



TENDERING AND QUOTATION PROCEDURE

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South Central Ambulance Service NHS Foundation Trust
FINANCE POLICY NO. 3
TENDERING AND QUOTATION PROCEDURE

This document **MUST** be made available to all budget holders in the Trust. It sets out guidance for these officers on the procedure to be followed prior to ordering goods and services.

This document is supplemental and subordinate to the South Central Ambulance Service NHS Foundation Trust Standing Orders and Standing Financial Instructions and does not supersede the governance provided by them either in part or in whole.

Aneel Pattni

Chief Finance Officer

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SOUTH CENTRAL AMBULANCE SERVICE NHS FOUNDATION TRUST GUIDE FOR BUDGET HOLDERS ON TENDERING AND QUOTATION

1. Introduction

Tendering and contracting thresholds and procedures are contained within Trust Standing Orders and Standing Financial Instructions (SFI 17), copy attached to this policy at Appendix A. This policy provides specific, supplemental and complementary guidance for general daily use.

All Trust purchases will be carried out under the following precepts:

- a) All requirements not already covered by existing contracts with the Trust and approved by Procurement must be communicated to Procurement at the point of identifying a need.
- b) All financial commitments are only to be made once a contract is in place and should never be made prior to a supplier being loaded onto the Trust's Purchase to Pay system (Proactis).
- c) Procurement maintain a complete, live contracts register and must be consulted if there is any doubt. Even if a supplier is on Proactis it does not mean that there is a live contract in place.
- d) The selection of all suppliers must be made via the Trust's Source to Contract procurement software with the facilitation of Procurement.
- e) Decisions are based upon obtaining the best value for money when considered in terms of economy, efficiency and effectiveness within an overall context of quality and fitness for purpose, as approved by Procurement.
- f) Goods, services and works are acquired via fair and adequate competition under all circumstances, as agreed with Procurement, unless there are convincing and compelling reasons to the contrary or specific exemption is provided within Trust Standing Orders and Standing Financial Instructions. All such exemptions are to be recorded via a Procurement waiver.
- g) In all dealings with suppliers and potential suppliers, Trust representatives will operate under the highest standards of honesty, integrity, impartiality and objectivity. Procurement are on hand to assist throughout the life cycle of all contracts.
- h) All Trust Procurement personnel will operate in accordance with the Chartered Institute of Procurement and Supply Code of Ethics, copy attached to this policy as Appendix D. Similarly, all Trust personnel engaged with external suppliers should ensure that

they are aware of the Chartered Institute of Procurement and Supply Code of Ethics.

2. Tendering and Contracting Thresholds

The general procedure under each financial threshold (annual contract values) is as follows and applies to all purchases where: i) there is not already a contract in place; ii) or which, further to consultation with Procurement, can be sourced by a compliant framework agreement tested for delivering value for money. Please be aware that the existence of a framework suitable for use does not equate to the Trust being covered by it. Only once a Framework Call Off Contract has been completed and signed by the relevant Trust, Supplier, and Framework signatories, is the Trust formally and compliantly accessing the framework.

For the avoidance of doubt where i) or ii) apply then an order can be raised as normal via Proactis, once the contract or framework agreement call off has been placed: -

- a) Up to £5,000 (including VAT where irrecoverable).

The budget holder MUST consult Procurement over the best route to market, as for many low value requirements there are already compliant frameworks in place agreed under formal terms and conditions, which provide the necessary guarantees and warranties. The end result may be a single supplier quotation. All such single supplier quotes should be sought by Procurement personnel via the Trust's e-tendering system for audit and assurance purposes. However, where it is opportune, Procurement will ensure that an alternative quotation is readily available and that best value for money is being obtained for the Trust.

- b) £5,001 to £25,000 (including irrecoverable VAT).

The budget holder MUST consult with Procurement over the best route to market. As a minimum the budget holder MUST seek competitive quotations from three suppliers, using the Trust's e-tendering system and be based upon a written specification prepared on behalf of the Trust. The specification must be accompanied by NHS Terms and Conditions issued with the quotations. If only two quotations are requested or available, this may be acceptable provided there are genuine reasons as to why. The reasoning must be recorded in writing via the Trust's e-tendering system for audit inspection.

For all lifetime contract values of £10,000 or more, the opportunity must either use an existing framework or contract, or be posted as a tendering opportunity via Contracts Finder.

For the avoidance of doubt, in all circumstances quotations must be requested from sufficient suppliers to provide fair and adequate competition, and limiting competition must not be used as a simple administrative convenience or avoidance measure. If the lowest quotation is not accepted, written reasoning should form part of the evidence retained on file to justify the decision.

- c) £25,001 and upwards.

The budget holder must consult with Procurement over the best route to market. Formal competitive tenders from suppliers **MUST** be sought based upon a full written specification prepared on behalf of the Trust. Tendering procedures are fully described at SFI 17.6. All opportunities must either use an existing framework or contract, or be posted as a tendering opportunity via Contracts Finder.

Budget holders are reminded that all public sector area procurement comes under EU directives, incorporated into UK Law via the Public Contract Regulations (PCR). The current EU / PCR procurement thresholds are listed in Appendix B. The budget holder must consult with Procurement over all purchases which are not already under an existing contract or framework approved by the Head of Procurement.

Note: Financial thresholds relate to the total lifetime value of the procurement. For example a contract might be for £40,000 and therefore (c) would be applicable if this was a one (1) year cost. However, if the contract is for five years (or even a potential five years), the total value of the procurement is £200,000 and therefore, not only is (b) not applicable but if it is a service or a supply, then A UK PCR full tender is applicable under Appendix B. Also please note that “disaggregation” (i.e., breaking a contract into parts so as to avoid exceeding the threshold requiring a UK PCR full tender) is unlawful.

Providing that all conditions and circumstances set out in this procedure note and Standing Orders and Standing Financial Instructions have been fully complied with, formal authorisation and awarding of a contract may be decided by designated staff to the value of the contract as detailed in the delegation list appended to the Scheme of Reservation and Delegation which forms part of Standing Orders and Standing Financial Instructions.

Note: In all cases, planned purchases must not be broken down into smaller lots in order to avoid thresholds, either internal or legislative. Attempts to do this will result in the application of the Trust’s disciplinary procedures.

3. Business Cases

All Business Cases should go through the Business Case checklist in terms of consultation which includes Procurement, prior to submitting the business case for approval. Where there is not an existing procurement framework in place, all commercials relating to a business case **MUST** be discussed with Procurement before being processed for approval.

For Business Cases in respect of revenue expenditure (see 4. below for capital expenditure), where the expected whole life cost of the project is >£50,000 (e.g, £11,000 per annum for five years) the business case **MUST** be authorised in writing by the relevant Executive Director.

The tendering thresholds in 2 above (ref. Appendix A and Appendix B) will also apply.

4. Capital Expenditure

Whilst this procedure is primarily aimed at revenue expenditure, capital expenditure including Business Cases is controlled by the same mechanisms, although approval is through the Fixed Asset Management and Strategy Group (FAMSG). As with revenue expenditure, at the point of identifying the need for a Business Case, whatever the value, the Head of Procurement must be consulted and a member of the Procurement team assigned to assist the drawing up of the Business Case.

No capital expenditure or Business Cases can be considered or agreed without FAMSG approval. All orders for capital expenditure **MUST** be authorised in accordance with Finance Policy 5 - Guide for Managers and Staff on the Authority to Incur Expenditure and Related Financial Matters.

5. Single Supplier

Whether revenue or capital expenditure is proposed, there will be instances where a single supplier tender/quotation is the only option. The budget holder must consult with the Head of Procurement for all such proposals and prepare a single tender waiver form in consultation with the Procurement team.

Please be aware that the Single Tender Waiver option is not a compliant route to market. A Single Tender Waiver must be completed in single supplier circumstances where there is no compliant route to market. However the Budget Holder must be aware that the Single Tender Waiver process is a way of formally documenting the reasons for following a non-compliant procurement route, and does not provide a compliant route in and of itself.

The guidance above, allows the budget holder to consider such action up to a total contract/order value of £5,000 including irrecoverable VAT. Other instances are detailed at SFI 17.5.3, 17.7.3 and 17.9. In cases of expenditure above £5,000 including irrecoverable VAT the form attached at Appendix A **MUST be completed on every occasion** and be counter- signed by an Executive Director and the Head of Procurement. Where expenditure is above £10,000 the counter-signatory must be the Chief Finance Officer or Chief Executive.

Poor requirement planning and / or poor time planning is not sufficient justification for a single tender waiver.

Genuine emergency situations and true single source circumstances should be covered by a single tender waiver should the supplier not be available via an existing framework, contract, or other compliant route.

Where a single supplier is identified genuinely as the only option, the budget holder must contact procurement prior to any engagement with the supplier. Procurement may be able to advise the budget holder on compliant methods of accessing the supplier, in which case negating the need for completion of a single tender waiver form.

For values from £5,000 up to £10,000 the designated budget holder may authorise and award the contract. For awards of £10,001 and above, the contract **MUST** be signed by the Chief Finance Officer or Chief Executive.

Where the Single Supplier action is above £50,000, it is the responsibility of the Chief Executive or Chief Finance Officer to ensure that approval is obtained from the Trust Board and that an appropriate minute is recorded in the Trust Board minutes of the relevant meeting.

The single supplier documentation applies equally to capital expenditure. All documentation must be retained on file by Procurement and held within the Source to Contract Procurement system.

6. Exceptions to Quotation/Tendering Procedure

The only exceptions to this quotation and tendering procedure will be where purchases are made under nationally-agreed Government contracts under frameworks are accessible to the Trust, e.g. diesel fuel (see also SFI 17.5.3(f)). Where this is the case:

- Procurement advice **MUST** be sought;
- The framework call-off process must be followed;
- Contractual documentation must be signed by the delegated authority before orders are placed.

7. Equality Statement

The Trust is committed to promoting positive measures that eliminate all forms of unlawful or unfair discrimination on the grounds of age, marital status, disability, race, nationality, gender, religion, sexual orientation, gender reassignment, ethnic or national origin, beliefs, domestic circumstances, social and employment status, political affiliation or trade union membership, HIV status or any other basis not justified by law or relevant to the requirements of the post.

By committing to a policy encouraging equality of opportunity and diversity, the Trust values differences between members of the community and within its existing workforce, and actively seeks to benefit from their differing skills, knowledge, and experiences in order to provide an exemplary healthcare service. The Trust is committed to promoting equality and diversity best practice both within the workforce and in any other area where it has influence.

The Trust will therefore take every possible step to ensure that this procedure is applied fairly to all employees regardless of race, ethnic or national origin, colour or nationality; gender (including marital status); age; disability; sexual orientation; religion or belief; length of service, whether full or part-time or employed under a permanent or a fixed-term contract or any other relevant factor.

Where there are barriers to understanding e.g. an employee has difficulty in reading or writing or where English is not their first language additional support will be put in place wherever necessary to ensure that the process to be followed is understood and that the employee is not disadvantaged at any stage in the procedure. Further information on the support available can be sought from the Human Resource Department.

APPENDIX A - SOUTH CENTRAL AMBULANCE SERVICE NHS FOUNDATION TRUST FINANCE POLICY NO. 3 – APPENDIX C EXTRACT FROM TRUST STANDING FINANCIAL INSTRUCTIONS

8. Tendering and Contracting Procedure

8.1 Duty to comply with Standing Orders and Standing Financial Instructions

The procedure for making all contracts by or on behalf of the Trust shall comply with these Standing Orders and Standing Financial Instructions (except where Standing Order No. 3.13 Suspension of Standing Orders is applied).

8.2 European Union (EU) Directives Governing Public Procurement

Directives by the Council of the European Union promulgated by the Department of Health (DH) prescribing procedures for awarding all forms of contracts shall have effect as if incorporated in these Standing Orders and Standing Financial Instructions. The EU Procurement Directives have been incorporated into UK Law as the Public Contract Regulations.

8.3 Reverse e-Auctions

The Trust should have policies and procedures in place for the control of all tendering activity carried out through Reverse e-Auctions. For further guidance on Reverse e-Auctions refer to <https://www.gov.uk/government/organisations/crown-commercial-service>

8.4 Capital Investment Manual and other Department of Health Guidance

The Trust shall comply as far as is practicable with the requirements of the Department of Health "Capital Investment Manual" and "Estate code" in respect of capital investment and estate and property transactions. In the case of management consultancy contracts the Trust shall comply as far as is practicable with Department of Health guidance "The Procurement and Management of Consultants within the NHS".

8.5 Formal Competitive Tendering

8.5.1 General Applicability

The Trust shall ensure that competitive tenders are invited for the:

- supply of goods, materials and manufactured articles;
- rendering of services including all forms of management consultancy services (other than specialised services sought from or provided by the DH);
- design, construction and maintenance of building and engineering works (including construction and maintenance of grounds and gardens); for disposals.

8.5.2 Health Care Services

Where the Trust elects to invite tenders for the supply of healthcare services these Standing Orders and Standing Financial Instructions shall apply as far as they are applicable to the tendering procedure and need to be read in conjunction with Standing Financial Instruction No. 18.

8.5.3 Exceptions and instances where formal tendering need not be applied

Formal tendering procedures **need not be applied** where:

- (a) the estimated expenditure or income does not, or is not reasonably expected to, exceed **£25k**;
- (b) the supply is proposed under special arrangements negotiated by the DH in which event the said special arrangements must be complied with;
- (c) regarding disposals as set out in Standing Financial Instructions No. 24; Formal tendering procedures **may be waived** in the following circumstances:
 - (d) in very exceptional circumstances where the Chief Executive decides that formal tendering procedures would not be practicable or the estimated expenditure or income would not warrant formal tendering procedures, and the circumstances are detailed in an appropriate Trust record;
 - (e) where the requirement is covered by an existing contract;
 - (f) where national Government agreements are in place and have been approved by the Board;
 - (g) where a consortium arrangement is in place and a lead organisation has been appointed to carry out tendering activity on behalf of the consortium members;
 - (h) where the timescale genuinely precludes competitive tendering. However, failure to plan the work properly would not be regarded as a justification for a single tender;
 - (i) where specialist expertise is required and is available from only one source;
 - (j) when the task is essential to complete the project, and arises as a consequence of a recently-completed assignment and engaging different consultants for the new task would be inappropriate;

(k) 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;

(l) for the provision of legal advice and services providing that any legal firm or partnership commissioned by the Trust is regulated by the Law Society for England and Wales for the conduct of their business (or by the Bar Council for England and Wales in relation to the obtaining of Counsel's opinion) and are generally recognised as having sufficient expertise in the area of work for which they are commissioned.

The Chief Finance Officer will ensure that any fees paid are reasonable and within commonly-accepted rates for the costing of such work.

(m) where allowed and provided for in the Capital Investment Manual.

The waiving of competitive tendering procedures should not be used to avoid competition or for administrative convenience or to award further work to a consultant originally appointed through a competitive procedure.

Where it is decided that competitive tendering is not applicable and should be waived, the fact of the waiver and the reasons should be documented and recorded by the Trust, recorded through use of (Appendix C of this documents shows record form) and reported to the Audit Committee at each meeting.

8.5.4 Fair and Adequate Competition

Where the exceptions set out in SFI Nos. 8.1 and 8.5.3 apply, the Trust shall ensure that invitations to tender are sent to a sufficient number of firms/individuals to provide fair and adequate competition as appropriate, and in no case less than three firms/individuals, having regard to their capacity to supply the goods or materials or to undertake the services or works required.

8.5.5 List of Approved Firms

The Trust shall ensure that the firms/individuals invited to tender (and where appropriate, quote) are among those on approved lists. Where in the opinion of the Chief Finance Officer it is desirable to seek tenders from firms not on the approved lists, the reason shall be recorded in writing to the Chief Executive (see SFI 8.6.8 List of Approved Firms).

8.5.6 Items which subsequently breach thresholds after original approval

Items estimated to be below the limits set in this Standing Financial Instruction for which formal tendering procedures are not used which subsequently prove to have a value above such limits shall be reported to the Chief Executive, and be recorded in an appropriate Trust record.

8.6 Contracting/Tendering Procedure

8.6.1 Invitation to tender

- (i) All invitations to tender shall be issued via the Trust's Source to Contract software.
- (ii) All invitations to tender shall state all relevant dates and times, including the latest time for the receipt of tenders.
- (iii) All invitations to tender shall state that no tender will be accepted unless:
 - (iv) submitted **online** via the Trust's Source to Contract software.
- (v) Every tender for goods, materials, services or disposals shall embody such of the NHS Standard Terms and Conditions as are applicable, or other industry standard and recognised terms and conditions, if these are more appropriate in the circumstance.
- (vi) Every tender for building or engineering works shall embody or be in the terms of the current edition of one of the Joint Contracts Tribunal Standard Forms of Building Contract, the NEC Forms of Building Contract or the Department of the Environment (GC/Wks) Standard forms of contract amended to comply with concode; or, when the content of the work is primarily engineering, the General Conditions of Contract recommended by the Institution of Mechanical and Electrical Engineers and the Association of Consulting Engineers (Form A), or (in the case of civil engineering work) the General Conditions of Contract recommended by the Institute of Civil Engineers, the Association of Consulting Engineers and the Federation of Civil Engineering Contractors. These documents shall be modified and/or amplified to accord with Department of Health guidance and, in minor respects, to cover special features of individual projects.

8.6.2 Receipt and safe custody of tenders

Tenders must ONLY be submitted **online** via the Trust's Source to Contract software.

8.6.3 Opening tenders and Register of tenders

- (i) All tenders will be opened via the Trust's Source to Contract software, which provides a fully auditable record of all submissions.
- (ii) Incomplete tenders, i.e. those from which information necessary for the adjudication of the tender is missing, and

amended tenders i.e., those amended by the tenderer upon his own initiative either orally or in writing after the due time for receipt, but prior to the opening of other tenders, should be dealt with in the same way as late tenders. (Standing Order No. 17.6.5 below).

8.6.4 Admissibility

i) If for any reason the designated officers are of the opinion that the tenders received are not strictly competitive (for example, because their numbers are insufficient or any are amended, incomplete or qualified) no contract shall be awarded without the approval of the Chief Executive.

(ii) Where only one tender is sought and/or received, the Chief Executive and Chief Finance Officer shall, as far practicable, ensure that the price to be paid is fair and reasonable and will ensure value for money for the Trust.

8.6.5 Late tenders

- i. Tenders received after the due time and date, but prior to the opening of responses, may be considered only if the other responses have not yet been opened. The Chief Executive or his nominated officer decides that there are exceptional circumstances i.e. dispatched in good time but delayed through no fault of the tenderer. Late responses, by default, will be marked as Late where it is under The Chief Executive's discretion to allow them to continue into the process or not.
- ii. Only in the most exceptional circumstances will a tender be considered which is received after the opening of the other tenders and only then if the tenders that have been duly opened have not left the custody of the Chief Executive or his nominated officer or if the process of evaluation and adjudication has not started.

8.6.6 Acceptance of formal tenders (See overlap with SFI No. 8.7)

- i. Any discussions with a tenderer which are deemed necessary to clarify technical aspects of his tender before the award of a contract will not disqualify the tender.
- ii. The most economically advantageous tender, whether payment is to be made by the Trust or received by the Trust, shall be accepted unless there are good and sufficient reasons to the contrary. Such reasons shall be set out in either the contract file, or other appropriate record.
- iii. No tender shall be accepted which will commit expenditure in excess of that which has been allocated by the Trust and which is not in accordance with these Instructions except with the authorisation of the Chief Executive.

- iv. The use of these procedures must demonstrate that the award of the contract was:
 - (a) not in excess of the going market rate / price current at the time the contract was awarded;
 - (b) that best value for money was achieved.
- v. All tenders should be treated as confidential and should be retained for inspection.

8.6.7 Tender reports to the Trust Board

Reports to the Trust Board will be made on an exceptional circumstance basis only.

8.6.8 List of approved firms (see SFI No. 8.5.5)

(a) Responsibility for maintaining list

Procurement shall on behalf of the Trust maintain lists of approved firms from who tenders and quotations may be invited. These shall be kept under frequent review. The lists shall include all firms who have applied for permission to tender and as to whose technical and financial competence the Trust is satisfied. All suppliers must be made aware of the Trust's terms and conditions of contract.

(b) Building and Engineering Construction Works

(i) Invitations to tender shall be made only to firms included on the approved list of tenderers compiled in accordance with this Instruction or on the separate maintenance lists compiled in accordance with Estmancode guidance (Health Notice HN(78)147).

ii) Firms included on the approved list of tenderers shall ensure that when engaging, training, promoting or dismissing employees or in any conditions of employment, shall not discriminate against any person because of colour, race, ethnic or national origins, religion or sex, and will comply with the provisions of the Equal Pay Act 1970, the Sex Discrimination Act 1975, the Race Relations Act 1976, and the Disabled Persons (Employment) Act 1944 and any amending and/or related legislation.

iii) Firms shall conform at least with the requirements of the Health and Safety at Work Act and any amending and/or other related legislation concerned with the health, safety and welfare of workers and other persons, and to any relevant British Standard Code of Practice issued by the British Standard Institution. Firms must provide to the appropriate manager a copy of its safety policy and evidence of the safety of plant and equipment, when requested.

(c) Financial Standing and Technical Competence of Contractors

The Chief Finance Officer may make or institute any enquiries he deems appropriate concerning the financial standing and financial suitability of approved contractors. The Director with lead responsibility for clinical governance will similarly make such enquiries as is felt appropriate to be satisfied as to their technical / medical competence.

8.6.9 Exceptions to using approved contractors

If in the opinion of the Chief Executive and the Chief Finance Officer or the Director with lead responsibility for clinical governance it is impractical to use a potential contractor from the list of approved firms/individuals (for example where specialist services or skills are required and there are insufficient suitable potential contractors on the list), or where a list for whatever reason has not been prepared, the Chief Executive should ensure that appropriate checks are carried out as to the technical and financial capability of those firms that are invited to tender or quote.

An appropriate record in the contract file should be made of the reasons for inviting a tender or quote other than from an approved list.

8.7 Quotations: Competitive and non-competitive

8.7.1 General Position on quotations

Quotations are required where formal tendering procedures are not adopted and where the intended expenditure or income exceeds, or is reasonably expected to exceed **£5k** but not exceed **£25k**.

8.7.2 Competitive Quotations

- i. All Quotations should be obtained with the advice and guidance of Procurement.
- ii. Quotations should be obtained from at least 2 firms/individuals based on specifications or terms of reference prepared by, or on behalf of, the Trust.
- iii. Quotations should be in writing via the Source to Contract software.
- iv. All quotations should be treated as confidential and should be retained for inspection.
- v. The Head of Procurement or a delegated representative of the Procurement team should evaluate the quotation and select the quote which provides the most economically advantageous tender, as defined by the criteria and weightings provided with the Quotation.

8.7.3 Non-Competitive Quotations

Non-competitive quotations in writing may be obtained in the following circumstances:

- (i) the supply of proprietary or other goods of a special character and the rendering of services of a special character, for which it is

not, in the opinion of the responsible officer, possible or desirable to obtain competitive quotations;

(ii) the supply of goods or manufactured articles of any kind which are required quickly and are not obtainable under existing contracts;

(iii) miscellaneous services, supplies and disposals;

(iv) where the goods or services are for building and engineering maintenance the responsible works manager must certify that the first two conditions of this SFI (i.e.: (i) and (ii) of this SFI) apply.

8.7.4 Quotations to be within Financial Limits

No quotation shall be accepted which will commit expenditure in excess of that which has been allocated by the Trust and which is not in accordance with Standing Financial Instructions except with the authorisation of either the Chief Executive or Chief Finance Officer.

8.8 Authorisation of Tenders and Competitive Quotations

Providing all the conditions and circumstances set out in these Standing Financial Instructions have been fully complied with, formal authorisation and awarding of a contract may be decided by designated staff to the value of the contract as detailed in the delegation list appended to the Scheme of Reservation and Delegation which forms part of this document.

Levels of authorisation may be varied or changed and need to be read in conjunction with the Trust Board's Scheme of Delegation.

Formal authorisation must be put in writing. In the case of authorisation by the Trust Board this shall be recorded in their minutes.

8.9 Instances where formal competitive tendering or competitive quotation is not required

Where competitive tendering or a competitive quotation is not required the Trust should adopt one of the following alternatives:

(a) the Trust shall use, with the guidance of the Procurement team, a compliant framework which is open to the Trust and demonstrates value for money based on approved Terms and Conditions.

(b) If the Trust does not use the NHS Commercial Alliance procurement hub - where tenders or quotations are not required, because expenditure is below **£5k**, the Trust shall procure goods and services in accordance with procurement procedures approved by the Chief Finance Officer.

8.10 Private Finance for capital procurement (see overlap with SFI No. 13)

The Trust should normally market-test for PFI (Private Finance Initiative funding) when considering a capital procurement. When the Board proposes, or is required, to use finance provided by the private sector the following should apply:

- (a) The Chief Executive shall demonstrate that the use of private finance represents value for money and genuinely transfers risk to the private sector.
- (b) Where the sum exceeds delegated limits, a business case must be referred to the Department of Health for approval or treated as per current guidelines.
- (c) The proposal must be specifically agreed by the Board of the Trust.
- (d) The selection of a contractor/finance company must be on the basis of competitive tendering or quotations.

8.11 Compliance requirements for all contracts

The Board may only enter into contracts on behalf of the Trust within the statutory powers delegated to it by the Secretary of State and shall comply with:

- (a) The Trust's Standing Orders and Standing Financial Instructions;
- (b) EU Directives (incorporated into UK Law via the Public Contract Regulations) and other statutory provisions;
- (c) any relevant directions including the Capital Investment Manual, Estate code and guidance on the Procurement and Management of Consultants;
- (d) such of the NHS Standard Terms and Conditions, or other approved Terms and Conditions, as are applicable.
- (e) contracts with Foundation Trusts must be in a form compliant with appropriate NHS guidance.
- (f) Where appropriate contracts shall be in or embody the same terms and conditions of contract as was the basis on which tenders or quotations were invited.
- (g) In all contracts made by the Trust, the Board shall endeavour to obtain best value for money by use of all systems in place. The Chief Executive shall nominate an officer who shall oversee and manage each contract on behalf of the Trust.

8.12 Personnel and Agency or Temporary Staff Contracts

The Chief Executive shall nominate officers with delegated authority to enter into contracts of employment, regarding staff, agency staff or temporary staff service contracts.

8.13 Disposals (See overlap with SFI No. 15)

Competitive Tendering or Quotation procedures need not apply to the disposal of:

- (a) any matter in respect of which a fair price can be obtained only by negotiation or sale by auction as determined (or pre-determined in a reserve) by the Chief Executive or his nominated officer;
- (b) obsolete or condemned articles and stores, which may be disposed of in accordance with the supplies policy of the Trust;
- (c) items to be disposed of with an estimated sale value of less than **£5k**, this figure to be reviewed on a periodic basis;
- (d) items arising from works of construction, demolition or site clearance, which should be dealt with in accordance with the relevant contract;
- (e) land or buildings concerning which DH guidance has been issued but subject to compliance with such guidance.

8.14 In-house Services

8.14.1 The Chief Executive shall be responsible for ensuring that best value for money can be demonstrated for all services provided on an in-house basis. The Trust may also determine from time to time that in-house services should be market tested by competitive tendering.

8.14.2 In all cases where the Board determines that in-house services should be subject to competitive tendering the following groups shall be set up:

- (a) Specification group, comprising the Chief Executive or nominated officer/s and specialist.
- (b) In-house tender group, comprising a nominee of the Chief Executive and technical support.
- (c) Evaluation team, comprising normally a specialist officer, a supplies officer and a Chief Finance Officer representative. For services having a likely annual expenditure exceeding **£250k**, a non-officer member should be a member of the evaluation team.

8.14.3 All groups should work independently of each other and individual officers may be a member of more than one group but no member of the in-house tender group may participate in the evaluation of tenders.

8.14.4 The evaluation team shall make recommendations to the Board.

8.14.5 The Chief Executive shall nominate an officer to oversee and manage the contract on behalf of the Trust.

8.15 Applicability of SFIs on Tendering and Contracting to funds held in trust
(see overlap with SFI No. 29)

These Instructions shall not only apply to expenditure from Exchequer funds but also works, services and goods purchased from the Trust's trust funds and private resources.

APPENDIX B - SOUTH CENTRAL AMBULANCE SERVICE NHS FOUNDATION TRUST FINANCE POLICY NO. 3 – GUIDE FOR BUDGET HOLDERS ON TENDERING AND QUOTATION

The above form is available for Internal use by SCAS Staff. It can be accessed internally via our [Staff Intranet](#).

APPENDIX C - SOUTH CENTRAL AMBULANCE SERVICE NHS FOUNDATION TRUST SINGLE SUPPLIER/TENDER APPROVAL

The above form is available for Internal use by SCAS Staff. It can be accessed internally via our [Staff Intranet](#).

APPENDIX D - CODE OF ETHICS (CHARTERED INSTITUTE OF PROCUREMENT AND SUPPLY)

The following Code is based upon that subscribed to by all members of the Chartered Institute of Procurement and Supply.

Persons engaged in any aspect of procurement on behalf of South Central Ambulance Service NHS Foundation Trust shall never use their authority for personal gain and shall seek to uphold and enhance the reputation of South Central Ambulance Service NHS Foundation Trust by following the Chartered Institute of Procurement and Supply's Code of Ethics, as detailed below.

Understanding and commitment

- ensure consistent understanding of business ethics across the organisation at all levels
- continually enhance knowledge of all relevant laws and regulations in the countries in which the organisation operates, either directly or indirectly
- commit to eradicating unethical business practices including bribery, fraud, corruption and human rights abuses, such as modern slavery and child labour

Ethical practice

- conduct all business relationships with respect, honesty and integrity, and avoid causing harm to others as a result of business decisions
- treat all stakeholders fairly and impartially, without discrimination or favour
- actively support and promote corporate social responsibility (CSR)
- avoid any business practices which might bring the procurement profession into disrepute.

Professionalism

- use procurement strategies to drive unethical practices from the supply chain
- ensure procurement decisions minimise any negative impact on human rights and the environment whilst endeavouring to maximise value and service levels
- put ethical policies and procedures in place, regularly monitored and updated, and ensure compliance
- mandate the education and training of all staff involved in sourcing, supplier selection and supplier management to professional standards
- practise due diligence in all business undertakings

Accountability

- accept accountability and take ownership of business ethics
- Foster a culture of leadership by example
- take steps to prevent, report and remedy unethical practices
- provide a safe environment for the reporting of unethical practices.

Equality Impact Assessment Form Section One – Screening

A full Equality Impact Assessment has been carried out on this policy and is available on request to the public and internally via our [Staff Intranet](#).
(see also section 4. Equality Statement)

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