conditions
	> £5,373k	Government procurement requirements adhered to. <i>ie published in FTS and formal tender.</i>
	>£75k to threshold	Advertisement of the opportunity in contracts finder and procurement process followed in accordance with the policy.
	>£25k ≤£75k	Three (3) written quotations
	Under £25k	One (1) or more written quotations

Supplies/Services	Value (inc VAT)	Conditions
	> £139,688	Government procurement requirements adhered to. <i>ie published in FTS and formal tender.</i>
	>£75k to threshold	Advertisement of the opportunity in contracts finder and procurement process followed in accordance with the policy.
	>£25k ≤£75k	Three (3) written quotations
	Under £25k	One (1) or more written quotations



Training | 4. Sourcing, Tendering and Contracts (over £75k)

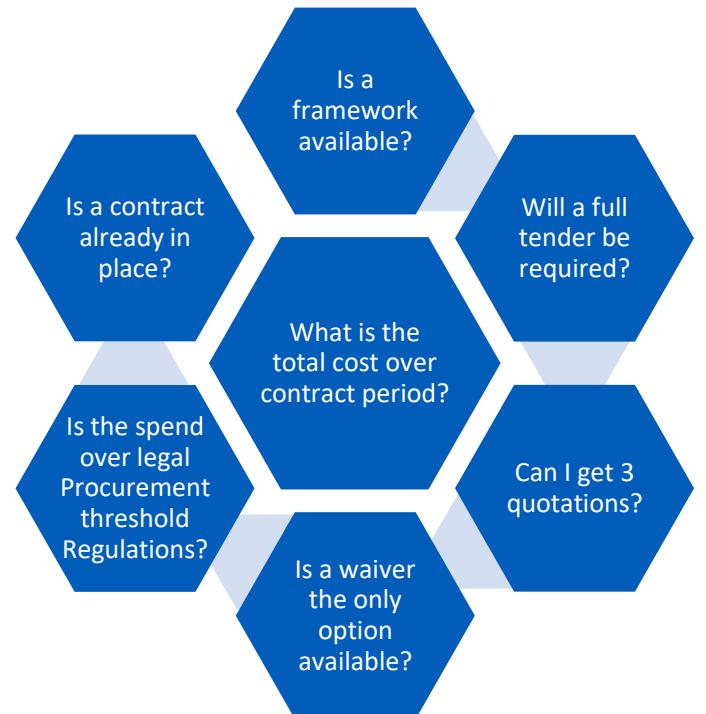
Sourcing

What to do when you need to source products, services, works:

- Contact the category team: helpdesk@smarttogetherlondon.nhs.uk
- The team will review the options and determine the appropriate route to market based on the level of expenditure, then guide you accordingly.

Contracts

- All contracts must be recorded and uploaded into the Trust Contract Register system (ATAMIS).
- All contracts must be governed by the NHS Standard Terms and Conditions for Goods and Services, unless they are purchased through a framework agreement or relate to works.
- Contracts may only be signed by an Authorised Officer as listed in the Trust's Scheme of Delegation:



Value	Delegation Arrangements
Goods & Services (Inc. IT & medical equipment)	
Up to £750k	Executive Director
Up to £3m	Chief Finance Officer
>£3m	Chief Executive



Training | 5. Frameworks – what are they?

- A framework provides a compliant route to market without the need to run a full tender process
- They are pre-tendered agreements with either a single supplier or multiple suppliers
- Frameworks typically run for up to four years, after which they are re-tendered to allow new entrants into the market

Two compliant sourcing options depending on how the framework is structured:

Direct award	<ul style="list-style-type: none">• The terms and conditions governing the provision of the works, services and/or products (pricing, specification, quality) are already clearly set out in the framework.• Has a clear and prescriptive pricing mechanism. <p>This option is faster and reduces administrative burden but must be justified and documented</p>
Further competition	<ul style="list-style-type: none">• Does not include all the terms governing the provision of the works, services and supplies• Allows refinement of requirements (e.g., delivery timescales, service levels, or pricing) within the framework's scope• Need to establish price/cost of goods/service• Frameworks have templates and supporting guidance for running a mini-competition

Key point: The choice between direct award and further competition depends on the framework rules, the nature of the requirement, and the Trust's internal procurement policy/SFIs.



Training | 6. Waivers - Principles

- Waivers are used when there is no possibility of meeting the Trust SFIs (getting quotes/tenders)
- Always put as much supporting information on the waiver to justify your reasons for the waiver. **Waiver is the last resort!**
- All waivers must be submitted using the waiver form.
- A waiver must **only** be used in the following circumstances (only under procurement threshold value):



- There is a clear benefit from maintaining continuity that outweighs any potential advantage to be gained by competitive tendering.
- The task is essential to complete a project and engaging different consultants for the new task would compromise completion of the project.

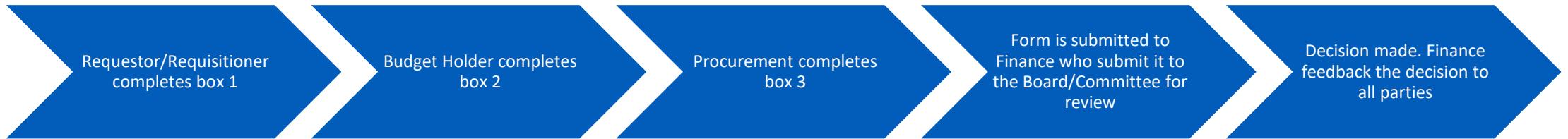
- Specialist expertise is required and is only available from one source.

- The timescale genuinely precludes competitive tendering.
- Failure to plan the work properly is not a justification for single tender waiver

You **MUST** contact Procurement **BEFORE** completing the Waiver Form



Training | 6. Waivers – Process



Training | 6. Waivers – Process

REFERENCE NO.....

Oxleas NHS Foundation Trust

Single Tender Waiver Form (STW)

Single Tender Waiver Process

1. A Single Tender Waiver form should ONLY be used if the reasons in section 2 apply. Please adhere to the Trust Standing Financial Instructions/ Standing Orders.
2. Section 1 of this form must be completed in full by the Requisitioner.
3. Section 2 must be completed by the Authorised Budget Holder.
4. Once sections 1 & 2 are completed please forward electronically to the Procurement or Estates Department, Pinewood House, prior to being sent to the Director of Finance (DOF).
5. The Procurement or Estates Department will complete Section 3 and forward to the DOF.
6. The DOF will complete Section 4 and return the STW to the Procurement or Estates Department.

1. Details of Request (To be completed by Requisitioner)

Department					
Supplier Name					
Requisition Number	Requisition Date		Delivery / Start Date:		
Description of Goods or services requested (please attach any supporting documents such as any business plans)					
Purchase Value (excluding VAT)	£	VAT	£	Total Value Including VAT £	
Have these goods / services been ordered before?	Yes / No	If Yes, please provide details	REQ Number	Date	Total Value inc VAT £

Declaration by Requisitioner

Consideration must be made as to whether any conflict of interest for either the Requisitioner or the Trust may arise or may be perceived to arise from awarding this contract. Potential conflicts of interest include but are not limited to the following:

- Financial Interests in the supplier (e.g. shareholdings / other ownership / investments)
- Personal connections to the supplier and its management (e.g. links to family members)
- Other factors such as prior employment / employment of former Trust employees etc

Requisitioners must sign one of the following statements

I am NOT aware of any conflict of interest, or any potential conflict arising from myself or the Trust in awarding this contract	Yes / No	I am aware that a conflict of interest, or any potential conflict MAY arise awarding this contract. (Please provide details below)	Yes / No
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Details of any potential conflict of interest:

If a conflict of interest or any potential conflict may arise, please confirm that you have signed the Register of Conflicts of Interest (please contact the Procurement Dept)

Print Name of Requisitioner	Signature of Requisitioner	Date
Position		

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REFERENCE NO.....

2. Justification for the Single Tender Waiver (To be completed by Budget Holder)

Please choose all **of** the following options which will apply to this request

A. Where the timescale genuinely precludes competitive tendering (Failure to plan the work properly would not be regarded as a justification for a single tender)	Please X below
B. Specialist expertise is required and is available from only one source	
C. When the task is essential to complete the project, and arises as a consequence of a recently completed assignment and engaging different consultants or contractors/suppliers for the new task would be inappropriate	
D. There is a clear benefit to be gained from maintaining continuity with an earlier project. However, in such cases, the benefits of such continuity must outweigh any potential financial advantage to be gained by competitive tendering	
E. The task is essential to complete the project & engaging a different Company would be inappropriate	
F. Other (please attach supporting documents)	

Justification to support STW:

Declaration by Budget Holder

Consideration must be made as to whether any conflict of interest for either the Budget Holder or the Trust may arise or may be perceived to arise from awarding this contract. Potential conflicts of interest include but are not limited to the following:

- Financial Interests in the supplier (e.g. shareholdings / other ownership / investments)
- Personal connections to the supplier and its management (e.g. links to family members)
- Other factors such as prior employment / employment of former Trust employees etc

Budget Holders must sign one of the following statements

I am NOT aware of any conflict of interest, or any potential conflict arising from myself or the Trust in awarding this contract	Yes / No	I am aware that a conflict of interest, or any potential conflict MAY arise awarding this contract. (Please provide details below)	Yes / No
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Details of any potential conflict of interest:

If a conflict of interest or any potential conflict may arise, please confirm that you have signed the Register of Conflicts of Interest (please contact the Procurement Dept)

Print Name of Budget Holder	Signature of Budget Holder	Yes / No
Position	Date	

3. To Be Completed by the Procurement / Estates Dept

Please confirm that:

All previous sections have been completed & signed	Yes / No
Does STW comply with policy	Yes / No
Has a STW been previously issued to this supplier or for these goods/service	Yes / No
If a STW has been previously issued, please provide details:	
Please detail any action plan to avoid repeating this STW request:	

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REFERENCE NO.....

If any conflict or potential conflict has been identified, please provide details of any planned mitigation measures:

If any conflict or potential conflict has been identified, has the Register of Conflicts been updated		Yes / No
Checked by (Print Name)	Signature	
Position	Date	

4. To Be Completed by the Director of Finance / Chief Executive

Please delete as appropriate	APPROVED	REJECTED
Name of Board / Committee in which STW was reviewed	Date of Board / Committee Review	
Checked by (Print Name)	Signature	
Position	Date	

Notes / Reasons for decision:

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Training | 7. Requisitions and Purchase Orders

Internal request for goods and services delivered against an existing contract or contract to be initiated

Commitment from you to spend your departments budget

Once approved by procurement and budget order, a PO is released

Requisitioners need to know what they are requisitioning for and what info is required

No requisition should be used as a purchase order

No retrospective purchase orders should be generated



Training | 7. Requisitions and Purchase Orders

How to raise a requisition

Products

Search Catalogue and add product to requisition

Not in catalogue?
Create non-catalogue requisition (see below)

Approved by budget holder

Released to supplier

Services and non-catalogued products

Create non-catalogue requisition

Attach evidence*
(SFI compliance)

Approved by budget holder

Checked by procurement

Released to supplier

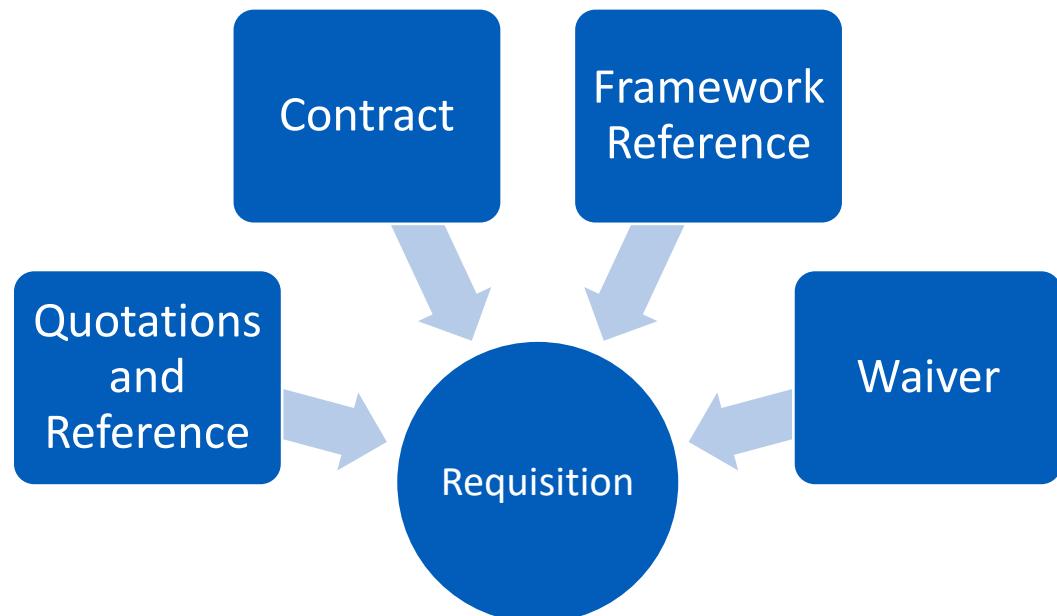
* Contract Reference number, quotes received etc



Training | 7. Requisitions and Purchase Orders

What do I need to include with my requisition?

- Follow the Trust's SFI's (quotes/tenders/waiver).
- Attach the evidence to the requisition.
- Not all the following will be applicable to every requisition.
- Products on catalogue will be released automatically as already on an agreed contract. Please check the catalogue first to see if your product is already available.



Training | 8. Frequently Asked Questions

Common questions	Procurement response
I can get my goods online or in a local store much cheaper	Procurement of goods and services within the NHS has to follow rules and guidance laid down as described here. Sometimes that will mean higher prices are paid to ensure longevity and safety. The Trust will put in contracts for periods of time for multiple products, and at that point in time the basket of products upon which the tendering took place was the most advantageous for the Trust. The Trust has access to on line retailers and will use these where appropriate.
Do we still have a swap shop / can we reuse items in a more efficient way.	We would encourage the Trust to reuse and recycle as much as possible.
Would a centralised inventory of stock items - stationary, dry goods etc and swapping/sharing items across the organisation, instead of everyone ordering in silo be beneficial?	This is certainly something the procurement service can review with the Trust to optimise local stock holding. The Trust has many different sites across a large geographical spread which makes centralised stock management and holding not cost effective, however improvements in ordering behaviours and local stock control can realise benefits.

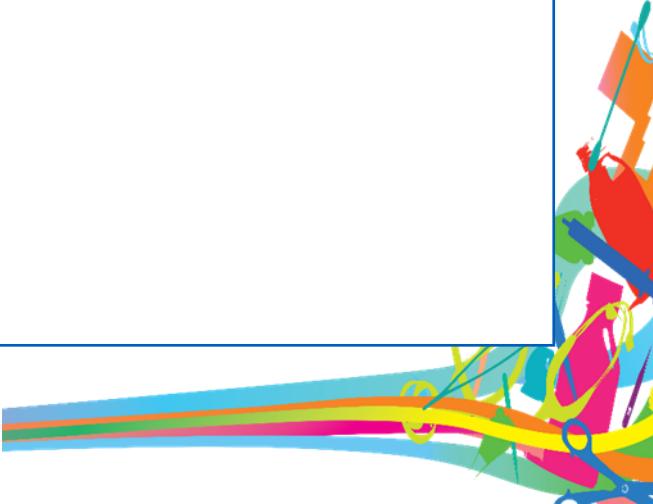


Training | 9. Contact Details

Requisitioner and Approver Training – This is provided by Synchronicity (link to intranet to be added)

Procurement Contact Details:

Procurement Helpdesk: helpdesk@smarttogetherlondon.nhs.uk



Training | 10. Key Contacts

Name	Role
Pia Larsen	Chief Procurement Officer
Lyndsey Flenley	Director of Performance Excellence
Jane Harrison	Director of Procurement
Sonisa Anand	Head of Performance Management
Miranda Gordon	Associate Director of Clinical Procurement
Rebecca McMahon	Associate Director of Non-Clinical Procurement
Tom Lawson	Associate Director of Capital Procurement & Contracts
Sanchia Watts	Clinical Procurement Specialist
Giovanna Zeuli	Senior Procurement Business Partner

