

National Framework for Back Office Functions Contract Ref: F10749 Framework Guidance



ISSUE LOG

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Section 1 - Introduction

1. Purpose of This Document

- 1.1 NHS South of England Procurement Service (SoEPS) has developed this guidance to assist customers through each stage of their procurement journey, using this National Framework for Back Office Support Functions & Systems.
- 1.2 This document outlines the background and overview of the framework agreement and lists the different services available.
- 1.3 This document then explains the steps involved in the procurement processes as follows:
 - Direct call-off
 - Mini competition
- 1.4 This guide to the framework agreement contains commercially confidential information that must be used only for the purpose of official business and may only be shared with eligible parties. Although access to this agreement is free of charge for NHS bodies and Central Government authorities as listed in the ITT, who are able to call-off from the framework agreement, it is dependent on prior authorisation from NHS South of England Procurement Services.
- 1.5 This guide is designed to help users of the framework:
 - Identify participating suppliers;
 - Access and make the most of the benefits and savings available; and
 - Know who to contact for help and clarification
- 1.6 This document is for guidance only. It is not a contractual document. It does not form part of the framework agreement or any resulting call off contracts, and it is not to be construed as being part of these documents.
- 1.7 NHS South of England Procurement Services (SoEPS) are a Collaborative Procurement Organisation based on the South Coast of England, providing both Strategic Procurement and Operational Purchasing support to a number of acute and commissioning public healthcare bodies. Portsmouth Hospitals NHS Trust (“the Trust”) intends to establish a framework to provide a range of NHS back office services, including financial, procurement, employment and data warehousing services, for itself and for the benefit of other public bodies. The Trust considers that the proposed framework agreement will enable the wider public sector to benefit from a streamlined services delivery approach.

The scope of services to be provided under the framework agreement will be divided into four (4) lots, with (2) sub lots (Lot 3A & 3B)

- Lot 1: Financial Services
- Lot 2: Procurement Services
- Lot 3A: Payroll Services
- Lot 3B: Employment Services
- Lot 4: Business Intelligence and Data Warehousing Services

2. Background to the Back Office Framework Agreement

- 2.1 SoEPS conducted a formal restricted procurement process in line with OJEU guidance and directives to identify and evaluate suitable suppliers capable of providing Back Office Functions.
- 2.2 Drawing on its experience in facilitating such services, its host Trust (Portsmouth Hospitals NHS Trust), recognise the complexities and risks inherent in projects of this nature, and therefore have created this framework to assist Public Sector organisations, particularly within the NHS, to effectively source and implement Back Office Support Functions & Systems and to achieve savings and efficiencies. Potential Suppliers were assessed on the strength of their proposed solution for quality & performance etc. whilst being subject to a comprehensive due diligence process to assess financial stability and capacity.

3. Eligible Users

- 3.1 This framework can be utilised by any public sector organisation in the NHS bodies and Central Government authorities as listed in the ITT. SoEPS envisages that any publicly-funded body in the UK can use the Back Office Functions framework.
- 3.2 Private sector bodies can only use the Back Office Functions framework if they are buying on behalf of a publicly-funded body when acting as that customer's agent. In such instances, the agreement must be in place prior to the private sector body commencing the procurement.
- 3.3 Please feel free to contact our customer service desk for further clarity. Please email holly.smith@soeprocurement.nhs.uk please state your organisation name and explain your query.

Section 2 – Background to the Procurement

1. Framework Scope

- 1.1 An OJEU Notice, reference 2017/S 128-261410, was published on 07/07/2017 and was followed by an Invitation to Tender published in the Official Journal of the European Union (OJEU) on 06/10/2017, seeking applications from suppliers interested in tendering for the provision of the Back Office Support Functions & Systems. The procurement was managed in accordance with the Restricted Procedure as detailed in the Public Contracts Regulations 2015. The Restricted Procedure was selected in order to be able to shortlist the number of suppliers available on the framework. The closing date for tender submissions, after clarifications was 10/11/2017.
- 1.2 Potential Suppliers were assessed on the strength of their proposed solution in areas including: quality & performance etc. whilst being subject to a comprehensive due diligence process to assess financial stability and capacity. A copy of the published OJEU notice is available on request.
- 1.3 The Framework is let for a period of four (4) years from **01/02/2018** to **31/01/2022**, although users of the framework will retain the ability to extend their own call off/direct award agreements for a further two years after the initial contract period.

2. Supplier Listings

- 2.1 SoEPS have let this framework agreement using the restricted procedure as directed by the Public Contracts Regulations 2015 (as amended), in which SoEPS placed a notice to establish a multiple supplier framework. Suppliers were invited to complete a Selection Questionnaire (SQ) to self evaluate financial stability and to assess technical capability. The six suppliers who met the requirements were invited to tender for the Back Office Support Functions & Systems Framework as a result of the above mentioned exercise. This framework offers 4 specialist professional services. The six suppliers invited onto the Framework, each have the capability to offer varying services and are listed as follows:
 - Acquis Ltd (*subcontracting to Assistive Partner Ltd, Elcom Systems Ltd & Xoomworks Ltd*)
 - Equiniti ICS Ltd
 - Liaison Financial Services Ltd
 - NHS Shared Business Services
 - Parity Consultancy Services
 - Wax Digital Ltd
- 2.2 Appendix 1 to this document provides a listing of all the suppliers on the framework with their specialist services for the Lots they have bid for. Whilst the tender evaluation resulted in a ranked order per lot, scores were awarded against a generic requirement.
- 2.3 The awarding authority should define its requirements, including current and estimated future requirements, and invite tenders from all suppliers based upon those requirements. Evaluation of the responses should be broadly in line with that of the original procurement process.

3. Pricing

- 3.1 On acceptance, prices stated in the Commercial Offer Schedule (Appendix E) have been based on an **average** annual charge for evaluation purposes only and must remain valid for acceptance for a period of four years (4) from the closing date of the tender. Prices must be submitted in accordance with the relevant information stated in the Terms & Conditions, Specification and Commercial Offer Schedule which are available on request
- 3.2 Prices for the services must remain fixed for the duration of the contract unless a downward movement in prices occurs. Thereafter prices will be subject to annual review and any price increases proposed will not exceed the government inflation target, currently 2%.
- 3.3 Any price increase requested by the Contractor will need to be supported by a detailed explanation and evidence of increased costs, which should be submitted at least two months prior to the anniversary of the contract. The Customer reserves the right to reject any such request and re-tender the contract. Only one request to increase prices will be considered in a 12- month period and revised prices will only be applied following mutual agreement. The Contractor shall at the request of the Customer, furnish such books, accounts, documents or records, and such other information as the customer may reasonably require to verify the charges incurred by the Contractor.

4. Benefits of Using the Framework Agreement

- 4.1 The benefits of using the framework agreement include:
- **Reduced Timescales** - You do not need to run a full OJEU procurement if procuring via this framework agreement as this has already been undertaken by SoEPS. You will simply need to identify your requirements, present these to the market and award a contract.
 - **Ease of Use** - The framework is simple to use, with expert procurement advice available from SoEPS.
 - **Potential Aggregation of Spend** - The framework provides awarding authorities with a legally compliant access to the market, with the benefits of significantly reduced procurement timescales and access to cost-effective and quality approved suppliers.
- 4.2 Using this framework agreement can save potential customers' time and resource costs by negating the need for a full procurement exercise; by using either the Direct Award (if the Trust's own Standing Financial Instructions allow) or a Competitive Call off (Mini Competition) procedure, described later in this document. Interested parties can select the appropriate supplier without the need for a full OJEU advertisement.

5. Utilisation of the Framework

- 5.1 For further information on the framework or if an organisation wishes to use this framework to fulfil their requirements then, in the first instance, please contact the SoEPS Team by emailing holly.smith@soeprocurement.nhs.uk with details of your

organisation, your name, your role, your email address and telephone number or by calling 01489 779162. The customer will then be issued with the most relevant and up-to-date contact details for the supplier(s) for them to be able to make contact. A copy of the OJEU notice can be made available upon request.

- 5.2 **Please note** a purchase order number must be provided to SoEPS for compliance against using the Framework.
- 5.3 SoEPS envisages that any publicly-funded body in the UK can use the Back Office Function framework.
- 5.4 Private sector bodies can only use the Back Office Function framework if they are buying on behalf of a publicly-funded body when acting as that customer's agent. In such instances, the agreement must be in place prior to the private sector body commencing the procurement.
- 5.5 On request, the SoEPS will provide users of the framework with:
- A unique framework access code, which must be quoted in all correspondence with framework suppliers;
 - A copy of the OJEU award;
 - Access to the framework manager for advice, etc.
 - Framework T's & C's, Commercial Offer Schedule & Specification
- 5.6 Two options are available for the organisation interested in using the Framework:
- **Direct Call-off Award** - In accordance with the **Public Contracts Regulations 2015** customers may conclude a call off contract in accordance with the terms of the framework without reopening competition in cases where the requirements of the customer directly match those of the Framework.

However given the bespoke needs of potential users it is strongly advised by

- **Mini Competition;** In situations whereby the requirements of the customer vary from the express requirements of the framework i.e. specific network requirements, the Customer is entitled to conduct a mini competition amongst Framework Suppliers to identify the supplier most suited to their requirements.

Under this mechanism the Customer should invite all suppliers listed on the framework **for the specific lot required** to return a proposal, based on the Customer's requirement, the Customer may then evaluate the returned proposals based on their pre-defined evaluation criteria and award the call-off contract.

A Mini-Competition is typically conducted as follows:

- Invite (in writing, ideally via an electronic tender portal) all suppliers who have tendered for the Lot required, to submit proposals. The invitation should:
- Specify a fixed time limit for submission of proposals. Such time limit shall be of sufficient duration to allow proposals to be submitted, taking into account factors such as the complexity of the required Lot, the requirement and the time needed to compile and submit a proposal.
- Specify the customer's precise sub-criteria and weightings, these will be unique to the customer's requirements however SoEPS recommend that in

line with Procurement best practice the following top level criteria and weighting is adopted: 20% for Cost and 80% for Quality.

6. How to use the Back Office Functions Framework

Upon deciding to use the Back Office Functions Framework, users of the framework should email SoEPS stating a brief outline of their requirements, preferred route of engagement (i.e. Mini-Competition) and expected timescales available for implementation.

For further information please contact:

Holly Smith
NHS South of England Procurement Service
Tel: 01489 779736
Email: holly.smith@soeprocurement.nhs.uk

- 6.1 Customers shall evaluate the proposals received and notify all invited suppliers of the outcome; and place the resulting order with the supplier who has submitted the most economically advantageous tender.
- 6.2 This mechanism is a preferable route of engagement as Customers are likely to have specific requirements and vision for their Back Office Functions Service/s that are unlikely to be captured in the generic assessment and evaluation for entry onto the framework conducted by SoEPS.

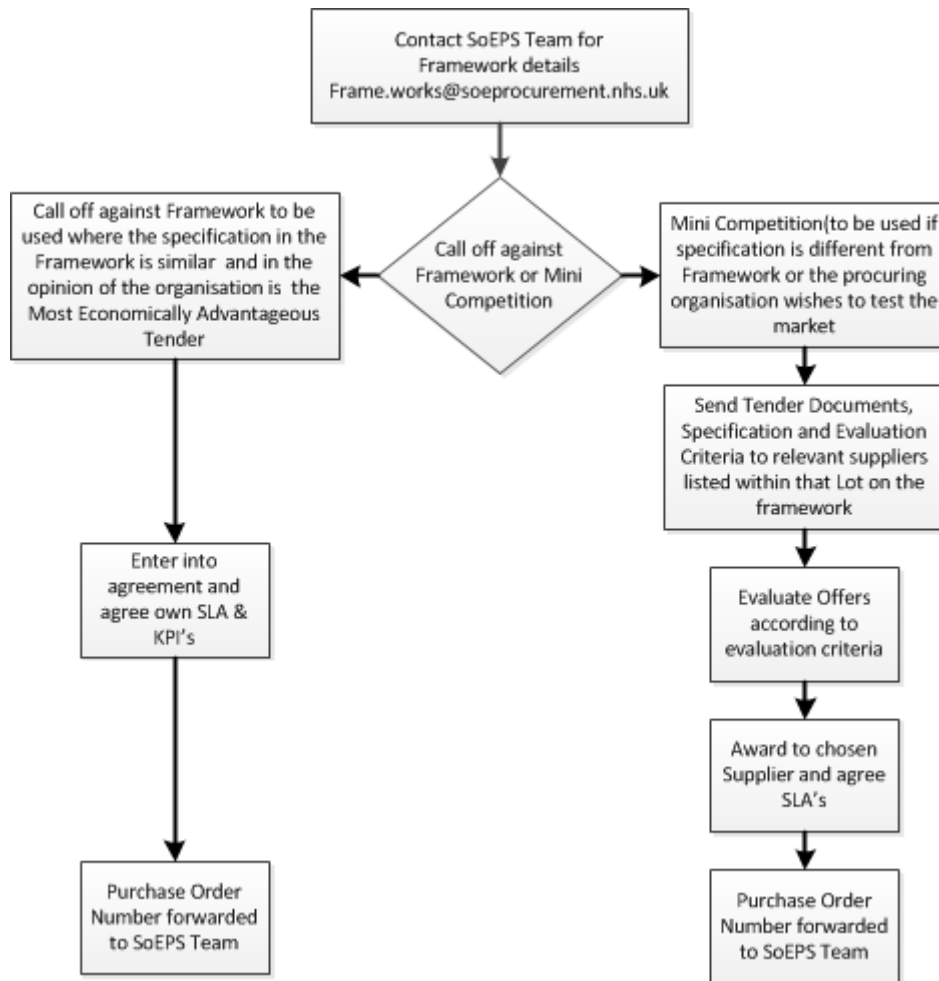
7. Procurement Solutions available

Typically the primary advantage to customers of this framework is the quick and easy access to contract award and delivery status so that an organisations' strategic objectives on back office are quickly realised through a procurement solution.

With this concept in mind it is important to bear in mind the following principles:

- The due diligence must be undertaken by the customer.
- The scoring of the tenders was weighted 20% for costs based on standardised generic questions and not reflective of a tailored specification on a customer by customer basis. Therefore the top scoring supplier on quality may not be reflective in the overall top scoring supplier for each lot.
- A Direct Call-off can be made to the supplier who in the opinion of the organisation presents the Most Economically Advantageous Tender (MEAT) taking into consideration the quality of the solution and the proposed cost of service. It must also be borne in mind that some elements of solution delivery may already be contained in some aspects of the service offering in some of the lots. It is important to make this point given that the business objectives from a customer perspective maybe wholly integrated under one supplier offering and Lot.

Section 3 – Accessing the Framework Agreement



1. Evaluation Criteria to be used for Mini Competitions

1.1 These criteria weightings are set by the framework agreement. Procurement regulations recommend that you adhere to weighting levels within these tolerances.

1.2 *Table 1 Main Framework Criteria*

Prime Criteria (% Weighting)	Example Sub Criteria (To be tailored to suit requirements)
Quality (80%)	<i>Adherence to specification</i>
	<i>Implementation plan</i>
	<i>Proposed account management structure</i>
Cost (20%)	<i>Price</i>
	<i>Consultancy / Development charges</i>
	<i>Escrow charges</i>

2. Additional Support / Information

2.1 As creators and guardians of the Framework, SoEPS will be on hand to support potential users of the framework during the sourcing and subsequent ordering procedure and supplying the relevant documentation.

2.2 Upon selection of a suitable supplier via one of the two mechanisms described in section 2 point 5.6 the supplier/s of the Framework may then enter into a formal call off order for the required services. At this stage an order form (as documented within Appendix 2) will need to be completed and signed off by both parties.

2.3 For any call off or direct award to access this Framework there will be a management fee payable by the Supplier.

The payment of this fee will be payable to Portsmouth Hospitals NHS Trust who will provide the resources for the Framework Management Team and the additional benefits this framework brings (including marketing). Fee levels will be subject to regular review. The fee will be applied annually to the contract value of the service/s and paid by the Supplier when the customer accesses the framework.

2.4 SoEPS will generate and supply a unique order number as they need to monitor the use of this framework. The completed order form along with the Framework Agreement will constitute the terms and conditions of the ordered services.

3. Due Diligence / Disclaimer

3.1 It is the buyer's responsibility to undertake their own due diligence in relation to the systems they procure. SoEPS will not be held liable for the quality or performance of any of the systems procured under this Framework Agreement.

- 3.2 SoEPS do not guarantee that the information provided in this document or on the Framework Agreement are complete, accurate and always current. This applies also to all information supplied by third parties and suppliers named and listed on the Framework, either directly or indirectly. NHS South of England Procurement Services (SoEPS) are not responsible for the contents of supplier's information.
- 3.3 SoEPS reserve the right to change or add to the information provided on this document without prior notice. Any changes on the framework contract, with each of the suppliers awarded, will be subject to the Framework agreement variation procedure.
- 3.4 In making this information available, SoEPS do not establish the basis for any offer about information, consulting or similar contractual relationships. SoEPS are excluded from all liability for the content of supplier's information on the Framework or for the accuracy of the content of this document.
- 3.5 SoEPS do not assume any liability whatsoever for actual, direct or indirect losses or for losses incurred due to, but not restricted to, the unavailability of use, data losses or lost profits in connection with the use of this Framework or information accessible via the South of England Procurement Services website.

Contact details

Further information on this framework agreement can be found by contacting holly.smith@soeprocurement.nhs.uk

NHS South of England Procurement Services
Unit 8 Manor Court
Barnes Wallis Road
Segensworth
Fareham
Hants
PO15 5TH

Telephone: 01489 779736

Appendix 1:

Approved Framework Supplier Summary

Lot 1. Financial Services

Louise Hillcoat: Senior Bid Manager
email to: sbs-b.bidmanagement@nhs.net

NHS Shared Business Services

Three Cherry Trees Lane
Hemel Hempstead
HP2 7AH

Lot 2. Procurement Services

Louise Hillcoat: Senior Bid Manager
email to: sbs-b.bidmanagement@nhs.net

NHS Shared Business Services

Three Cherry Trees Lane
Hemel Hempstead
HP2 7AH

Peter Wozywoda: Managing Director
email to: peter.wozywoda@genmed.eu

Genmed Commercial Services

Unit 1,
Lakeside Court, Llantarnam Park,
Cwmbran,
South Wales
NP44 3GA

Chris Smith: Sales Director
email to: c.smith@waxdigital.com

Wax Digital Ltd

Grafton House
Grafton Street
Hyde
Cheshire
SK14 2AX

Lot 3A. Payroll Services

Louise Hillcoat: Senior Bid Manager
email to: sbs-b.bidmanagement@nhs.net

NHS Shared Business Services

Three Cherry Trees Lane
Hemel Hempstead
HP2 7AH

Duncan Watson: Managing Director
email to: duncan.watson@equiniti.com

Equiniti ICS Limited

205 Airport Road West
Belfast
BT3 9ED

Lot 3B. Employment Services

Louise Hillcoat: Senior Bid Manager
email to: sbs-b.bidmanagement@nhs.net

NHS Shared Business Services

Three Cherry Trees Lane
Hemel Hempstead
HP2 7AH

Lot 4. Business Intelligence & Data Warehousing Services

Louise Hillcoat: Senior Bid Manager
email to: sbs-b.bidmanagement@nhs.net

NHS Shared Business Services

Three Cherry Trees Lane
Hemel Hempstead
HP2 7AH

Peter Wozywoda: Managing Director
email to: peter.wozywoda@genmed.eu

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Andrew Armitage: Director
email to: pdebono@liaisonfs.com

Liaison Financial Services

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B97 4HP

Andrew Oggg: Managing Director
email to: a.oggg@parity.net

Parity Consultancy Services

Dawson House
5 Jewry Street
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