

**EAST KENT HOSPITALS UNIVERSITY NHS FOUNDATION TRUST**

REPORT TO: **BOARD OF DIRECTORS – 29 AUGUST 2014**

SUBJECT: **PAS SINGLE TENDER WAIVER**

REPORT FROM: **DIRECTOR OF FINANCE AND PERFORMANCE  
MANAGEMENT**

PURPOSE: **To note decision**

**CONTEXT / REVIEW HISTORY / STAKEHOLDER ENGAGEMENT**

In line with the Trust's Standing Financial Instructions, budget holders are responsible for ensuring value for money is obtained for goods and services purchased under £10,000. For goods and services between £10,000 and £35,000 (on a whole-life basis for expenditure and income) budget holders are responsible for obtaining a minimum of three formal written quotations on a competitive basis.

Formal written competitive tenders are required for goods or services above £35,000.

Formal tendering procedures may be waived in the following circumstances:

- 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 the formal tender waiver proforma;
- where the requirement is covered by an existing contract let by the Trust or partner organisation;
- where the timescale genuinely precludes competitive tendering. However, failure to plan the work properly would not be regarded as a justification for a tender waiver;
- where specialist expertise is required and can be demonstrated to be available from only one source;
- when the requirement is essential to complete a project or procurement, and arises as a consequence of a recently completed assignment and engaging different suppliers for the new task would be inappropriate;
- there is a clear benefit to be gained from maintaining continuity with an earlier project or supply of goods/services. However in such cases the benefits of such continuity must outweigh any potential financial advantage to be gained by competitive tendering;
- 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 Director of Finance will ensure that any fees paid are reasonable and within commonly accepted rates for the costing of such work.

**SUMMARY:**

The Finance and Investment Committee approved a Single Tender Waiver for the Annual Support and Licence of Software of the Trust's Patient Administration System at its meeting on 22 July 2014.

The amount exceeded the threshold of £500K and therefore requires sign-off by the Board of Directors in line with the Trust's Standing Financial Instructions.

An electronic process was carried out in early August to seek approval from the Board of Directors.

All Board members considered the reason for requesting the waiver and acknowledged approval on the basis that:

*This is the only supplier that is able to provide the support and maintenance for the patient administration system. CSC is both the supplier and developer of the solution implemented by the Trust. There would be significant risk of engaging a third party supplier to perform the platform.*

**IMPACT ON TRUST'S STRATEGIC OBJECTIVES:****FINANCIAL IMPLICATIONS:**

Estimated Value: £607,501.14.

**LEGAL IMPLICATIONS / IMPACT ON THE PUBLIC SECTOR EQUALITY DUTY:**

None.

**PROFESSIONAL ADVICE TAKEN ON ANY NOVEL OR CONTENTIOUS ISSUES:**

None.

**BOARD ACTION REQUIRED:**

(a) to note the outcome of the electronic process.

**CONSEQUENCES OF NOT TAKING ACTION:**

There would be significant risk of engaging a third party supplier to perform the platform.