

<b>Corporate</b>	<b>CCG CO13 Procurement Policy</b>
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<b>Prepared By:</b>	Head of Procurement and Market Management, North of England Commissioning Support.
<b>Reviewed By:</b>	CCG Senior Head of Commissioning/Head of Contracting
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**Policy Validity Statement**

This policy is due for review on the date shown above. The policy will remain valid, but must be reviewed within each 3 year period.

Policy users should ensure that they are consulting the currently valid version of the documentation.

## Version Control

Version	Release Date	Author	Update comments
V1	1 April 2013	CSU Procurement Team	Policy adopted by Clinical Commissioning Group (CCG) as part of policy suite developed by NECS.
V2	September 2013	CSU Procurement Team	Updated to reflect new legislation
V3	11 December 2015	CSU Procurement Team	Updated to reflect new legislation
V4	February 2019		Updated to reflect governance arrangements
V5	May 2021	CCG Senior Head of Commissioning/Head of Contracting	Updated to reflect single tender actions

## Approval

Role	Name	Date
Approval	Governance Group	14 August 2014
Approval	Governance Group	06/09/2013
Approval	Governance Group	February 2016
Approval	Clinical Management Board	

## Review

This document will be reviewed twelve months from its issue date and annually after its first review.

The policy will remain valid, including during its period of review. However, the policy must be reviewed at least once in every 3 year period.

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## **1. Introduction**

For the purposes of this policy NHS Northumberland Clinical Commissioning Group will be referred to as 'the CCG'

The CCG aspires to the highest standards of corporate behaviour and clinical competence, to ensure that safe, fair and equitable procedures are applied to all organisational transactions, including relationships with patients, their carers, public, staff, stakeholders and the use of public resources. In order to provide clear and consistent guidance, the CCG will develop documents to fulfil all statutory, organisational and best practice requirements and support the principles of equal opportunity for all.

The CCG's role, as a commissioner, is to secure services that meet the health needs of the local population and that deliver the best combination of quality to patients and value for taxpayers. Procurement enables this by securing services through transparent engagement with providers, normally culminating in an award of a new contract(s) albeit that this may be a new contract awarded to an existing provider.

Procurement and Market Management is an integral part of the Business Commissioning Flow (see Appendices 1a and 1b).

### **1.1 Status**

This policy is a corporate policy.

### **1.2 Purpose and scope**

The purpose of this document is to outline the procurement policy of the CCG in relation to healthcare services and to ensure that procurement activity complies with relevant legislation and guidance.

This policy will also enable the CCG to:

- Decide when to use procurement
- Determine procurement approach
- Outline key aspects of procurement
- Outline key considerations to take into account when undertaking a procurement process

This document covers the procurement of clinical healthcare services only and does not cover the procurement of non-pay goods and services. Out with this scope there is a range of services that are covered by defined procurement channels as summarised below:

- Goods and supplies
- Drugs and medical equipment

This policy sets the context within which procurement is undertaken and takes effect for all procurement activity that commences from its date of issue. The policy has been developed in line with EU Procurement Directives, implemented in UK law by The Public Contracts Regulations 2015 (for which a temporary exemption is in place which applies to contract award procedures by public bodies that relate to the procurement of health care services for the purposes of the NHS) until 18 April 2016 and the Public Contracts Regulations 2006 (as amended), collectively referred to as “the Regulations”.

This policy is also aligned to the key requirements of The National Health Service (Procurement, Patient Choice and Competition) (No.2) Regulations 2013 (the “PPCC Regulations”) and the Public Services (Social Value) Act 2012 (the “Act”)

As public bodies the CCGs are required to adhere to legislation that governs the award of contracts by public bodies.

This policy is supported by policies and procedures including:

- The scheme of delegation, standing orders and detailed financial policies of the CCG;
- NHS Standard Contracts;
- Standards of Business Conduct and Declarations of Interest Policy.

## **2. Definitions**

2.1 *Commissioning* is the process of putting in place healthcare services that effectively meet the needs of the population and includes assessing the needs of the population, prioritising health outcomes, specifying requirements and monitoring quality of services.

2.2 *Procurement* is the process of securing, or purchasing those services.

## **3. Principles, Plan and Process**

### **3.1 Principles**

3.1.1 The objective of this policy is to provide a framework to ensure all procurements meet the overarching obligations of procurement law, namely, transparency, proportionality, non-discriminatory and equality of treatment. In addition the framework is designed to ensure that procurements are evidence based; deliver key business objectives; services are innovative, affordable and viable; clinically safe and effective; set stretched targets to improve health outcomes and the quality of patient experience.

3.1.2 The policy and all procurements are underpinned by a number of core principles that the CCG will observe. This will clearly demonstrate to all stakeholders including providers of services that the CCG is adopting a principled approach to the procurement of healthcare.

3.1.3 The CCG procurement policy identifies its principles when procuring clinical healthcare services as;

i) Transparent

The CCG will account publicly for expenditure and actions through:

- Publication of all commissioning strategies and intentions, outcome of service reviews and the mechanism by which it will secure services on its website;
- Publication of a register of procurement decisions on its website, including:
  - The details of the decision
  - Who was involved in making the decision (i.e. governing body or committee members and others with decision-making responsibility); and
  - A summary of any conflicts of interest in relation to the decision and how this was managed by the CCG;
- Publication of all tender opportunities with a value in excess of £10,000 on Contracts Finder and in the Official Journal of the European Union (OJEU) where appropriate (i.e. where high value and/or cross border interest) (N.B. EU regulatory thresholds are subject to change);
- Full publication of evaluation and scoring criteria in procurement documentation;
- Publication of contract award details on Contracts Finder and in OJEU (where appropriate);
- Maintenance of an auditable documentation trail of all key decisions which provides clear accountability.

Commissioning strategies and intentions will clearly state the services that are prioritised for the next 12-36 months and will outline, at a high level, those services which are expected to use competitive procurement to deliver and those which are likely to be delivered via Single Tender Action (e.g. where there is strong evidence to demonstrate that only one provider is capable of delivering the service).

The CCG will state the outcome of service reviews and inform whether or not a competitive tender will be used. These decisions will be informed from:

- Healthcare Market Analysis.
- Benchmarking.
- Provider Engagement.

Market management tools such as Prior Information Notices (PIN) will be used to ensure current and potential providers have knowledge of engagement opportunities.

ii) Assured, objective, and proportionate

The level of resource that the CCG puts forward into the process will be proportionate to the value, complexity and risk associated with the service and a corresponding procurement route will be identified.

The CCG will equally carry out the relevant financial and quality assurance checks for all potential providers by undertaking an assessment of each provider. These checks will be proportionate to the service that is to be procured.

iii) Competitive and Non Discriminatory

All forms of procurement will be transparent and non-discriminatory. The specification and bidding process must not discriminate against or in favour of any particular provider or group of providers.

All tender documentation will identify objective evaluation criteria and weightings and include detailed scoring criteria that bids will be evaluated against. No provider will be given preference over another.

The CCG will provide all information in good time ensuring all potential providers have the ability to assess the service provision and whether they wish to express an interest in providing that service.

The CCG will not favour or advantage a provider from any sector (Public, Private, Third etc) or nationality/geographical background. This will ensure that the successful provider is selected in relation to their compliance with the evaluation criteria and not with regard to the type of organisation.

iv) Contracts

Standard NHS contracts or national template contracts will be used. Where no NHS contract is available a locally developed contract will be used until such time as a national template is available.

v) Conflicts of Interest

All conflicts of interest that arise in relation to procurement will be declared and managed appropriately and in accordance with the requirements of:

- “Managing conflicts of interests: Statutory Guidance for CCGs (NHS England, 18 December 2014).
- The Bribery Act 2010 and
- The PPCC Regulations

The CCG will manage Conflicts of Interest in accordance with its Standards of Business Conduct and Declarations of Interest Policy.

vi) Diversity

The CCG will promote diversity of provision and acceptable choices for local service users in accordance with the Equality Act 2010.

vii) Procurement competencies

Recognise the contribution of all functions in the CCG in delivering best procurement outcomes and support competency and development in the commissioning and procurement process.

viii) Use of Resources

The CCG will comply with internal governance and legal requirements for procurement procedures.

ix) Sustainability

The CCG will consider the economic, environmental and social issues relating to services they intend to procure in accordance with the Act. In order to comply with the requirements of the Act, the CCG will consider:

- a) How what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area, and
- b) How, in conducting the process of procurement, it may act with a view to securing that improvement.

## **3.2 National Policy Context**

3.2.1 The CCG aims to address issues of health inequality, variations in access and to improve the health outcomes of the population of the CCG. To support this, investment will need to be delivered via robust procurement and investment planning. The CCG will need to determine which changes will occur to service delivery of existing services and where there will be benefit to patients in terms of access, choice and patient experience by identifying new providers into the market.

3.2.2 The latter might be through the 'Any Qualified Provider' (AQP) models, through competitive tendering or through Single Tender Action. To achieve this it is essential that there are well developed, transparent processes that are accessible and effective.

3.2.3 Where a CCG chooses to use commissioning support it will remain accountable whether or not it appoints others to carry out activities on its behalf. The CCG will not delegate responsibility for decisions in relation to procurement. As a public body, the CCG will adhere to legislation that governs the award of contracts by public bodies

### **3.3 Procurement Options**

3.3.1 In evaluating procurement options the decision will need to be made on which procurement route to adopt;

- Single Tender Action (uncontested procurement)
- Open Competition
- Restricted Competition
- Competitive dialogue

Note:

In situations where a Single Tender Action is being considered the CCG must demonstrate how it is compliant with procurement guidance and regulations, as well as the CCGs Detailed Financial Policies and Standing Financial Instructions, when deciding not to undertake a competitive tendering exercise.

A Single Tender Action document should be completed in each instance when a Single Tender Action is being considered. When completing the Single Tender Action document the author must draw from the respective policies and guidance to provide justification for their proposed action, this prior to gaining sign-off from the appropriate Executive and/or Board. Please note, that in all cases the CCG may determine a full tender is the most appropriate option.

In cases where the CCG believes that there is only one provider capable of delivering the services the rationale must demonstrate this with supporting evidence and that value for money can be delivered. Single Tender Actions carry an inherent risk of legal challenge and the governing body must be assured of the rationale for the decision.

3.3.2 Under AQP, any provider assessed as meeting rigorous quality requirements who can deliver services at a pre-set tariff, under the NHS Standard Contract is able to deliver the service. Providers have no volume guarantees and patients will decide which provider they are referred to on the basis of quality. Consideration should be given to the characteristics of the service and the local healthcare system to determine whether patient choice under AQP is appropriate for a given service. This consideration will include whether the service lends itself to patient choice, an assessment of the current market, the degree of choice and competition in the market and potential barriers to entry.

3.3.3 A process flow for each competitive tender option can be found in Appendices 2, 3 and 4.

### **3.4 Procurement Stages**

i) Advertising

Adverts will be clear and will succinctly promote the procurement opportunity, encouraging suitably qualified providers to respond. The advert will be published in an appropriate means including Contracts Finder and the Official Journal of the European Union (OJEU) when applicable (i.e. where there is a potential for cross-border interest or it is a high value contract).

The scope of any procurement opportunity must be carefully considered prior to advertisement as any subsequent changes may result in a requirement to halt the process and re-advertise.

Advertisements are key to alerting the market, in increasing market stimulation and ensuring adequate competition. Adverts must provide sufficient detail of the services, including what they are, how they are to be delivered, how they are to be priced and expected outcomes. The advert should also detail how the contract will be awarded, i.e. high level evaluation criteria.

Where AQP is the approach being adopted, it is also necessary to place an advertisement so that providers are able to respond to the opportunity.

ii) Memorandum of Information (MOI)

Larger scale procurements may require the publication of a Memorandum of Information (MOI). This would be issued at the same time as the advertisement and is the communication with the market at the first stage of the formal procurement process.

The MOI is a document providing an overview of the services that will be competitively tendered. It contains the background information and context of the procurement. It will not contain any commercially sensitive information and will be available to any organisations who register their interest in the procurement through an electronic procurement portal. The information allows potential providers to make an initial assessment of the opportunity so that they can determine whether they wish to proceed to the next stage.

iii) Market Engagement /Bidder Events

Prior to the start of a procurement process, market engagement events may be held to stimulate interest and gain feedback from the market in relation to service specification, commercial and contractual models. This will also provide the CCG with information in relation to the size, shape and capability of the market. The CCG may also publish a Request for Information (RFI) to obtain written feedback from the market in the same areas.

Bidder Events are held following the commencement of the formal procurement process and allow providers to obtain a more in depth understanding of the procurement requirements and provide a further opportunity to stimulate market interest. Potential Providers are given the opportunity to raise clarification questions and request additional information. Note: It is essential to ensure that all interested parties are provided with the same level of information during the procurement process, so all information provided, points of discussion, etc from any bidder event must be made available to all.

Due to the cost implications of holding market engagement and bidder events, the overarching principle of Proportionality will remain.

iv) Pre-Qualification Questionnaires

When the Restricted Procedure is utilised, a Pre-Qualification Questionnaire (PQQ) is used to enable the CCGs to evaluate providers in their suitability to be short listed for the Invitation to Tender /Invitation to Participate in Dialogue stage.

Potential providers will complete a PQQ which allows the CCG to assess the capacity and capability, legal status and economic and financial viability of their organisation to deliver the service requirements. Note: The PQQ is an assessment of the organisation and not the service delivery and financial model which are tested at a later stage within the procurement process.

The PQQ document is published on a secure website and is available to all potential providers who register their interest on an electronic procurement portal.

Bidders are short-listed against a set of published evaluation and scoring criteria. Short-listed organisations are taken forward to the next stage of the procurement process.

#### v) Invitation to Tender

The Invitation to Tender (ITT) documents are issued to short listed organisations or in the case of the Open Procedure they are combined with assessment of capacity, capability, legal status and economic and financial viability in a single stage process. The ITT documents consist of guidance and instructions to the bidders on the process, detailed evaluation criteria, questions and corresponding response criteria based on the financial model, approved Service Specification and associated contractual requirements.

Bidders are required to submit their responses to address requirements within the ITT documents within a specified deadline. The responses are evaluated against pre-determined, and pre-documented evaluation and scoring criteria.

To avoid the risk of challenge it is essential that the process is clear and that the stated process is adhered to, thereby ensuring that all providers have a fair and equal opportunity to respond.

#### vi) Tender Evaluation

Tender evaluation is the non-discriminatory, transparent and objective process used to evaluate bid responses. It is essential that details of evaluation and scoring processes are stated at the time of offer and that scoring undertaken by the evaluation panel is entirely consistent with those criteria and processes. The tender evaluation panel is a legal requirement of any tender process and its function is to ensure the safety, quality, performance, financial viability and merit of potential providers to serve patients on behalf of the CCG.

Multi-disciplinary teams will be established for all procurements to ensure fair and transparent scoring of each submission. The evaluation panel will consist of representatives appropriate to the service requirements and the size and scope of the procurement. A panel is typically made up of the following representatives:

- Procurement (Facilitator)
- Commissioning Lead

- Clinical
- Finance Representative
- Clinical Governance/Patient Safety
- Provider/Contract Management
- IM&T
- Estates
- HR

Other representatives may sit on the panel, i.e. partners such as Local Authority. Roles and responsibilities of panel members must be clearly defined at the outset. Conflicts of interest will be taken into account when selecting panel members and all conflicts resolved to the satisfaction of the CCG prior to commencing evaluation of bid responses.

#### vii) Contract Award and Standstill

Following evaluation of responses a successful provider will be identified based on their total score in the process. Contracts are to be awarded by selecting the provider offering the “Most Economically Advantageous Tender (MEAT)” which takes into account overall value for money. The criteria which determine the MEAT are those which are set out in the ITT.

The CCG will always make the final decision to award a contract to an identified successful provider; the decision must be based on the outcome of the evaluation.

All providers involved in the procurement process must be notified of the outcome. Letters will be issued to the successful and unsuccessful providers. It is essential that the content of the letters is fully compliant with the requirements of the Regulations.

Whilst not a mandatory requirement for healthcare services, a standstill period of at least 10 days between notification of the bidders of the outcome of the procurement process and contract award/signature should be adopted to allow unsuccessful providers to obtain further information and an opportunity to challenge the decision before their rights to obtain relief other than damages are closed off. The CCG may choose to further extend this period allowing additional time to resolve any issues that may arise, so as to avoid costly legal proceedings.

Once the ‘standstill’ period has passed, the contract is then formally awarded to the successful provider.

Where the contract value exceeds the EU threshold for healthcare services (which is subject to change), then a contract notice must be published in OJEU within 48 days.

All contracts with a value in excess of £10,000 must be published on Contracts Finder.

### **3.5 Managing Issues/Disputes and Challenges**

- 3.5.1 Organisations bidding to provide services may choose to raise an issue or dispute at any stage of the procurement process where they believe that the process being followed breaches regulations or guidance in some way. In these instances the CCG will aim to resolve the issue to avoid it progressing further, potentially to a formal legal challenge, wherever possible, whilst acting in accordance with the legislation and guidance governing procurement practice.
- 3.5.2 Where a provider wishes to raise an issue, they will be required to submit any correspondence through the electronic tendering portal being used to manage the procurement process to maintain a robust audit trail of communication and to ensure consistency in the messages delivered.
- 3.5.3 On receipt of correspondence from a provider raising an issue or dispute, a holding response will be issued in acknowledgement of receipt of the correspondence and to provide an indication of timescale for full response. Claims will be investigated initially by the procurement officer managing the process on behalf of the CCG. Following investigation, an approach to managing the issue will be agreed by the CCG Chief Operating Officer or an officer acting under the delegated authority of the Chief Operating Officer based on the nature of the issue raised. Specific legal advice may be sought at this point if necessary to provide guidance on available options prior to responding to the provider.
- 3.5.4 If the actions taken fail to resolve the issue raised by the provider, they may decide to progress to a formal challenge, either via Monitor where there is a perceived breach of the PPCC regulations or through the courts if the perceived breach relates to Regulations. The CCG will seek legal advice should the challenge progress through either of these channels.

### **3.6 Procurement Plan / New Service Models**

- 3.6.1 The CCG will determine and publish a timeline for reviewing existing services.
- 3.6.2 The decision making process and range of factors that will be considered may be broadly similar in different scenarios and the process will be transparent, proportionate and non-discriminatory.

Key considerations that will inform a commissioner's decision may include:

- Commissioning Priorities
  - QIPP
  - Service Reviews
  - Healthcare Market Analysis
  - Public, Patient and Staff Engagement
- 3.6.3 Procurement options should be considered where a commissioner is seeking to secure investment in new service models or significant additional capacity such as:
- New Service Models – where the commissioner is seeking to procure a new service model to address defined commissioning priorities. This may be a completely new service, an existing service delivered in a completely different way.

- Additional Capacity – where the commissioner is seeking investment in significant, additional capacity to supplement existing services and/or improve access to services.

3.6.4 If, on review existing contracts are identified as not fit for purpose, not best value or not meeting strategic objectives, (all or a combination of these) then the CCGs will determine whether the contracted service should continue to be commissioned.

### **3.7 Process for Sign off and Procurement for New Services**

3.7.1 The process will ensure that the CCG and their commissioning partners (e.g. local authority) will:

- Commission services which are safe and equitable for the population of the CCG.
- Commission services that meet the strategic objectives of the CCG.
- Reduce the risk of legal challenge to the CCG by following best practice in procuring services.
- Ensure robust and viable contracts are in place.
- Stimulate the market to meet demand and secure required clinical, and health and well-being outcomes.

3.7.2 The process will ensure that the CCG and its commissioning partners comply with PCC Regulations when procuring health care services:

- Commissioning services that secure the needs of the people who use the services.
- Acting with a view to improving the quality of the services.
- Acting with a view to improving the efficiency in the provision of services.

3.7.3 Before any procurement commences, it is essential that the CCG approves a Procurement Strategy, to be reviewed by the CCG Governing Body or a CCG Representative/Group nominated by the Governing Body.

The Procurement Strategy acts as the initial gateway to the procurement and includes information such as:

- Financial Envelope and Approved Authorisation.
- Funding Information.
- Current State.
- TUPE implications.
- Anticipated benefits in line with QIPP.
- Market analysis.
- Procurement Process.

### **3.8 Market Development**

3.8.1 Effective engagement with providers is crucial for effective procurement of health services.

3.8.2 As such, one of the CCG roles is to identify current weaknesses in provision against the strategic aims and to assess where weaknesses in existing markets may be a contributing factor. Market analysis and engagement will be undertaken to assess the existing position and determine strategies for improvement where proportionate to the service requirement.

3.8.3 The CCG will seek to stimulate the market through appropriate publicity and marketing for identified services.

### **3.9 Capacity and Capability**

3.9.1 The CCG needs to ensure that the right procurement capability and capacity is widely available and gaps are actively identified and managed to ensure:

- Commissioning staff have appropriate skills in relation to their role in procurement.
- The CCG has capacity and capability to undertake healthcare procurement.
- The CCG has a systematic process to demonstrate best value, governance and probity.

### **3.10 Procurement Governance**

3.10.1 In order that procurements are planned, communicated and managed appropriately the procurement service will:

- Be informed by the commissioning leads on the commencement of developing a service specification/commencing patient, public consultation.
- Work with the appropriate individuals to determine the best route to procure the service, once the service specification has been developed.
- Set a timetable and lead the process to ensure all milestones are met, legal and otherwise.
- Ascertain the type of contract to be offered, e.g. single contract or AQP.
- Establish evaluation panels and facilitate the evaluation of proposals submitted by providers against pre-determined criteria.
- Ensure the process is audited providing an open and transparent framework that can stand scrutiny in the event of a legal challenge on the decisions made.

### **3.11 Risks, Pricing and Incentives**

3.11.1 The consequences of not following best practice procurement processes and principles are that aggrieved providers may:

- Initiate a dispute resolution procedure or challenge via Monitor.
- Bring actions in the UK courts for damages and/or for the award decision to be set aside.
- Bring wasted cost claims.
- Seek judicial review.

- Bring the breach to the attention of the European Commission by lodging a complaint which could lead to an investigation and formal legal proceedings in the European Court of Justice.

3.11.2 All decisions in relation to Procurement will be determined by what it is trying to achieve for its patients and populations, including decisions on how prices, funding models and contract durations will reflect risk transfer and create incentives.

3.11.3 A commissioner will wish to review pricing mechanisms to complement the service specification and ensure they will drive the behaviours it is seeking to achieve, for example:

- Increased activity.
- Improved outcomes.
- Addressing Health Inequalities.
- Service Delivery.

3.11.4 In turn, adjusting the funding model and prices to reflect an appropriate balance of risk will impact upon the extent to which revenues are determined by:

- Performance Risk.

As providers will generally be in control of performance, an appropriate transfer of risk would link prices and payments to performance.

- Demand Risk.

When undertaking procurements, the CCG will consider how to manage risks of demand being higher, or lower, than anticipated. Contracts will be constructed so that the risk of greater demand lies with the provider where appropriate. However, providers are likely to require greater compensation if they are taking more risks, so contracts that transfer risk are likely to be more expensive.

## **3.12 Gainsharing**

3.12.1 Gainsharing is a tool that allows the CCG to drive behaviours in providers which leads to cost savings. It allows both provider and commissioner to identify and share savings, and can be useful in developing longer-term strategic partnerships.

3.12.2 Gainsharing can utilise a programme administrator to maintain an arm's length relationship between provider and commissioner. Where cost savings are found and then shared between the two bodies, the administrator will check the drivers are:

- Safe.
- Effective.
- Appropriate (against benchmarks where possible).

3.12.3 Contractual terms can encourage the reinvestment of the savings into patient care/ other efficiencies.

3.12.4 It is paramount that clinicians are involved in this process as they are best placed to understand how the process may be streamlined to reduce cost, strengthen efficiency and improve quality.

3.12.5 It is anticipated that Gainsharing will have the greatest impact on high-cost, high volume specialties for Providers with a sufficient level of activity.

3.12.6 The benefits of Gainsharing are threefold:  
Provider benefits:

- Keeping some of the savings.
- Incentive to innovate.
- Reduction in destabilisation risk.

#### CCG Benefits

- Facilitates new patterns of provision where appropriate.
- Getting better prices.
- Reduced risk of the destabilisation of existing providers.
- Bringing providers on the strategic journey.

#### Patient Benefits

- Receiving treatments in more appropriate settings.
- Financial benefits are reinvested to improve services.

3.12.7 The CCG will ensure one provider is not favoured above another and will be open, transparent and non-discriminatory regarding which providers it works with.

3.12.8 The CCG will also consider opening up these opportunities to new providers in order to ensure the best possible chance for innovative solutions.

#### 4. Duties and Responsibilities

<b>Accountable Officer</b>	The Accountable Officer has overall responsibility for the strategic direction and operational management, including ensuring that CCG process documents comply with all legal, statutory and good practice guidance requirements
<b>Chief Operating Officer</b>	The Chief Operating Officer will: <ul style="list-style-type: none"> <li>• Update the policy as and when required to meet national and local policy.</li> <li>• Update the policy as and when required in order for Northumberland CCG to meet legislative requirements</li> <li>• Communicate the policy throughout the organisation to ensure compliance.</li> </ul>
<b>All Staff</b>	All staff, including temporary and agency staff, are responsible for: <ul style="list-style-type: none"> <li>• Compliance with relevant process documents. Failure to comply may result in disciplinary action being taken.</li> <li>• Co-operating with the development and implementation of policies and procedures and as part of their normal duties and responsibilities.</li> <li>• Identifying the need for a change in policy or procedure as a result of becoming aware of changes in practice, changes to statutory requirements, revised professional or clinical standards and local/national directives, and advising their line manager accordingly.</li> <li>• Identifying training needs in respect of policies and procedures and bringing them to the attention of their line manager.</li> <li>• Attending training / awareness sessions when provided.</li> </ul>

## **5. Implementation**

- 5.1 This policy will be available to all staff for use in ensuring that procurement activity complies with the relevant legislation and guidance.
- 5.2 All managers are responsible for ensuring that relevant staff within the CCG have read and understood this document and are competent to carry out their duties in accordance with the procedures described.

It may be necessary to develop specific implementation plans.

## **6. Training Implications**

The training required to comply with this policy are:

- Procurement Workshop.
- Any other training identified.

## **7. Documentation**

### **7.1 Other related policy documents**

- Northumberland CCG Detailed Financial Policies, Standing Financial Instructions, and Standing Orders
- Northumberland CCG Standards of Business Conduct and Declarations of Interest Policy

### **7.2 Legislation and statutory requirements**

- Public Contract Regulations 2015
- Public Contracts Regulations 2006 (as amended)
- The National Health Service (Procurement, Patient Choice and Competition) (No.2) Regulations 2013
- Public Services (Social Value) Act 2012
- Equality Act 2010
- Bribery Act 2010
- "Managing conflicts of interests: Statutory Guidance for CCGs (NHS England, 18 December 2014),

### **7.3 Best practice recommendations**

- NHS Commissioning Board Authority's Code of Conduct
- "Substantive Guidance on the Procurement, Patient Choice and Competition Regulations" (Monitor, December 2013)
- "Enforcement Guidance on the Procurement, Patient Choice and Competition Regulations" (Monitor, December 2013)

## 8. Monitoring, Review and Archiving

### 8.1 Monitoring

The Clinical Management Board will have a method for monitoring the dissemination and implementation of this policy. Monitoring information will be recorded in the policy database.

### 8.2 Review

8.2.1 The Clinical Management Board will ensure that this policy document is reviewed in accordance with the timescale specified at the time of approval. **No policy or procedure will remain operational for a period exceeding three years without a review taking place.**

8.2.2 Staff who become aware of any change which may affect a policy should advise their line manager as soon as possible. The Clinical Management Board will then consider the need to review the policy or procedure outside of the agreed timescale for revision.

8.2.3 For ease of reference for reviewers or approval bodies, changes should be noted in the 'document history' table on the front page of this document.

**NB:** If the review consists of a change to an appendix or procedure document, approval may be given by the sponsor director and a revised document may be issued. Review to the main body of the policy must always follow the original approval process.

### 8.3 Archiving

The Clinical Management Board will ensure that archived copies of superseded policy documents are retained in accordance with Records Management: NHS Code of Practice 2009.

## 9. Equality Analysis

### Equality Analysis Screening Template (Abridged)

<b>Title of Policy:</b>	Northumberland CCG Procurement Policy
<b>Short description of Policy (e.g. aims and objectives):</b>	<p>The purpose of this document is to outline the procurement policy of Northumberland Clinical Commissioning Group and to ensure that procurement activity complies with the relevant legislation and guidance.</p> <p>This policy will also enable Northumberland Clinical Commissioning Group to:</p> <ul style="list-style-type: none"><li>• Decide when to use Procurement</li><li>• Determine Procurement approach</li></ul>

	<ul style="list-style-type: none"> <li>Outline key aspects of Procurement</li> </ul> <p>This document covers the procurements of clinical health services only and does not cover the procurement of non-pay goods and services.</p>
<b>CCG Lead:</b>	Chief Finance Officer
<b>Is this a new or existing policy?</b>	Existing

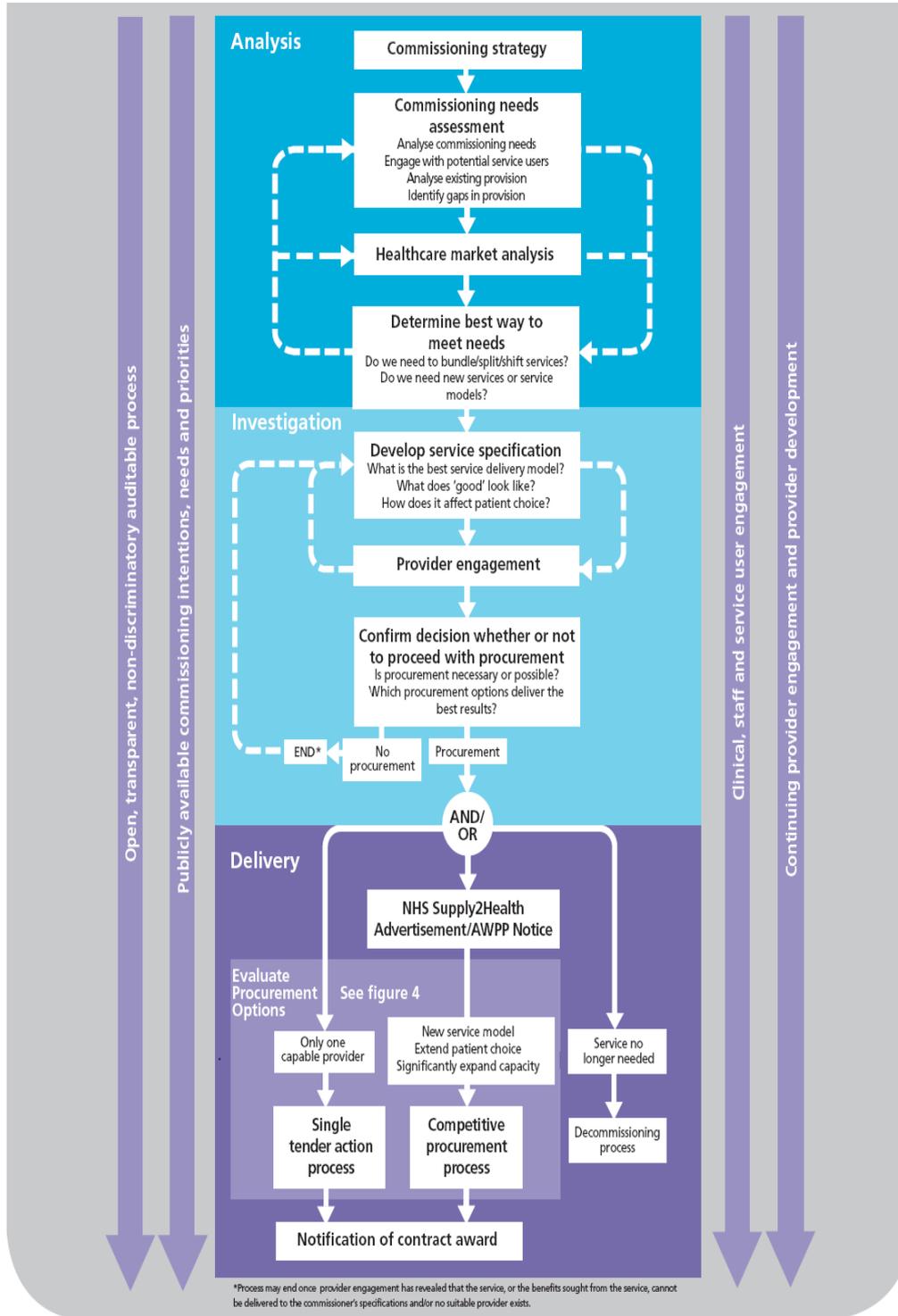
<b>Equality Group</b>	<b>Does this policy have a positive, neutral or negative impact on any of the equality groups? Please state which for each group.</b>
<b>Age</b>	Neutral
<b>Disability</b>	Neutral
<b>Gender Reassignment</b>	Neutral
<b>Marriage And Civil Partnership</b>	Neutral
<b>Pregnancy And Maternity</b>	Neutral
<b>Race</b>	Neutral
<b>Religion Or Belief</b>	Neutral
<b>Sex</b>	Neutral
<b>Sexual Orientation</b>	Neutral
<b>Carers</b>	Neutral

<b>Screening Completed By</b>	<b>Job Title and Directorate</b>	<b>Organisation</b>	<b>Date completed</b>
Tracy Hickman	Head of Procurement & Market Management, Business Development & Healthcare Procurement	NHS North of England Commissioning Support Unit	30 November 2015

<b>Directors Name</b>	<b>Directors Signature</b>	<b>Organisation</b>	<b>Date</b>

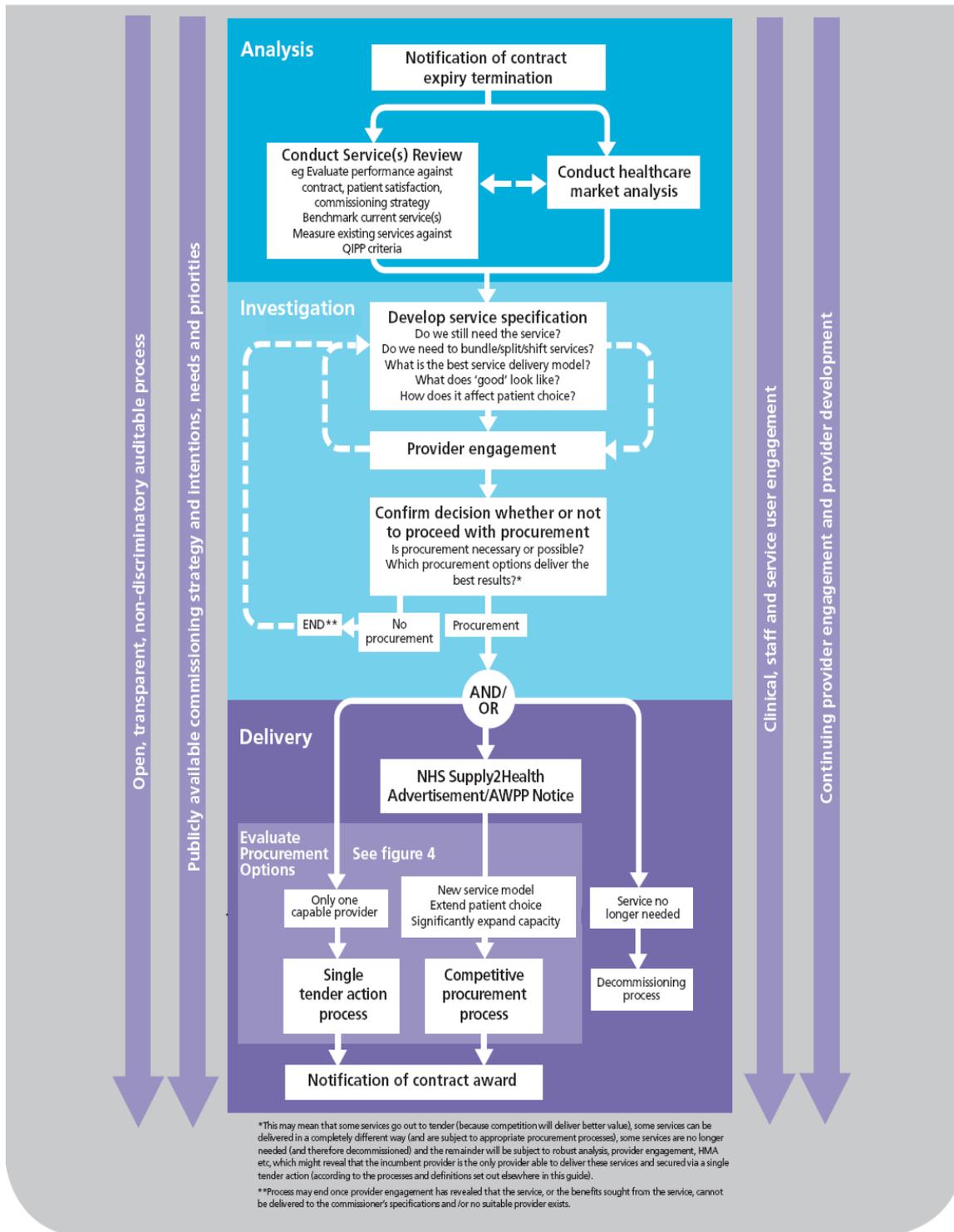
# Appendix 1(a) – Business Commissioning Flow (New Service Model/Additional Capacity)

N.B. References to ‘AWPP’ to read ‘AQP’ and references to ‘NHS Supply2Health’ to read ‘Contracts Finder’.



## Appendix 1(b) – Business Commissioning Flow (Contract Termination/Expiry)

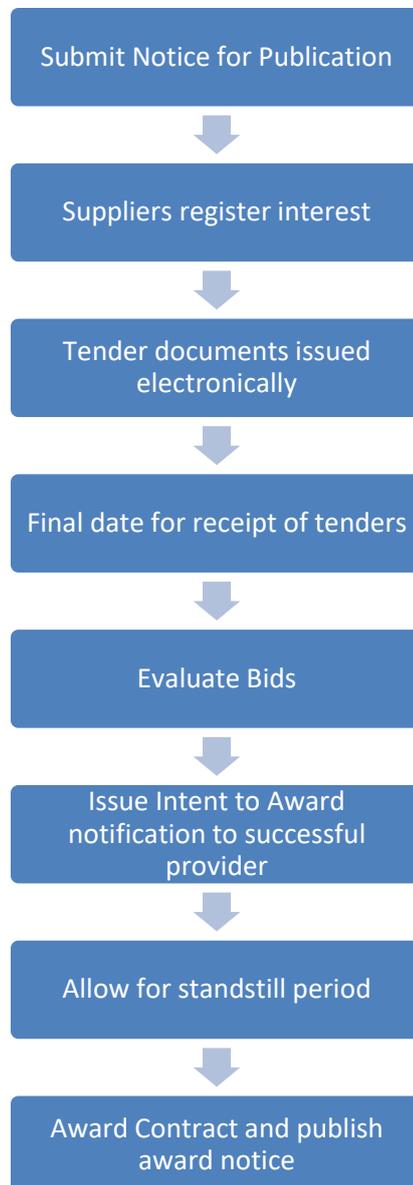
N.B. References to 'AWPP' to read 'AQP' and references to 'NHS Supply2Health' to read 'Contracts Finder'.



## Appendix 2 – Open Procedure Flow

### Open Procedure

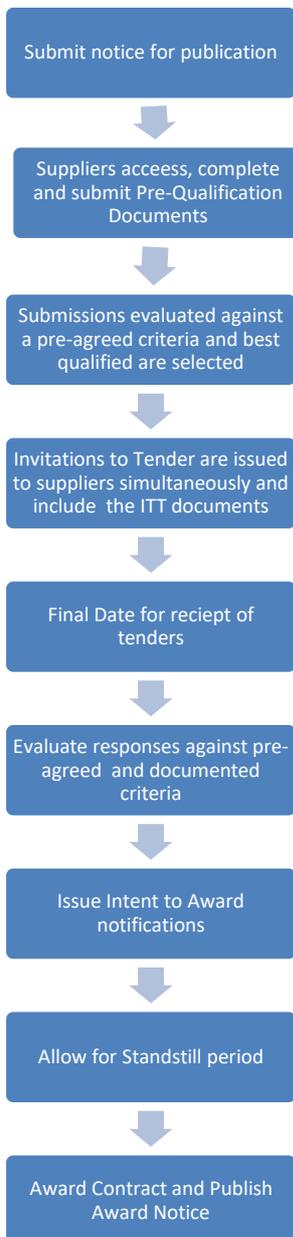
- All interested parties can submit a tender in response to the advertised service and all responses submitted will be entitled to assessment. against published requirements



## Appendix 3 – Restricted Procedure Flow

### Restricted Procedure

- All interested parties can express an interest in the service but only those providers who meet the contracting authority's selection criteria will be selected.
- The authority will provide a Pre-Qualification Questionnaire (PQQ) outlining the minimum requirements for participation in the tender exercise and providers will be scored on their responses.
- Candidates who are successful at PQQ stage will then be issued an Invitation to Tender (ITT) by the contracting authority.



## Appendix 4 – Competitive Dialogue Procedure Flow

### Competitive Dialogue

This is a new procedure introduced which has the advantage of allowing the input of those participating in the tender process.

- All interested parties can express an interest in tendering for the contract but only those who meet the selection criteria at PQQ stage will be invited to participate in dialogue.
- During the dialogue, tenderers are able to individually discuss aspects of the contract with the contracting authority. Solutions are worked up with each tenderer on the basis of the ideas and proposals put forward by that tenderer.
- There can be no ‘cherry-picking’ by the CCG of the best bits of various and individual solutions. Once the dialogue has generated potential solutions to the CCG’s requirements, the remaining tenderers are invited to submit a final tender based on their individual solutions. The best tender can then be selected, but there is very little margin for further changes once submitted

