



Procurement update

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Training Slides | Agenda

No.	
1	Who are SmartTogether
2	What is Procurement?
3	Value for Money and Competition
4	Frameworks
5	Waivers – Principles and Processes
6	Requisitions and Purchase Orders
7	Other Processes



Training Slides | Who are Smart Together?

- A shared procurement and supply chain service hosted by Guy's and St Thomas' NHS Foundation Trust.
- The CFOs of each organisation sit on the steering board.
- 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 four key pillars for operating outlined below:

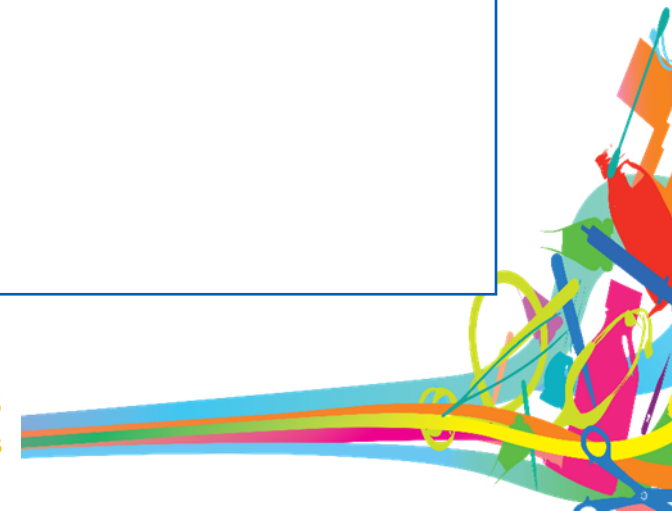
Procurement

Commercial & Contracts

Performance Excellence

Supply Chain

- They key objectives of SmartTogether are to:
 - Enable **BAU** activity whilst improving assurance and reducing risk.
 - Enable the delivery of **complex, large-scale** procurements driven by dedicated experts.
 - Focus on **continuous improvement** and **reporting** through **performance excellence**.
 - Optimise **supply chain delivery** and **enhance resilience**.



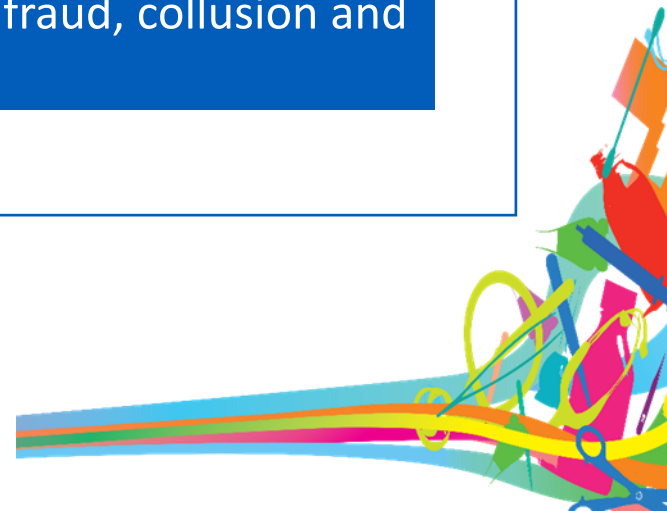
Training Slides | What is Procurement?

Procurement is the process of finding, agreeing terms and acquiring goods, services or works often via a tendering or competitive bidding process.

The process is used to ensure the Trust receives goods, services or works at the best possible price, when aspects such as quality, quantity, time and service are compared.

The process ensures that the Trust's rules and regulations around non pay spend are followed. This includes abidance to public sector procurement law.

Promotes fair and open competition whilst minimising risk, such as exposure to fraud, collusion and poor reputation.



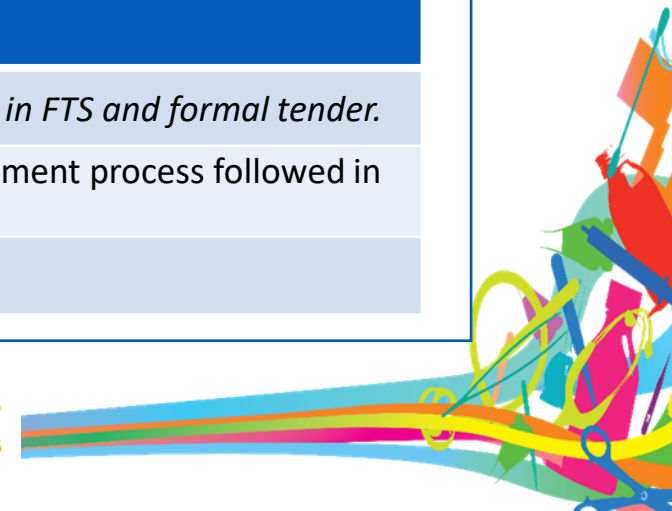
Training Slides | Value for Money & Competition

Trust Standing Financial Instructions / Procurement policy

Tender/Quotation Thresholds (SLaM)

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

Supplies/ Services	Value (inc VAT)	Conditions
	> £139,688	Government procurement requirements adhered to. <i>ie published in FTS and formal tender.</i>
	>£25k to threshold	Advertisement of the opportunity in contracts finder and procurement process followed in accordance with the policy.
	£10k to £25k	3 written quotations
	<£10k	1 written quotation
Works	Value (inc VAT)	Conditions
	> £5,373k	Government procurement requirements adhered to. <i>ie published in FTS and formal tender.</i>
	>£25k to threshold	Advertisement of the opportunity in contracts finder and procurement process followed in accordance with the policy.
	Under £25k	1 or more written quotations (3 quotations where appropriate)



Spend controls

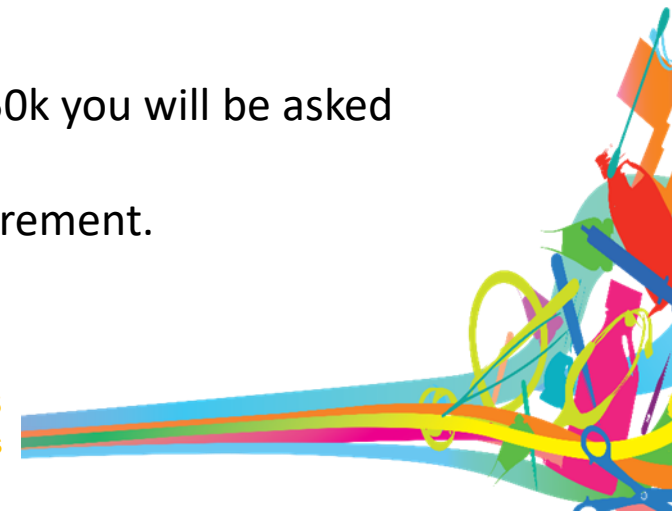
Since the start of the 2023/24 financial year, a multi-disciplinary non-pay panel has been overseeing all non-pay expenditure requests. In alignment with the latest Financial Turnaround Programme measures for increased oversight, the threshold is....**£5,000**.

Non-Pay Spend Requests:

- All requests for non-pay spend above £5,000 must be submitted for review and approval including **all spend over £5k on a whole life cost basis**. This does not apply to recruitment, routine estates maintenance, or routine digital equipment purchases
- A request to spend form helps the non-pay panel decide whether a procurement process / purchase order / waiver will be progressed.

Spend over £250k:

- Following presentation at the non pay panel, should your requirement exceed 250k you will be asked to present at the Financial Turnaround Board.
- This Board sits every 2 weeks and requires a one page presentation of your requirement.



Training | Sourcing, Tendering and Contracts

Sourcing

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

- Submit a request for procurement support form.
- Contact the sourcing team: helpdesk@smarttogetherlondon@nhs.uk
- Team review the options and the appropriate route to market, depending on the expenditure.

Contracts

- All contracts must be recorded and uploaded into the Trust Contract Register system (ATAMIS).
- All contracts must be subject to the NHS Standard Terms and Conditions (for goods and services) (Unless purchased through a framework or works).
- Contracts can only be signed by an Authorised Officer listed in the Trust Scheme of Delegation:

Value	Delegation Arrangements*
	Goods & Services (Inc. IT, medical equipment)
Up to £100k	Relevant Director & Director of Finance
Up to £500k	Director of Finance
Up to £1m	Chief Financial Officer
Up to £2m	Chief Executive and CFO
Up to £5m	CEO or CFO (following ELT review)
>£5m	Trust board following FPIC review



Training | Frameworks – what are they?

- Provides a compliant route to market and can reduce the length of time required to tender.
- Pre-tendered agreements with single or multiple suppliers.
- Framework length – often 4 years, some can now be opened to allow new entrants to the market.

Frameworks often allow authorities to call off in two ways:

Direct award

- Sets out the terms and conditions governing the provision of the works, services and/or products
- Has a clear and prescriptive pricing mechanism

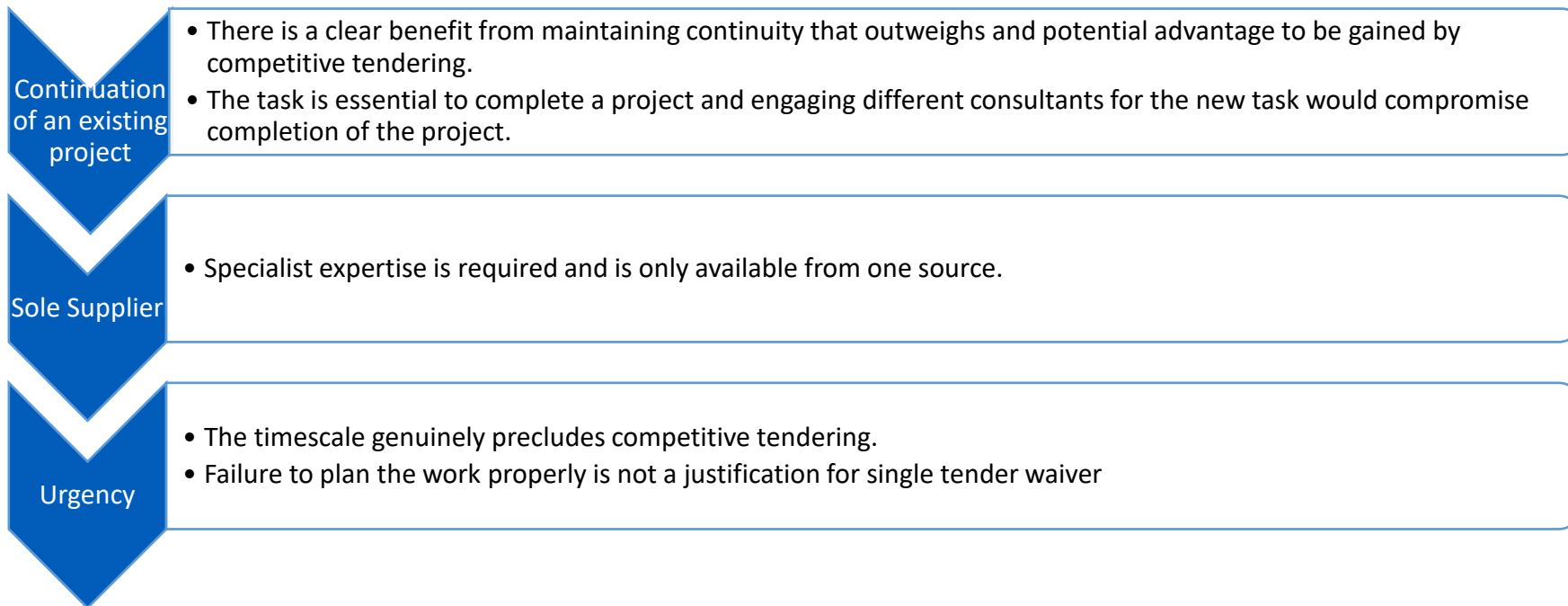
Further competition

- Does not include all the terms governing the provision of the works, services and supplies
- Need to establish price/cost of goods/service
- Frameworks have templates and supporting guidance for running a mini- competition



Training | Waivers - Principles

- Waivers are used when there is no possibility of meeting the Trust SFI's (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 online Smartsheet form.
- A waiver must **only** be used in the following circumstances (only under procurement threshold value):



Procurement Leads – you MUST contact Procurement BEFORE completing the Smart Waiver Form

Training | Waivers – Process [2/2]

SLAM Procurement Waiver

Title of Waiver *
Please enter the title of the waiver

Requestor *
First & Last Name

Requestor contact details *
(Email address)

Has Director of Procurement been Notified? *
Has the Director of Procurement been informed about this waiver?

Yes

Division *
Please select division

Select

Authorised Approver *
Select from dropdown list the Director for the Division

Select

Goods or services received *
Have you already received the Goods/Services

☐ Yes ☐ No

Supplier Name *

Supplier Name *

Contract Start Date *

Contract End Date *

Value (£) *
Waiver request only needed for amounts in excess of £25,000 - All Values to exclude any payable VAT.

Waiver type *

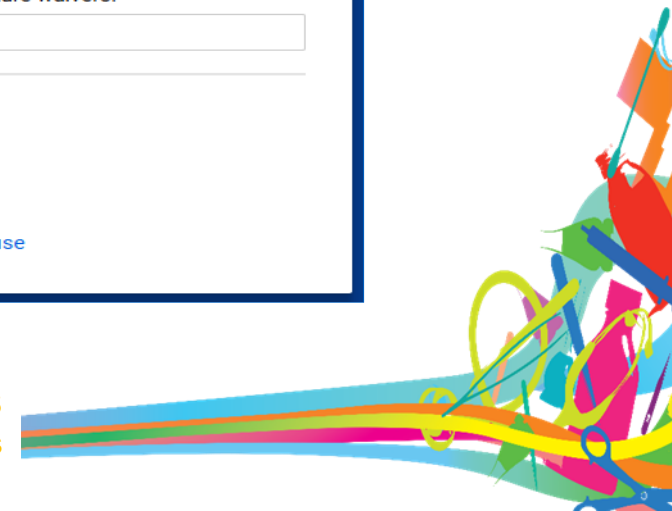
☐ A - Provided for in DH / NHSE guidance
☐ B - Genuine urgency
☐ C - Continuity in order to complete a project
☐ D - Not practical taking into consideration all circumstances
☐ E - Special or unique character
☐ F - Modifications within existing contracts which exceed 10% threshold

Justification *
Please detail the reason for this waiver being required as well as detailing any corrective action that has been taken to reduce the need for any future waivers.

☐ Send me a copy of my responses

Submit

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Training | 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

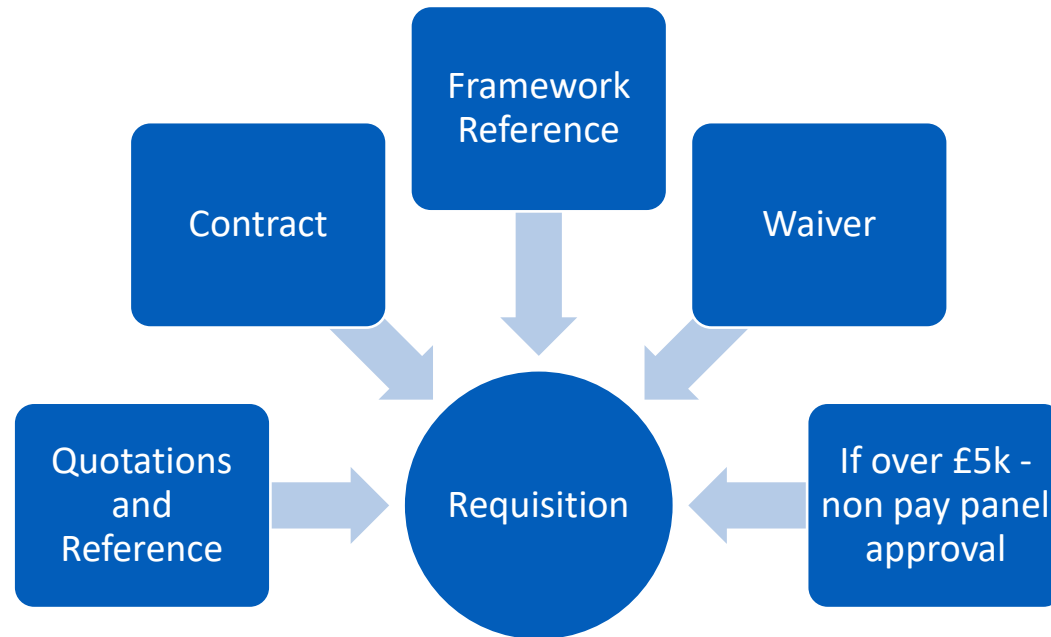
No retrospective purchase orders should be generated



Training | Requisitions and Purchase Orders

What do I need to include with my requisition?

- Follow SFI's (quotes/tenders/waiver/ non pay panel approval).
- Attach the evidence to 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.



Getting value

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.

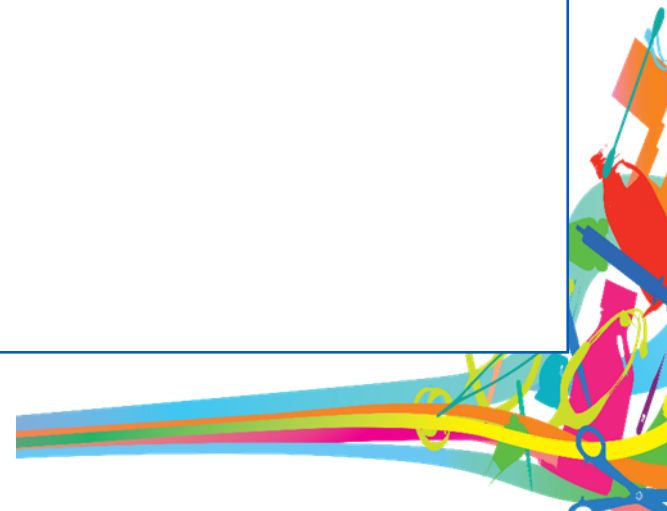


Training | Contact Details

Requisitioner and Approver Training - [Smart Together Training](#)

Procurement Contact Details:

Procurement Helpdesk: helpdesk@smarttogetherlondon.nhs.uk



Training | 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
Chris Kenny	Buying Team Manager
Tom Medhurst	Senior Procurement Business Partner

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