

**Provider Selection Regime
Decision Making Record – Direct Awards & Urgent Awards**

This document is to record the evidence behind decisions made by NHS commissioners to confirm the applicability of a proposed contract to the Provider Selection Regime (PSR), and to provide the evidence to support its application to each contract that falls under the PSR.

This document is specifically to record decisions in relation to the award of contracts via the following routes;

**Direct Award processes**

These involve awarding contracts to providers when there is limited or no reason to seek to change from the existing provider; or to assess providers against one another, because:

* Direct Award Process A - the existing provider is the only realistic provider that can deliver the health care services.
* Direct Award Process B - patients have a choice of providers and the number of providers is not restricted by the relevant authority.
* Direct Award Process C – where the relevant authority is not required to follow direct award processes A or B and the existing provider is satisfying its existing contract, will likely satisfy the new contract to a sufficient standard, and the proposed contracting arrangements are not changing considerably.

**Urgent Award process**

An urgent award must only be made by a relevant authority when all the below apply:

* the award must be made urgently
* the reason for the urgency was not foreseeable by and is not attributable to the relevant authority
* delaying the award of the contract to conduct a full application of the regime would be likely to pose a risk to patient or public safety.

For more information - [Provider Selection Regime statutory guidance](https://www.england.nhs.uk/long-read/the-provider-selection-regime-statutory-guidance/)

**Please complete all of the blank cells where relevant to the process followed (unless indicated that the Contract Management Team (CMT) will complete).**

**Part 1 – General information**

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| **For all awards:** |
| Confirmation that the service is in scope of health care services as defined in the PSR regulations and statutory guidance. Provide an explanation of how this decision was reached\*. If there is a mixed procurement (for example when a contract comprises a mixture of in-scope health care services and out-of-scope services or goods) then the PSR will only apply if the main subject matter of the contract is in-scope health care services (health care elements make up the highest % of the specification).Please refer to the PSR statutory guidance for further details. |  |
| \*Some key points to consider when making a decision of whether a service is in scope of health care services:* Health care services subject to the PSR should only include those services that provide health care for treatment, diagnosis or prevention of physical or mental health conditions to individuals (i.e., patients or service users) or groups of individuals.
* It is generally expected that services falling within the scope of the PSR regulations and arranged by ICB’s would be supplied by a CQC registered provider. However not all services within scope must be delivered by a CQC registered provider. Prevention (support) services commissioned by the ICB wouldn’t necessarily require CQC registered providers and therefore may still fall within the scope of health care services.
* Health care services in scope of the regime must fall within one or more of the common procurement vocabulary (CPV) codes, which are set out in Annex a of the statutory guidance. However as the list of CPV codes does not cover all types of health care services, we may in some situations use the overarching code for health services (85100000-0) when a more detailed CPV code is not available. If a more detailed non-health care CPV code is available that relates to the service being commissioned, and therefore not included in the health services list (in the statutory guidance) then the service is out of scope.
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| Confirmation of which contract award process has been followed | Choose an item. |
| Name of relevant authority | NHS Lancashire and South Cumbria Integrated Care Board |
| Provider and service name |  |
| Name of any associate commissioners relating to this contract  | [to be completed by CMT] |
| New contract title and reference | [to be completed by CMT] |
| Name and address of the registered office or principal place of business of the provider to whom the contract has been awarded.Include Company No. / ODS | [to be completed by CMT]Company No:ODS: |
| Description of the relevant health care services to which the contract relates, including the most relevant [CPV code](https://www.england.nhs.uk/long-read/the-provider-selection-regime-statutory-guidance/#annex-a-common-procurement-vocabulary-cpv-codes). (As the list of CPV codes does not cover all types of health care services, in some situations the overarching parent code for health services (85100000-0) may need to be used when a more detailed CPV code is not available) | CPV Code:Description: |
| The **lifetime value** of the new contract or, where it is not known, the amounts payable to the provider under the contract i.e. individual local prices |  |
| New contract start date |  |
| New contract end date |  |
| **Direct Award B only:** |
| Is the contract for a new or existing service? | Choose an item. |
| Is the contract with a new or an existing provider? | Choose an item. |
| **Urgent Contract Award only:** |
| Reason why the urgent circumstances provision was applied |  |
| Justification for length of contract if greater than 12 months |  |
| Proposed review date to conduct a full application of the PSR for that service (at the earliest feasible opportunity) |  |

**Part 2 – Specific Information**

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| **For all awards:** |
| Provide details of the individual(s) who have made the decision and the date it was made | Commissioning Lead & Date:Directorate Commissioning Lead (Associate Director or Director) & Date: |
| Provide details of where the final approval/sign off is sought i.e. Commissioning Resource Group (CRG) / ICB Executive Team or Primary Care Commissioning Committee (PCCC) | Executive Team/PCCC & Date: |
| Provide rationale for why this provider has been awarded the contract for the service (in line with the requirements to award a contract using the [specified process under the PSR](https://www.england.nhs.uk/long-read/the-provider-selection-regime-statutory-guidance/#applying-the-regime))For Direct Award C please also evidence that the new contract does not meet the considerable change threshold as set out in the PSR statutory guidance. (Basic rule to the considerable change threshold is the proposed new contract has to be materially different in character to the existing contract or the contract value has to be at least 500k higher than the existing contract value and at least 25% higher to be considered a considerable change, therefore if the change is not materially different and * **If it is under 500k but at least 25% higher it’s permitted**
* **If it is at least 500k higher but under 25% it’s permitted**
* **If it is under both it’s permitted )**

Please refer to the full details regarding the considerable change threshold in the statutory guidance before making a final decision) |  |
| Any declared conflicts or potential conflicts of interest as defined by [regulation 21](https://www.legislation.gov.uk/uksi/2023/1348/regulation/21/made) the of PSR |  |
| Information as to how any conflicts or potential conflicts of interest were managed |  |
| For mixed procurements, how the procurement meets the requirements for mixed procurement (Generally not applicable; seek advice from CMT if you think this applies) |  |
| Date that the contract was awarded | [to be completed by CMT] |
| **Direct Award C only:**  |
| A description of the way in which the key criteria were taken into account (e.g. weighting, prioritisation), the basic selection criteria were assessed and contract award criteria were evaluated when making a decision | The ICB has reviewed the service in line with the key criteria (with a weighting of 20% each) and the basic selection criteria. The details of this assessment is recorded on the provider and service assessment form and is rationale for the award. *(update weighting if required)* |
| Standstill period start and end date | [to be completed by CMT] |
| Number of representations received | [to be completed by CMT] |
| Number of representations received where it was identified that there was a failure / potential failure to apply the PSR properly | [to be completed by CMT] |
| Number of the outcome(s) of representations | [to be completed by CMT] |

**Please complete the next page for Direct Award C**

**Direct Award C only - Service & Provider Assessment**

This section is intended to gather evidence of the application of the Key Criteria and Basic Selection Criteria to any proposed award made under Direct Award Process C.

The Key Criteria must be weighted as per the guidance and must equal, in total, 100%.

Please embed supporting evidence such as service specification, performance/ outcome data, quality requirements etc.

This is a mandatory requirement for completion and is required to justify the award of contract via Direct Award C.

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| **Step 1: Service****Decide on the key criteria for the service***Relevant authorities must:** *Have a clear understanding of the service they want to arrange*
* *The outcomes they are intending to deliver*
* *Decide on the relative importance of each of the key criteria for the service*
 |  | **Step 2: Provider****Assess the existing provider's current performance against the existing contract considering the established key criteria***Relevant authorities must:** *Use the key criteria identified in Step 1*
* *Apply the key criteria to the existing provider*
* *Decide whether the provider is satisfying the existing contract to a sufficient standard*
 |  | **Step 3: Provider****Assess the existing provider's likely future performance against the new contract taking into account the established key criteria***Relevant authorities must:** *Use the key criteria identified in Step 1*
* *Apply the key criteria to the existing provider*
* *Decide whether the provider will be able to satisfy the new contract to a sufficient standard*
 |
| **Key Criteria 1. Quality and innovation***Relative authorities must give due consideration to how well providers are able to deliver high quality care when deciding who to arrange services with.**Relevant authorities must ensure they assess the extent to which an arrangement with a provider could generate new and significant improvements in the promotion and adoption of proven innovations in care delivery.* |
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| **Key Criteria 2. Value***Relevant authorities must give due consideration to the value offered by a service, in terms of the balance of costs, overall benefits and the financial implications of an arrangement.* |
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| **Key Criteria 3. Integration, collaboration and service sustainability***Relevant authorities must consider the extent to which their decisions are consistent with local and national NHS plans and the importance of services being provided in an integrated and collaborative way, and in a way that improves health outcomes and in a way that seeks to secure the stability of good quality health care services or service continuity of health care services.* |
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| **Key Criteria 4. Improving access, reducing health inequalities and facilitating choice***Relevant authorities must consider the importance of accessibility to services and treatments for all eligible patients, the need to tackle health inequalities and the importance of ensuring that patients have choice in respect of their health care.* |
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| **Key Criteria 5. Social value***Relevant authorities must consider whether what is proposed might improve economic, social, and environmental well-being of the area relevant to an arrangement.*  |
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| **Basic selection criteria** *Refer to the statutory* [*guidance*](https://www.england.nhs.uk/long-read/the-provider-selection-regime-statutory-guidance/#applying-the-regime) *with regards to the criteria providers are expected to meet;* 1. *Relevant authorities must not award a contract to a provider, and may exclude a provider from any of the PSR processes, if the provider meets the exclusion criteria detailed in* [*regulation 20*](https://www.legislation.gov.uk/uksi/2023/1348/regulation/20/made)*.*
2. *The basic selection criteria may relate to:*
* *The provider’s suitability to pursue a particular activity. Where the provider is required to possess a particular authorisation or be a member of a particular organisation in order to be able to perform the required services, the relevant authority may require a provider to prove that they hold such authorisation or membership;* ***for an existing provider, if a membership of a professional body is required such as CQC, is this checked routinely contractually, have any recent concerns been raised?***
* *The provider’s economic and financial standing. The relevant authority may impose requirements ensuring that the provider possesses the necessary economic and financial capacity to perform the contract;* ***for an existing provider, have there been any concerns regarding the provider’s financial standing? If it is deemed necessary to carry out an up-to-date assessment of the provider’s financial standing, please raise with CMT as input from a finance colleague will be required.***
* *The provider’s technical and professional ability. The relevant authority may impose requirements ensuring that a provider possesses the necessary human and technical resources and experience to perform the contract to an appropriate quality standard;* ***this will have been assessed when the original contract was awarded and should be continually monitored via ongoing contract management. If there are any new concerns with the provider’s technical and professional ability to perform the contract, please raise with CMT for this to be looked into.***

The ICB must be satisfied that the Provider meets the basic selection criteria and that the ICB have had no concerns in terms of the delivery of the contract, or the financial standing of the Provider. The ICB are assured that the Provider has the technical and professional ability to continue to deliver the service. |
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