

**NHS VALE OF YORK CLINICAL  
COMMISSIONING GROUP**

**GOVERNING BODY MEETING**



Vale of York  
Clinical Commissioning Group

**Meeting Date: 4 April 2013**

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**1. Title of Paper: Procurement Policy**

**2. Strategic Objectives supported by this paper**

Achieving high quality care for patients. Ensuring the effective use of resources.

**3. Executive Summary**

NHS Vale of York Clinical Commissioning Group (the CCG) aims to achieve 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.

The CCG's role, as commissioners, 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 service through transparent, legal and fair engagement with providers.

This policy sets out the overarching principles which the CCG will follow in its dealing with providers. It also sets out the core standards and key processes which the CCG will fully observe in all its procurement activities. This approach will help to ensure full legal compliance with NHS Procurement Regulations and UK/European Competition Law.

**4. Evidence Base**

This policy is fully compliant with NHS Procurement Regulations, UK and European Competition Law.

<p><b>5. Risks relating to proposals in this paper</b></p> <p>N/A</p>
<p><b>6. Summary of any finance / resource implications</b></p> <p>N/A</p>
<p><b>7. Any statutory / regulatory / legal / NHS Constitution implications</b></p> <p>As a public body the CCG's commissioning decisions must fully comply with EU and UK Procurement Regulations. They must also comply with NHS Procurement Regulations.</p>
<p><b>8. Equality Impact Assessment</b></p> <p>Reviewed</p>
<p><b>9. Any related work with stakeholders or communications plan</b></p> <p>The policy has been developed through consultation with a range of regional and national agencies. Further work will be undertaken to ensure that the policy remains consistent with NHS regulations and UK/European Competition Law.</p>
<p><b>10. Recommendations / Action Required</b></p> <p>The Governing Body is asked to approve the Procurement Policy.</p>
<p><b>11. Assurance</b></p> <p>Matters relating to overarching procurement policy will be monitored by the CCG Procurement Lead Officer and the North Yorkshire and Humber CSU Procurement Service. Any material matters will be escalated to the Governing Body as necessary.</p> <p>CCG Procurement Policy and Practice will also be subject to audit review.</p>

# NHS VALE OF YORK CLINICAL COMMISSIONING GROUP

## PROCUREMENT POLICY

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## **1.0 Overview**

- 1.1 Procurement is the process by which services, goods, products and infrastructure are acquired from external organisations and providers. The procurement process starts with the identification of need and continues through to the end of the agreed contract or end of the useful life of the acquired asset.
- 1.2 Procurement can cover a range of purchasing methods:
- Spot, low cost purchasing
  - Quotations
  - Full-scale Tenders
  - Any Qualified Provider
  - Framework Agreements
  - Public Private Partnerships
- 1.3 Procurement plays a key role in delivering high quality, value for money, customer/patient centered services. This document outlines the Clinical Commissioning Group's (CCG) procurement policy, including general purchasing and tender process, legal obligations, environmental issues, and gives details of European Union tendering timetables
- 1.4 This Procurement Policy is an integral part of the commissioning cycle and fully observers established Standing Financial Instructions and as a result should not be read in isolation.

## **2.0 Policy Statement**

- 2.1 The CCG is committed to the provision and maintenance of high quality care and services for its local community. This policy is designed to provide guidance and instructions on the procurement of all goods and services provided to the CCG.
- 2.2 To support the policy a series of practice guides will be established to provide detailed guidance on the procurement process.

## **3.0 Key Procurement Principles**

- 3.1 The key principles of good procurement, as laid down by the Department of Health, are shown below and will act as a touchstone for developing procurement practice.
- **Transparency** – including the use of sufficient and appropriate advertising of tenders, transparency in making decisions to tender or not to tender, and the declaration and separation of conflicts of interest.
  - **Proportionality** – making procurement processes proportionate to the value, complexity and risk of the services contracted, and

critically not excluding potential providers through overly bureaucratic or burdensome procedures.

- **Non-discrimination** – ensuring consistency of procurement rules, transparency on timescale and criteria for shortlist and award.
- **Equality of treatment** – ensuring that all providers and sectors have equal opportunity to compete where appropriate; that financial and due diligence checks apply equally and are proportionate; and that pricing and payment regimes are transparent and fair.

#### **4.0 Key Drivers and Considerations**

4.1 In developing this procurement policy it is clear that procurement best practice should be applied to all functional areas, specifically for Healthcare procurement the following business areas / drivers are important.

- **Service Quality, Safety and Effectiveness**

Providers must be able to demonstrate, via the completion of a detailed questionnaire regarding the services to be procured that the services to be provided are delivering the required outcomes and are of the highest possible quality, are safe and effective. The CCG requires providers to demonstrate compliance with best practice, (including all clinical guidelines and advice), that they have clear clinical leadership, a planned clinical audit programme in place and to provide clinical data showing the safety and effectiveness of their services. The CCG will not commission services from providers that cannot demonstrate compliance with established quality assurance frameworks.

- **Choice**

Whenever possible, and appropriate, patients and services should be offered a choice of provider. The CCG will work with key stakeholders to ascertain those services that will be delivered by a single provider, and those which will offer choice in the local area and will be explicit about the reasons for this. This process will need to comply fully with UK and EU competition requirements and will incorporate appropriate stakeholder consultation.

- **Potential for Service De-stabilisation**

The CCG recognises that certain services must properly be reviewed in their totality. The impact of changes in a service on other services provided by the organisation must be considered. Examples of these include emergency services. This does not preclude competition per se; however the CCG will need to consider the extent to which the loss of certain services from a provider may jeopardise the overall provision of services. Equally,

the CCG will ensure that important areas such as training, local employment opportunities and sound policies and procedures are incorporated into all specifications.

- **Plurality and Innovation**

The CCG is keen to encourage the innovative approaches that could be offered by new providers – including independent sector, voluntary and third sector providers. The CCG is committed to the development of local providers that understand the needs of local communities. It will be important to ensure that the CCG approach to healthcare procurement is open and transparent and that it does not act as a barrier to new providers.

- **Service Development – Trials and Pilots**

In its drive to facilitate plurality and innovation the CCG may need to conduct trials and pilots of new services or specifications to derive lessons and or refine outcome specifications. With this in mind, the CCG will be required to establish clearly that the project is a pilot via the definition and/or delivery of:

- Specific goal.
- Clearly defined timelines.
- Volume limits.
- Date definition and requirement including tracking shift in activity to assess lessons learnt.
- Clear contract including obligations to advise patients of the potential conflict, allowing for alternatives and giving the patient options to go elsewhere.
- Robust process of evaluation.
- Rights of termination if determined that pilot is unsafe or failing in terms of outcome.

- **Networks and Links**

The CCG recognises the importance of strong and effective clinical and service networks and on the value placed by many patients, carers and others on having a long-standing relationship with a clinician or service. It will be vital to ensure that the CCG's approach does not undermine these networks and links.

- **Equity and Equality**

The CCG will need to ensure that its approach does not widen health and service inequality gaps and that its approach serves to improve both health and access to services and to address inequalities gaps.

- **Partnerships with Commissioners**

It will be vital to ensure that where possible the CCG approach complements and supports the approach adopted by Partnering Organisations.

- **Partnerships with Providers**

The CCG recognises the importance of maintaining positive and ongoing relationships with providers so that services are sustained and improved continuously. Subject to its overriding legal obligations to advertise and/or tender services, the CCG will, as part of its assessment process, seek providers, whether NHS or Non-NHS, that are committed to the health and well being of the local population.

- **Value for Money**

Providers will need to demonstrate that services offer the best possible value for money for the investment made.

- **Significance**

The CCG recognises that healthcare procurement processes will require significant time, attention and resources to organise and manage. Decisions will need to be taken as to whether and when competitive processes are adopted. Key to these decisions will be the significance and materiality of the service in question (whether current or new), the opportunities that competition will bring and the risks of adopting such an approach. Such opportunities and risks will include the requirements of patients, risks to service quality, service continuity and general impact.

- **Legal**

As a public body the CCG's commissioning decisions must fully comply with EU and UK Regulations.

## **5.0 Standing Orders/Procurement Approval**

5.1 Financial Instructions and the Scheme of Delegation have established specific procurement requirements, which must be observed during all procurement activities.

5.2 A number of key procurement gateways must obtain CCG Board approval prior to commencement. These include:

- Decisions on which services to competitively advertise, or not to advertise,
- Approval of competitive procurement evaluation reports and the award of preferred supplier status.

5.3 The CCG must maintain a record of all of the health care contracts it awards. This information will be published on a website which will be maintained by the Commissioning Board. The following information will be required for each contract:

- the name of the provider and the address of its registered office or principal place of business,
- a description of the health care services to be provided,
- the total amount to be paid or, where the total amount is not known, the amounts payable to the provider under the contract,
- the dates between which the contract provides for the services to be provided, and
- A description of the process adopted for selecting the provider.

## **6.0 Key Accountabilities**

- Lead Officer: Overall responsibility for Procurement lies with the Chief Finance Officer
- Procurement Support: Procurement Support will be provided by North Yorkshire and Humber Commissioning Support Unit.

## **7.0 Key Responsibilities**

7.1 The CCG will be responsible for:

- Approving the commencement of Procurement Activities,
- Approving the preferred Procurement process,
- Approving final service specifications, evaluation criteria and advertisements,
- Approving the final list of providers invited to tender,
- Approving the final award decision.

## **8.0 Conflicts of Interest**

8.1 In order to ensure a fair and competitive procurement process, the CCG requires that all actual or potential Conflicts of Interest are identified and resolved appropriately. In terms of procurement, two key areas of potential concern exist:

- Tendering Processes and Bidder Behaviour

Potential bidders should notify the CCG of any actual or potential Conflicts of Interest in their responses. If the potential provider becomes aware of an actual or potential Conflict of Interest following submission it should immediately notify the CCG.

The CCG reserves the right to exclude at any time any potential provider from the process should any actual or potential Conflicts of Interest be identified.

Each potential provider must neither disclose to, nor discuss with, any other potential provider, any aspect of the procurement.



Each potential provider must not canvass or solicit or offer any gift or consideration whatsoever as an inducement or reward to any officer or employee of, or person acting as an adviser to the CCG in connection with the selection of Providers. Conflicts of Interest, Collusion and Canvassing issues apply equally CCG employees or others engaged by the CCG in the procurement and decision making processes. At the commencement of all procurement projects, officers scheduled to participate in the procurement will be required to disclose any actual or potential Conflicts of Interest. NHS.

- Potential CCG and GP Practice Conflicts of Interest

A potential area for conflicts of interest exists where a CCG commissions services that could be potentially provided by local GP Practices.

A general policy statement for dealing with potential conflicts of interest has been developed by the CCG and should be fully observed.

In terms of procurement a potential conflict of interest could exist where:

- An individual is currently employed by a bidder organisation or one of its subsidiaries
- An individual is currently employed by a bidder organisation or one of its subsidiaries
- A close family member or partner or close friend is currently employed by a bidder organisation or one of its subsidiaries
- An individual is currently a director or owner or controller of a bidder organisation, or have shares in a bidder organisation or their family, partner, or close relative has such shares in a bidder organisation
- An individual has been dismissed by a bidder organisation or have been subject to a disciplinary process by a bidder organisation
- An individual/organisation will derive financial benefit from the award of contract resulting from the tender process.

Specifically for procurement, where a GP, practice officer and/or GP practice has a potential material interest in a procurement process or decision, the following steps should be observed:

- The lead procurement officer should be notified as soon as it becomes apparent that a potential conflict of

- interest exists. This information will be included on the procurement process conflict of interest template,
- The GP, practice officer and/or GP practice where the conflict of interest rests, will be excluded from the formal procurement process and decision making process,
  - The Procurement Lead will ensure that all interested and bidding parties are treated equitably and fairly.

## **9.0 Significant Procurement thresholds (CCG)**

- 9.1 Formal tenders are required where the intended expenditure exceeds the CCG tender threshold in the CCG Standing Financial Instructions.
- 9.2 Quotations are required where formal tendering procedures are not adopted and where the intended expenditure or income exceeds £5,000. Quotations should be obtained from at least 3 firms\individuals. Written quotations should be used wherever practicable as an audit trail is required. If written quotations are not to be obtained, the authority of the responsible officer must be sought.
- 9.3 The Standing Financial Instructions establish clear regulations and an approval process for the waiving of internal procurement thresholds, these must be observed. UK and European Competition requirements cannot be waived under any circumstance.

## **10 OJEU Procurement Thresholds**

- 10.1 Certain types of public procurement for goods and services above a certain value (Threshold) are obliged to be advertised across the European Union to provide fair opportunities for companies in member states to bid. The adverts appear in the Official Journal of the European Union and are referred to as OJEU notices. Threshold values are reviewed annually. Details of current OJEU Thresholds can be obtained from the following website:

<http://www.ojeu.eu/Thresholds.aspx>

- 10.2 The table below lists the OJEU Procurement Thresholds which apply from the 1<sup>st</sup> January 2012 until the 31<sup>st</sup> December 2013 (thresholds are net of VAT). At present the Department of Health sees CCGs and CSUs falling within the Entities listed in Schedule 1 thresholds. HOWEVER for all Part B type services, which include Health Related Services, the relevant threshold is £173934.

**PUBLIC CONTRACTS REGULATIONS 2006 - FROM 1 JANUARY 2012**

	<b>SUPPLIES</b>	<b>SERVICES</b>	<b>WORKS</b>
Entities listed in Schedule 1	£113,057 (€130,000)	£113,057 (€130,000)	£4,348,350 (€5,000,000)
Other public sector contracting authorities	£173,934 (€200,000)	£173,934 (€200,000)	£4,348,350 (€5,000,000)
Indicative Notices	£652,253 (€750,000)	£652,253 (€750,000)	£4,348,350 (€5,000,000)
Small lots	£69,574 (€80,000)	£69,574 (€80,000)	£869,670 (€1,000,000)

**11.0 Non-Health Care Procurement**

11.1 All non-health care procurements will follow UK and European Competition Regulations and observe standing financial instructions.

**12.0 National/Regional Framework Contracts**

12.1 A number of national and regional agencies have developed framework contracts which can be accessed by NHS organisations. These framework agreements have been appropriately tendered for by the relevant agencies.

12.2 The following considerations should be made before utilising a framework contract:

- The overall value of the contract
- The availability of a robust service specification and is it applicable to the terms of the framework agreement
- Is the framework available to CCG's
- Is a management fee chargeable for accessing the framework agreement
- Do the terms of the framework require a mini competition to be undertaken
- Do the agreed financial and service terms represent value for money

### **13.0 Tender Waivers**

13.1 In very exceptional circumstances, Formal Tendering procedures may be waived. The circumstances where this is applicable are outlined in the current Standing Orders, Reservation and Delegation of Powers and Standing Financial Instructions.

13.2 It should be noted that it is not possible to waive European and UK Competition Requirements.

### **14.0 Health and Social Care Procurement**

#### **14.1 NHS Procurement**

14.1.1 In 2012 the Department of Health has issued further guidance on NHS procurement 'NHS Procurement - Raising Our Game' sets out guidance and proposed actions for NHS organisations to improve procurement standards. Specifically six key areas for improvements are identified:

- levers for change
- transparency and data management
- NHS standards of procurement
- leadership, clinical engagement and reducing variation
- collaboration and use of procurement partners
- suppliers, innovation and growth

14.1.2 The CCG in partnership with North Yorkshire and Humber CSU will ensure procurement processes adopt the key recommendations.

14.1.3 The CCG in partnership with North Yorkshire and Humber CSU will also ensure that all procurement activity is fully compliant with the latest NHS Procurement Regulations.

#### **14.2 General Approach**

14.2.1 The CCG will undertake all health and social care procurements in accordance with UK and EU Competition requirements. It will also observe Department of Health service guidance and its Principles and Rules for Cooperation and Competition.

14.2.2 The CCG's approach to health and social care procurement will be underpinned by the following principles:

- NHS and existing providers should be engaged at an early stage of service development.
- Early and substantial engagement of existing providers is expected.

- Early and substantial engagement of staff and their trade union representatives where applicable is expected.
- Early and substantial public consultation will take place.
- Decisions are taken locally but within clear national guidelines.
- Commissioners must demonstrate:
  - Fairness and transparency of process.
  - Clear rationale for decision making.
  - Needs –driven.
  - Proportionality (that the commissioner acts proportionately to the size and seriousness of any problem).
- Commissioners are expected to secure best value and quality for patients and tax payers.
- Commissioners are expected to actively monitor the quality of the service and initiate a process with providers if services are not adequate.
- Robust oversight and assurance of all the above through the CCG Board and Executive Governance Structure.

### 14.3 When to Tender Services

14.3.1 The key driver for any decision to tender or not to tender a health or social care service will be the need to commission services from the providers who are best placed deliver the needs of patients and the local population.

14.3.2 Such decisions will fall into two types, either existing services or new services (including significantly changed services).

- Existing Services

If an existing service is covered by an in-date contract, is delivering effective value for money services which meets current service requirements, then the existing provider(s) may be retained.

Where an existing service contract has come to the end of its contract period, and this contract has been previously competitively tendered, then a new competitive process is likely to be undertaken.

Where an existing service is provided on a provider list basis and has come to the end of its contract term, the CCG will

consider the potential for using AQP to increase the available provider pool.

Where an existing service contract has come to the end of its contract period, and this contract has not been previously competitively tendered, then the CCG will examine the service to see if it is suitable for competitive tender.

- **New or Significantly Changed Services**

Where patient choice is a key driver, the CCG will look at the potential for increasing the available provider pool through the use of AQP.

In situations where GP Practices are the only available and capable provider, then the CCG will look consider a single tender waiver for purchasing the service from GP Practices. In such circumstances the conflict of interest principles must be observed.

For services where a compelling reason does not exist to award on single tender basis, competitive market exists and it is not suitable for AQP, then the CCG preference will be for a competitive tender process.

#### 14.4 Provider Checks

14.4.1 During AQP or competitive tender processes, assurance checks will be carried out on potential providers. These checks will examine:

- Financial viability and standing
- Legal Standing
- Clinical capacity and capability
- Clinical and Professional Governance
- Insurance Cover
- Quality Framework.

14.4.2 For potential providers not sourced through AQP or a competitive process, additional checks must also be performed on:

- Viability of the Delivery Proposal
- Value for Money of the Proposal
- Affordability of the Proposal.

#### 14.5 Any Qualified Provider (AQP)

14.5.1 Any Qualified Provider is a procurement model that CCG's can use to develop a register of providers accredited to deliver a range of

specified services within a community setting. The model aims to reduce bureaucracy and barriers to entry for potential providers.

14.5.2 Under AQP, any provider that demonstrates that it meets the assurance and specific service requirements, and also agrees to the predetermined AQP price will be approved and can compete for activity within that specific market. The key to AQP is that there are no guarantees provided on payment or volume levels.

14.5.3 AQP opportunities will be advertised using Supply2Health.

14.5.4 AQP may not be appropriate in the following circumstances:

- Where the approved clinical pathway and service requirement dictates a single or limited number of providers,
- Where limited activity levels exist and would not support multiple providers,
- Where overall service costs will be significantly increased by adopting AQP,
- Where some form competitive process is required to determine correct and appropriate pricing levels,
- Where no fair and reasonable method of selecting between approved providers can be determined.

## 14.6 Competitive Tenders

14.6.1 The CCG will pursue and manage competitive tenders for health and social care through ensuring that choice, cooperation and competition are appropriately adopted. The competitive tenders undertaken by the CCG will seek to fully observe the following key principles:

**Transparency** – Competitive Tenders should be fair and open and include a sufficient level of advertising. Specifically:

- The CCG will endeavour to publish proposed procurement plans that will provide providers with information about commissioning intentions and future tendering opportunities.
- The CCG will select the most appropriate media for advertising tenders. The Supply2Health procurement portal will be the primary advert media.
- The CCG will only commission services from the providers who are best placed to deliver the needs of our patients and population.
- The CCG will procure services from suppliers that offer best value for money.
- The CCG will fairly manage and be transparent about potential conflicts of interest.
- The CCG will be transparent about its service requirements and how it will evaluate tender bids.

- The CCG will be transparent in disclosing the proposed award of contracts and providing debrief information to unsuccessful bidders.

**Objectivity** - Key decisions must be based on documented objective data and criteria as part of the procurement process.

**Proportionality** – The competitive tendering process should be proportionate to the value and complexity of the services to be procured.

**Non-discrimination** – The competitive tendering process must not discriminate among providers, and ensure that in the delivery of services, providers do not discriminate among patients or patient groups. Specifically:

- Service specifications and evaluation criteria will be developed so as to be generic and not favour specific providers.
- The CCG will ensure that evaluations processes are fair and do not discriminate against particular bidders.

**Accountability** – Officers involved in competitive tenders should strive to align their authority and legal powers with their accountability and legal duties.

**Subsidiarity** - Decisions should be made by the lowest competent authority and not unnecessarily escalated to Board.

**Consistency** - Formulation and implementation of policy must be internally coherent and consistent.

**Interdependency** - When assessing specific issues, commissioners and providers should understand and minimise the potential unintended consequences of any actions. As part of the overall approach to the above principles systems will be adopted that assist in:

- The design of local incentives and drivers.
- Driving quality in provision.
- Procurement and Contracting including management of change, failure and disputes.
- Market development and managements.
- Enabling and improving choice.
- Patient, public and market information.

14.6.2 The CCG may also actively engage with third party organisations where appropriate to engage support or guidance within the commissioning and procurement process.



## 14.7 EU Directives and Procurement Regulations

14.7.1 The Procurement Regulations require competition as the mechanism by which contracting authorities ensure equality of treatment, transparency and non-discrimination. This is reinforced in the DoH Framework for Managing Choice, Cooperation and Competition.

**14.7.2 *This Policy complies with the requirements set out in the CCG current Standing Orders, Reservation and Delegation of Powers and Standing Financial Instructions.***

14.7.3 All procurements will comply with the European Union (EU) Procurement Directives (as enacted by the UK Procurement Regulations). Under the current EU Procurement Regulations Healthcare Services are treated as Part B Services. However, there is still a requirement to adhere to the principles of the Procurement Regulations. *Please note: Significant changes to EU regulations, including Part B services are currently being finalised.*

## 14.8 Consultation

14.8.1 All major health service changes will be subject to patient and public consultation. The CCG will agree a consultation process at the outset of a procurement project on a case by case basis.

14.8.2 Major Service change proposals have been subject to the Service Change Assurance Process managed by SHAs. From 1 April 2013 a revised assurance process will be undertaken by the NHS Commissioning Board. The CCG will ensure full compliance with the relevant national Service Change Assurance requirements.

## 14.9 Ethical and Sustainable Procurement

14.9.1 The CCG takes social and environmental factors into consideration alongside financial factors in making decisions on the purchase of goods and the commissioning of services. Our purchasing decisions where practicable consider whole life cost and the associated risks and implications for society and the environment.

14.9.2 The ethical procurement principle is to ensure that all people involved in our supply chain are treated fairly and reasonably, are not discriminated against and work in a safe environment.

14.9.3 The sustainability/environmental procurement principle is to deliver sustainable social and environmental activities both within our organisation but also in our supply chain.

14.9.4 All Health Care Procurement will observe the requirements of the Ethical and Sustainability Procurement Policies.

## **15.0 Procurement Dispute Resolution**

15.1 Dispute Claims will be judged if they are eligible to enter CCG Dispute Resolution against the following criteria:

- The core basis of the dispute claim is covered by the principles and rules for co-operation and competition
- There is a full disclosure of all relevant and applicable information. This does not preclude the panel from asking for further information as it requires. Furthermore, any individuals connected to the complaint are on hand to provide further evidence / testimony as required.
- The CCG Dispute process is best placed to resolve the issue, as compared to other agencies.
- The dispute is not a reserved matter
- No legal proceedings have commenced.
- The dispute is not trivial, vexatious or an abuse of the Panel's procedures.
- There is adequate time for the panel to review the complaint appropriately, for example, if there are time-critical issues

15.2 CCGs are not expected to resolve reserved matters relating to the Principles and Rules for Cooperation and Competition that overlap with existing legislation and the role of competition authorities. Reserved matters include:

Reserved matters include:

- Competition Act (CA98) – chapter 1 covering agreements that effect an ‘appreciable’ prevention, restriction or distortion of competition (overlaps principles 1 and 4 of the Principles and Rules for Cooperation and Competition)
- Competition Act (CA) – chapter 2 dominant providers: predatory pricing, restrictive agreements (overlaps Principles 1, 4 and 7 of the Principles and Rules for Cooperation and Competition).
- Enterprise Act 2002 (EA02) – covering mergers or acquisitions which apply to ‘enterprising ceasing to be distinct (overlaps principle of the Principles and Rules of Cooperation and Competition).

15.3 The CCG will observe the following process in dealing with any procurement based disputes.

### **STAGE 1**

All procurement dispute claims must be submitted in writing to the CCG Accountable Officer. The Accountable Officer will determine if the claim is:

- Is suitable for mediation prior to formal adjudication
- Whether the claim is of a serious nature that it should be fast tracked to NHSCB, Office of Fair Trading or other agency
- Whether the claim is reasonable and viable. In such circumstances the claim will enter formal CCG Dispute Resolution.

## STAGE 2

The claim will be escalated to the CCG Procurement Dispute Panel. The Panel will have a core membership of:

- Chief Operating Officer
- Accountable Officer
- Procurement Lead
- Additional Independent Experts (as required)

The Panel will request evidence from the parties involved which supports their position. In addition the parties involved will be required to submit a joint paper which sets out in summary the areas the parties agree on and disagree on. The panel will then review the case and decide if any further information is required before a panel decision can be arrived at.

If the Panel is able to make a decision, it will write to them notifying them of the decision and the reason behind that decision. The NHSCB will also be notified of the decision. If the panel is unable to make a decision the case will be referred to the NHSCB. This stage should take no longer than 20 days.

Appeals against the Panel decision should be escalated to the NHSCB.