

Pre-contract procurement fraud and corruption

Guidance for prevention and detection

August 2025

V2.0

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report and stop NHS fraud**
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Version control

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v1.0	Fraud Prevention team	July 2018	
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Environmental principles assessment

Date	Area	Action taken to reduce impact
	Impact on the use or management of land, or landscape	
	Impact on the atmosphere, including air quality, greenhouse gas emissions, noise levels or tranquillity	
	Impact of an inland, coastal, or marine water body	
	Impact on wildlife and/or wild vegetation, which are indicators of biodiversity	
	Impact on the supply of natural raw materials, renewable and non-renewable, or the natural environment from which they are extracted	

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1. Introduction

- 1.1. This guidance highlights the fraud risks associated with the procurement process, specifically pre-contract procurement. Procurement and commissioning of services fraud is a term used to describe pre-tender activity, the commissioning process, post-tender activity and mandate fraud. There is difficulty within the pre-contract stages in identifying cartel¹ type activity and non-framework purchasing taking place at local level.
- 1.2 This document provides Local Counter Fraud Specialists (LCFSs), procurement and finance staff with guidance which can be used to support work to prevent and detect procurement fraud, bribery and corruption at a local level. This document is intended to supplement existing policies, directives, and guidance available more widely in the NHS by providing an overview of the pre-contract procurement process from a counter fraud perspective.

2. Key NHS procurement regulatory framework, standards, and guidelines

- 2.1 Standards and policies for public sector procurement in the UK are set by the Crown Commercial Service (CCS) of the Cabinet Office. The CCS is responsible for:
- managing the procurement of common goods and services so public sector organisations with similar needs achieve value by buying as a single customer
 - increasing savings for the taxpayer by centralising buying requirements for common goods and services and bringing together smaller projects
 - leading on all procurement policy on behalf of the UK government.
- 2.2 Public procurement in the UK is directed by the [Procurement Act 2023](#) (the Act) which came into force on 24 February 2025. This Act introduces a single, unified framework for public procurement, consolidating the rules from and replacing various separate pieces of UK procurement legislation.² The Act aims to improve transparency in procurement processes and provide greater opportunities for

¹ Cartel type activity refers to two or more businesses agreeing not to compete with each other in certain ways. An agreement doesn't have to be in writing for it to be illegal. You can break the law if you have an informal conversation (or 'gentleman's agreement') with another business, even if the agreement is not carried out.

² The Public Contracts Regulations 2015 (PCR), the Utilities Contracts Regulations 2016 (UCR), the Concession Regulations 2016 (CCR) and the Defence and Security Public Contracts Regulations 2011 (DSPCR)

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smaller enterprises to participate in such processes. Contracting Authorities must have regard to the objectives of the Act, which are to:

- deliver value for money
- maximise public benefit
- share information for the purpose of allowing suppliers and others to understand the authority's procurement policies and decisions; and
- act, and being seen to act, with integrity.

2.3 The Act aims to improve public procurement to:

- create a simpler and more flexible, commercial system. A system that better meets the need of public sector organisations while remaining compliant with international obligations
- open up public procurement to new entrants, so that small businesses and social enterprises can compete for and win more public contracts
- embed transparency throughout the commercial lifecycle, so that the spending of taxpayers' money can be properly scrutinised.

2.4 The Act has set new thresholds for public contracts to align with the UK's international obligations on public procurement. The revised thresholds are set out in Procurement Policy Note 11/23.³ All procurements commenced on or after 24 February 2025, will be governed by the rules and regulations of the new Procurement Act 2023. All NHS bodies and public entities must transition to the new framework.

2.5 The [Procurement Regulations 2024](#) supplements the Act, setting out further detail in respect of various transparency and publication requirements. The Act will not affect procurements commenced before 24 February 2025. These will continue to be governed by the previous rules (including in relation to in-life contract modifications) until the relevant contract comes to an end.⁴

2.6 NHS England and the wider NHS are also governed by the [Public Contract Regulations 2015](#) (PCR 2015). The Department for Health and Social Care published guidance that summarises the PCR 2015 requirements for NHS commissioners (and those supporting them with their procurement of healthcare services).⁵ The

³ [Guidance: Thresholds](#)

⁴ The Procurement Act (Commencement No. 3 and Transitional and Saving) Regulations 2024 and The Procurement Act 2023 (Commencement No. 3 and Transitional and Saving Provisions) (Amendment) Regulations 2024, set out the rules for which legislation applies to ongoing procurements and contracts awarded under the previous legislation, which determine how those procurements and contracts are to be managed.

⁵ [Public Contracts Regulations 2015 for NHS commissioners](#)

implementation of PCR 2015 requires that commissioners act in an appropriately transparent way when taking procurement decisions and, in particular, that where a decision is taken to award a contract for public work and services above a value of the applicable financial threshold.⁶ The PCR 2015, which governs procurement activities by public bodies, will continue to apply to any agreements created prior to 24 February 2025.⁷

NHS Specific Requirements

2.7 There are a number of NHS specific procurement requirements that must be followed by NHS organisations, which are intended to support NHS bodies in preparing for the procurement process. These include the following:

- [The NHS Procurement and Commercial Standards](#)⁸, which provide a framework for consistent approaches and practices, delivering benefits across the NHS procurement performance. The standards have been developed to support NHS healthcare provider organisations.
- [The NHS Terms and Conditions for the Supply of Goods and Provision of Services](#), which introduces the different sets of contracting terms and conditions for use by NHS bodies when procuring goods and services and how they fit together.⁹
- [The NHS Standard Contract](#),¹⁰ which provides the NHSCFA counter fraud requirements to be met by NHS bodies under Service Condition 24.

2.8 [The Provider Selection Regime](#) (PSR) is the NHS specific procurement framework, which came into force on 1 January 2024. The PSR is a set of rules for procuring health care services in England by organisations termed relevant authorities. The PSR applies to the following relevant contracting authorities:

- Integrated Care Boards
- NHS Trusts and NHS Foundation Trusts – which includes secondary care trusts, mental health trusts, community trusts, and ambulance trusts
- NHS England

⁶ [The Public Contract Regulations 2015 and NHS Commissioners](#): Regulation 6 sets out the rules on how to calculate the value of a contract for the purposes of assessing whether the threshold is exceeded

⁷ [Remaining compliant as a contracting authority in public sector procurement](#)

⁸ [NHS Procurement and Commercial Standards](#)

⁹ [PRN01850-nhs-terms-and-conditions-for-the-supply-of-goods-and-the-provision-of-services-guidance-pa23.pdf](#) and [B1434-nhs-terms-and-conditions-for-the-supply-of-goods-and-the-provision-of-services.pdf](#)

¹⁰ [NHS England » NHS Standard Contract](#)

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- Local Authorities commissioning NHS-funded healthcare services.

2.9 The PSR was introduced by regulations made under the [Health and Care Act 2022](#). In keeping with the intent of the Procurement Act, the PSR has been designed to:

- introduce a flexible and proportionate process for deciding who should provide health care services
- provide a framework that allows collaboration to flourish across systems
- ensure that all decisions are made in the best interest of patients and service users.

2.10 The PSR has introduced three provider selection processes that relevant authorities can follow to award contract for health care services; these include the Direct Award process, the Most Suitable Provider Process and the Competitive Process.¹¹ Contracting authorities need to comply with defined processes in each case to evidence their decision-making, including record keeping and the publication of transparency notices. A [toolkit](#) has also been developed to support relevant authorities with the application of the PSR.

2.11 Where relevant authorities have started a procurement exercise **before** 1 January 2024 under the previous rules (the Public Contracts Regulations 2015 and the National Health Service (Procurement, Patient Choice and Competition) (No. 2) Regulations 2013), then these will not be affected by the PSR and can conclude under the previous rules.

2.12 The Procurement Review Unit (PRU) has responsibility for oversight of the Procurement Act in ensuring it is embedded within contracting authorities. One of the functions of the PRU is the Procurement Compliance Service (PCS), which investigates contracting authorities such as the NHS, to ensure compliance with the Act. They are also responsible for managing the Debarment Review Service (DBS), which is a service aimed at protecting public money from suppliers who pose a risk to procurement processes.¹²

2.13 The [Economic Crime and Corporate Transparency Act 2023](#),¹³ s199, creates a new corporate criminal offence of ‘failure to prevent fraud’. Under this legislation an organisation may be criminally liable where:

¹¹ [NHS commissioning » NHS Provider Selection Regime](#)

¹² [Procurement Review Unit](#)

¹³ [Economic Crime and Corporate Transparency Act 2023: Factsheets - GOV.UK](#)

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- A fraud offence is committed by an employee, agent, or other associated person with the intention of deriving benefit for the organisation or related body, and
- The organisation did not have 'reasonable' fraud prevention measures in place.

In the event of prosecution, an organisation would have to demonstrate to the court that it had reasonable prevention measures in place at the time the fraud was committed.

- 2.14 NHSCFA provides resources to all NHS organisations, clinical and non-clinical stakeholders, government bodies and NHS suppliers on fraud vulnerabilities affecting the NHS and preventative measures to mitigate these vulnerabilities. The NHSCFA has produced a number of quick guides, focused specifically on areas of fraud risk vulnerability in NHS finance and procurement. Specifically, these quick guides might be useful in relation to procurement, in addition to this guidance:

- [Due Diligence](#)
- [Contract Reviews](#)
- [Contract Splitting](#)
- [Contract Management](#); also known as Contract Reviews
- [Buying Goods and Services](#)
- [Suppliers' code of practice: preventing fraud, bribery and corruption](#)
- [Mandate fraud](#)
- [Petty Cash](#)
- [Credit Card](#)

For further information, please visit NHSCFA's website <https://cfa.nhs.uk/>

- 2.15 The NHSCFA has developed guidance and tools for NHS organisations to conduct risk assessments and undertake Procurement Local Proactive Exercises to test controls and ensure robust due diligence and contract management arrangements are in place: Guidance for completing the Procurement Local Proactive Exercise; Appendix 1 Due Diligence Internal Controls Evaluation; and Appendix 2 Contract management Internal Controls Evaluation. These are available on [Ngage](#), the NHSCFA's extranet.

Emerging fraud risks – Artificial intelligence

- 2.16 The integration and use of Artificial Intelligence (AI) in pre-contract procurement processes presents emerging risks that must be carefully managed. AI tools, while offering advantages, can also be misused to facilitate fraud in pre-contract procurement, such as bid rigging, the submission of false quotes and manipulation of tender evaluations. Without rigorous oversight, transparent audit trails and clear governance frameworks, the use of AI in this context could compromise the fairness

and integrity of procurement processes. It is recommended that organisations implement governance frameworks to oversee the use of AI in pre-contract procurement activities. Procurement staff should receive training on the compliant use of AI tools.

- 2.17 It is important that the Board and senior management teams have a sound understanding of the standards that their organisation should be meeting, in relation to procurement and should provide support to improve the organisations' procurement performance. A number of resources have been published by the Government Commercial Function in aid of organisations transitioning to the new Procurement Act 2023. These can be accessed here: [Transforming Public Procurement](#).

3. Breaches of SOs and SFIs

- 3.1 Standing orders (SOs), together with Standing Financial Instructions (SFIs), provide a framework of rules for the business conduct of the health body. Health bodies should have local procurement policies that complement their standing orders which must be adhered to when undertaking procurement.
- 3.2 SFIs set a financial threshold above which competitive tendering should be sought. This is set by the health body and should be reviewed annually. While there may be good reasons why competitive tendering is not sought in particular cases even above the threshold, the reason for this decision must be recorded. The limited application of single tender rules should not be used to avoid competition, for convenience or to award further work to a contractor originally appointed through a competitive procedure.
- 3.3 SFIs encourage a process for identifying and quantifying risks and potential liabilities and encourage all levels of staff to have a positive attitude towards the control of risk.
- 3.4 All Executive Directors, non-Executive Directors and members of staff should be aware of the existence of these documents and, where necessary, be familiar with their detailed provisions. All SOs should encompass the operational requirements for tendering and contract procedures, although details may vary to some extent.
- 3.5 Claims that breaches SFIs, that have been carried out in the best interest of a health body should always be viewed with caution. An organisational culture that allows poor procurement practices to enter into 'business-as-usual' exposes purchasers to preventable losses, or increased costs and severely limits the possibility of criminal prosecution where wrongdoing has occurred.
- 3.6 The most common breaches of procurement processes identified by the NHSCFA are:

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- Pre-tender of goods and service that have not been planned
- no tender process adopted at all,
- inappropriate use of tender waivers,
- undervaluation of the contract,
- splitting contracts with no rationale,
- negotiation with one supplier contrary to the rules of the procurement process being adopted,
- negotiation of key contract issues post award,
- failure to keep or publish evaluation criteria,
- vague specification criteria,
- failure to receive a sufficient number of bids,
- failure to provide a rationale for the selection of certain bidders chosen to be invited to tender/quote.

3.7 Failure to comply with SFIs and UK procurement regulations can be regarded as a disciplinary matter that could result in dismissal. It is a corporate offence under the Bribery Act 2010 for an organisation to fail to prevent active bribery (i.e. promising or giving a financial or other advantage) by not having adequate preventative procedures in place. Health bodies need to review their SOs and SFIs to ensure these are aligned with the rules of the new Procurement Act, including updates to procurement processes and thresholds, supplier evaluation and contract award procedures and managing supplier exclusions.

Preventing breaches of SOs and SFIs

- 3.8 It is incumbent on NHS bodies to have appropriate governance arrangements which will enable them and their boards to discharge their financial responsibilities. These arrangements will assist in good governance, leading to transparency in the policies adopted, the decisions made, and the process used to arrive at a decision. Health bodies should also make sure that staff involved in procurement processes are aware of these arrangements, and stress to them the importance of ethical behaviour in their role as public servants. This should be supported by adequate training and opportunities to receive advice on ethical dilemmas.
- 3.9 The following measures can contribute to both effective governance and the target-hardening of health body procurement processes:

Process

- Encouraging the use of the centralised digital system so that the various stages of the procurement process including the decision-making process are transparent and auditable.
- Having robust procurement project plans setting out key roles and responsibilities, the outcome of risk assessments and plans to address identified risks.
- Using gateway reviews to assess and consider fraud and corruption risks to the procurement process.
- Documenting decisions and providing a clear rationale for the choices made.
- Demonstrating transparency in the process by posting in advance procurement schedules and plans, advertisements and contract award notices.
- Ensuring that the health body's 'contracts register' is kept up to date.
- Promoting the effective use of business interests registers among staff involved in procurement decisions in health bodies and raising awareness about conflict of interests and hospitality guidelines.
- Providing clear written instructions and procedures for staff involved in procurement.
- Auditors and trust boards should be asking challenging questions about the procurement process to provide assurance. Auditors should also be detecting and mitigating risks during their audits of procurement and contract management.
- A fair and transparent process for handling supplier complaints.

Personnel

- Ensuring that changes to procurement regulations or internal policy are communicated promptly to appropriate staff.
- Ensuring that procurement staff have the necessary skills and experience to undertake the task required of them.
- Introducing clear separation of duties among staff involved in the different stages of the procurement process. There should be clear separation between budgetary authority and procurement authority. It is recommended that there should be an appropriate separation of duties within the procurement cycle

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between those who draw up tender specifications, those who invite bids, and those who evaluate the contracts.

- Apply the “four eyes” principle, which ensures the joint responsibility of two or more people for key decision making. Each person involved in the chain of decision making and conducting due diligence, does so independently of the other people involved.
- Rotating procurement staff between contracts to prevent the possibility of improper relationships developing over time.
- Providing those involved in conducting or reviewing procurement processes with an understanding of the key fraud and corruption issues, and of how they can report any concerns that may arise.
- Taking action against staff found breaching procurement regulations and procedures.

Assurance

- Ensuring that procurement decisions are subject to proper scrutiny and do not merely rely upon the assurances of staff involved in the process.
- Reporting on procurement activities to the Director of Finance (DoF) and Audit Committee on an annual basis.
- Deterring wrongdoing by implementing and being seen to administer checks to the procurement process.
- Having an independent complaint, review and resolution system in relation to suppliers who believe the procurement process conducted has not been fair or transparent. Complaints should be dealt with separately from those involved in the procurement.
- Ensuring those on the Audit Committee and any governance groups have sufficient understanding of the procurement process to enable meaningful scrutiny to take place.

Detecting breaches of SOs and SFIs

- 3.10 It is recommended that breaches of SOs, SFIs are reported through an escalation process which includes informing the LCFS, DoF and Audit Committee. All action should be documented and proportionate to the risk identified.
- 3.11 Audit Committee should challenge the way decisions are made and the reasons given for them, ensure the appropriate processes have been followed and establish the reasons for non-compliance and their validity. In some circumstances, an audit may

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be required to establish in more detail what breaches of the tender and procurement process have taken place. This will usually include an assessment of the historical and future value of the works being procured.

- 3.12 When a specific breach has been identified, the LCFS may wish to examine the procurement process cycle to ascertain in what areas it did not follow a proper procurement route and the reasons given for that. The rationale for action (e.g. the justification given for a tender waiver) should be looked at objectively and the extent of any challenge by the relevant oversight function at the health body (e.g. Audit Committee) should be examined.
- 3.13 Where any breaches have occurred, it may be necessary to examine whether legal opinion has been sought and whether the legal opinion, is from the usual legal representatives of the health body on procurement matters. For example, there have been examples of health body staff representatives using the same legal adviser as a potential supplier in order to influence and legitimise decisions on bids by that supplier.
- 3.14 The LCFS should ensure that the health body have followed robust policies for informed decision making and procurement. These will include:
- a robust business case for the proposed procurement
 - a system for overseeing single tender waivers
 - a process for preparing tender documentation
 - a clear evaluation process which includes appropriate scoring and assessment of 'value for money'
- 3.15 There are a number of key areas and indicators that the health body and the LCFS should consider in order to determine the level of risk that specific breaches of SOs, SFIs and procurement regulations pose for the health body. Factors to be taken into account include:
- The percentages of non-pay spend influenced by procurement professionals. The health body should determine and document what degree of influence from the procurement department is appropriate to each level of spend.
 - Levels of procurement influence at different stages of the procurement process. This need to be set out across the health body to ensure good practice is maintained. This can involve the procurement department's role in overseeing the appropriate advertisement and invitation to tender, agreeing the specification and evaluation criteria as well as being involved in project team membership and holding the tender documentation for future audit requirements.

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- The values of individual supplier spend for contracts not influenced by procurement professionals. What are the reasons for the expenditure being outside the influence of the procurement department and are there good reasons and controls around the process and spend incurred?
- The percentages of non-pay spend covered by contracts. It is good practice for procurement to maintain a contract register to assist in the good management of the contracts and to plan for future procurement requirements.
- The value of non-compliant spend (spend without contract). There should be regular monitoring of individual suppliers, with a corrective action plan and an identified business/procurement lead responsible for implementing it.
- The percentage and amount of spend with no purchase order. Reports should be run to identify payments where no purchase order has been raised. The reports should be considered to determine the reasons and to ascertain whether there are any units not following correct procedures.
- The number of incidents of non-compliance with procurement policies and standards.
- The number of legal challenges.
- The percentage, number and value of single tender procurements.

4. Conflict of interest

- 4.1 A conflict of interest can arise during any stage of the procurement process and exists where an individual has an economic or personal interest in a transaction. When a conflict of interest arises, it is the responsibility of the health body to manage that conflict and ensure that it does not impact on a fair and transparent procurement.
- 4.2 A conflict of interest might occur due to the possibility of individuals having:
- a direct financial interest
 - an indirect financial interest
 - a non-financial or personal interest
 - a conflict of loyalties.

There may also be a negative interest that needs to be declared, as it may mean someone will not be impartial to a certain company (e.g. for personal reasons).

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- 4.3 In February 2017, NHS England published guidance on [Managing Conflicts of interest in the NHS](#): guidance for staff and organisation.¹⁴
- 4.4 While establishing and running systems and processes for managing conflicts of interest is just one aspect of good governance, a failure to acknowledge, identify and address a conflict of interest may result in poor decisions, legal challenge and reputational damage.
- 4.5 A conflict of interest can lead to bias and corruption in the bid evaluation and approval processes. Bias can be said to have occurred when a fair-minded observer, having considered the facts, would conclude that there was a real possibility of it occurring. A person who dishonestly abuses a position that they occupy and is expected to safeguard the organisation's interests may also be guilty of the offence of fraud by abuse of position according to section 4 of the Fraud Act 2006. Even when bias does not occur, a lack of transparency in the declaration and management of a conflict of interest can lead to the perception that wrongdoing exists.
- 4.6 The Procurement Act 2023 requires health bodies, when carrying out a 'covered procurement', to have regard to a number of objectives, which includes acting, and being seen to act, with integrity (section 12(1)(d) of the Act). The integrity of a procurement may be compromised if it is influenced by external or private interests. The Act has introduced stricter rules on conflicts of interests to improve transparency in public procurement.¹⁵ These rules aim to ensure fairness, transparency and integrity in awarding healthcare contracts.
- 4.7 Health bodies must take all reasonable steps to identify, and keep under review, in relation to a procurement, any conflicts of interest, or potential conflicts of interest. They must also be aware of their obligations in relation to perceived conflicts of interest.
- 4.8 Health bodies are required to formally prepare a conflicts assessment before publishing a tender or transparency notice. A conflicts assessment is a record to be kept by the health body which must include details of the conflicts or potential conflicts of interest identified and any steps taken, or to be taken, to mitigate them.
- 4.9 To comply with the Act, Contracting authorities must:
- conflicts **Identify** of interest, ensuring a continuous review process (Section 81).
 - **Mitigate** potential impacts, taking steps to prevent any unfair advantage or disadvantage for suppliers (Section 82).

¹⁴ <https://www.england.nhs.uk/ourwork/coi/>

¹⁵ [Guidance: Conflicts of Interests](#)

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- **Prepare** and Update Conflict Assessments before publishing notices, detailing identified conflicts and mitigation measures. This includes addressing perceived conflicts and keeping the assessment under review until the procurement concludes (Section 83).

4.10 There are a number of Exclusion Grounds, which apply as follows:

- **Mandatory Exclusion:** Exclude suppliers for serious offences (e.g., fraud, terrorism, human trafficking, tax evasion) or national security concerns.
- **Discretionary Exclusion:** Authorities may exclude suppliers for issues like insolvency, environmental misconduct, poor contract performance, or competition law breaches. Authorities should assess individual cases based on their severity and relevance.

4.11 If a supplier intends to subcontract work to an excluded entity, authorities must notify the supplier of the exclusion under Section 28(3). The supplier is then given a reasonable opportunity to replace the excluded subcontractor, as allowed under Section 28(5). Failure to replace them results in exclusion from the procurement. This is known as supplier remediation.

4.12 The following practical steps can be taken to manage the conflict of interest process:

- **Initial Assessment:** Identify conflicts or grounds for exclusion.
- **Notification:** Inform suppliers of any conflicts or subcontractor exclusions.
- **Opportunity for Remediation:** Allow the supplier to rectify the situation before final exclusion.
- **Final Exclusion:** Enforce exclusion if conflicts or subcontractor issues are not resolved.

Managing a conflict of interest

4.13 The following measures can contribute to both effective governance and the target hardening of health body processes against conflicts of interest:

Process

- There should be a clear Conflict of Interest Policy and or Standards of Business Conduct Policy which is well publicised and enforced. The policy should detail who should have to complete a declaration of interest and this should include staff or agents of the health body who may be involved in any way with procurement decisions. Staff (or agents) should disclose any interest that family and friends may have in any potential supplier. Staff (or agents) should not be

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involved in any part of the procurement process if they have a conflict of interest with any of the potential suppliers bidding.

- A register and conflicts assessment should be maintained in which conflicts of interest are recorded. Disclosure should be full and include the business interests of the family and close friends of those involved in the procurement process. The register must include 'nil returns'. Further information, including a Local Anti-Fraud, Bribery and Corruption template policy, is available in the NHSCFA's [Bribery Act Guidance](#) in the Fraud Manual (currently only available to LCFS and Directors of Finance).
- All potential suppliers/subcontractors should be required to declare any personal or family relations within the health body at the pre contract stage.
- Conflicts of interest should be managed and reviewed throughout the procurement lifecycle, from the planning stage through to the end of the contract.
- Establishing a reporting route for staff to report concerns regarding undeclared conflicts of interest. Publicising reporting routes and the development of a good anti-fraud culture.
- Ensuring that all allegations of a conflict of interest are recorded on NHSCFA Case Management System (NHSCFA CMS).¹⁶ This process will allow the development of intelligence over time on issues which may not be immediately evident when considered in isolation.

Personnel

- A sensible degree of separation of duties should exist between those administering and managing contracts, and those responsible for procurement or commissioning. This can assist in maintaining a 'firewall' between suppliers and purchasers.
- It is considered best practice at the start of every procurement that all staff involved should be required to make a declaration in relation to the procurement exercise / new contract.

¹⁶ NHSCFA Case Management System is an information gathering, intelligence disseminating case management tool designed and provided specifically for all CFSs/LCFSs by the NHSCFA. It helps CFSs/LCFSs to manage referrals, intelligence, fraud enquiries, case preparation and a range of other investigative tasks and includes useful editing tools that help to keep information and cases up to date.

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- It is recommended that consultants engaged to assist in a procurement process report directly to a senior executive within the procurement team and have sufficient training and understanding of NHS procurement standards.
- Where a potential supplier is working with an organisation to assist in the development of a specification, care should be taken to integrate the views of more than one supplier. This will assist in avoiding specifications that are tailored to one particular supplier (see [Contract Splitting Quick Guide](#)). There should also be clear criteria as to how suppliers are selected to assist in drawing up specifications, and their involvement should be disclosed in any resulting procurement process.
- It is good practice to require consultants to sign a declaration which includes identifying any previous work with potential suppliers.

Assurance

- The register of interests should be regularly reviewed and submitted to the board or audit committee for scrutiny and publication.
- Audit should routinely check compliance with policies and procedures.

Verifying Exclusions

4.16 It is mandatory to exclude a supplier from the procurement where a conflict of interest puts the supplier at an unfair advantage if steps cannot be taken to avoid that advantage or the supplier refuses to take any necessary steps. The following steps must be taken to verify for exclusion:

- Checks for pre-existing conflict of interest declarations must be done, as well as checks in existing registers; such as the [Debarment list](#) and the [Central Digital Database](#).
- Further due diligence must be carried out, and further information can be sought from relevant regulatory bodies.
- Self-declarations as to whether any mandatory or discretionary exclusion grounds apply to the supplier, connected persons or associated persons
- Information about the supplier and connected persons must be provided by the supplier via the central digital platform before the end of the tendering period but can be provided prior to that either directly to the contracting authority or via the platform.

5. Bribes and kickbacks

- 5.1 The Bribery Act 2010 defines bribery as, giving or receiving a financial or other advantage in connection with the 'improper performance' of a position of trust, or a function that is expected to be performed impartially or in good faith. The term 'improper performance' means performance which amounts to a breach of an expectation that a person will act in good faith, impartially, or in accordance with a position of trust. Bribery does not necessarily involve cash. In a procurement context, it might involve suppliers providing procurement staff with gifts, hospitality, holidays or promises of future employment or exclusive memberships in exchange for favourable treatment. In addition, the employee who is the beneficiary would usually omit to declare these transactions, which in addition to being illegal in their own right, also create a serious conflict of interest.
- 5.2 For the purposes of the Bribery Act 2010, a kickback is equivalent to a bribe. The kickback might be said to vary from other kinds of bribes in that there is implied collusion between the two parties, rather than one party extorting the bribe from the other.
- 5.3 The Bribery Act 2010 created an offence, under section 7, which can be committed by organisations which fail to prevent persons associated with them from committing active bribery on their behalf. An organisation will be liable to prosecution if a person associated with it, bribes another person intending to obtain or retain business or an advantage in the conduct of business for that organisation. It is a full defence for an organisation if it can demonstrate that, despite active bribery taking place, it had adequate procedures in place to prevent persons associated with it from bribing. An individual found guilty of bribery on indictment may face up to 10 years' imprisonment and an unlimited fine. An organisation failing to prevent bribery is punishable by an unlimited fine.
- 5.4 The Ministry of Justice has published detailed guidance about adequate procedures relevant organisations can put in place to prevent persons associated with them from bribing.¹⁷ ISO 37001 Anti-Bribery Management System is the international standard on Anti-Bribery.¹⁸ It specifies requirements and provides guidance for establishing, implementing, maintaining and improving an anti-bribery management system.
- 5.5 Health bodies should actively prevent staff from accepting inappropriate gifts, hospitality, or favours from suppliers and provide training to staff on how to refuse inappropriate gifts as unreported hospitality from suppliers could lead to legal penalties. Staff responsible for approving gifts and hospitality should be trained on what is considered appropriate for approval.

¹⁷ [The Bribery Act 2010 - Guidance](#)

¹⁸ [ISO 37001: 2025, Anti Bribery management systems](#)

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5.6 The Procurement Act 2023 has introduced stricter rules in relation to Suppliers. Under the Act, public sector bodies must exclude suppliers involved in bribery, fraud and corruption from bidding on contracts. Health bodies have the following responsibilities:

- Exclusion of suppliers from a procurement – where a supplier is not permitted to participate in a procurement, or be awarded a public contract, following an assessment of exclusion grounds by a health body due to serious misconduct, unacceptably poor performance, or other circumstances which make the supplier unfit to bid for public contracts. Fraud, Theft and Bribery are considered as mandatory exclusion grounds. See section 4.12 on how to verify if a supplier has been excluded from the procurement process.¹⁹
- Notification to the [PRU](#) of suppliers that have been excluded, replaced or removed from a public sector procurement and the applicable exclusion ground(s).
- Checking for debarments – where a supplier is placed on a central debarment list by a Minister of the Crown which prevents the supplier from participating in any procurements or being awarded public contracts for up to 5 years. The live [Debarment list](#) can be reviewed to check which suppliers have been included on the list, the applicable exclusion ground(s) and the associated investigation report (where available). Health bodies should familiarise themselves with debarment policy guidance.²⁰

Preventing bribes and kickbacks

5.7 The following measures can contribute to both effective governance and the target hardening of health body processes against bribes and kickbacks:

Process

- Overall responsibility for the effective design, implementation and operation of anti-bribery initiatives should be at director level.
- Organisations should adopt a risk-based approach to tackling bribery and an initial assessment of risk across the organisation is therefore a necessary first step.
- Once risks have been assessed, organisations should put in place procedures that are proportionate to the bribery risks that have been identified.

¹⁹ [Guidance: Exclusions](#) – see Annex 1: Ground Specific Guidance

²⁰ [Debarment Review Service - Scope and Remit](#)

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- There should be clear 'gifts and hospitality' and 'standards of business conduct' policies which are publicised and enforced. This policy should make it clear that the offering or accepting of bribes is a criminal offence and a potential disciplinary matter. Further information on gifts and hospitality is available in the NHSCFA's [Bribery Act Guidance](#), available in the Fraud Manual (currently only available to LCFS and Directors of Finance).
- A register should be kept in which staff are required to record any receipt and offering of hospitality or gifts. The policy should make clear what constitutes hospitality or a gift, who should complete the register and how often this should be done. Completion of the register should extend to health body representatives such as consultants or agents.
- Business partners should be made aware in writing of the organisation's anti-bribery policies. Suppliers should sign a declaration confirming that they understand these policies when submitting quotes or tenders.
- The Chief Executive Officer should make a statement in support of anti-bribery initiatives and this should be published on the organisation's website.

Personnel

- Managers should be provided with sufficient resources and proper authority to implement and monitor relevant anti-bribery activities aimed at protecting the health body's interests.
- Awareness training should be provided to relevant staff on anti-bribery issues, for example values and culture, avoiding conflicts of interest situations and helping to prevent bribery.
- Appropriate action should be taken against staff found breaching anti-bribery procedures and publicity should be sought. The proactive use of publicity is encouraged to promote a strong anti-bribery culture.
- There should be separation of duties between those who identify a procurement need and those undertaking the procurement exercise.

Assurance

- The relationships between long term contractors, including those commonly found in Estates departments, and procurement personnel should be monitored. It is recommended that key procurement personnel are rotated during long term projects. This has the dual benefit of reducing the opportunity for the development of inappropriate relationships and facilitating the detection of those that have developed.

- A robust justification should be sought for the use of preferred suppliers. To provide this, the procurement team can look at the scoring given to quotes or tenders and the rationale used to justify the score. Recommended suppliers can be evaluated by personnel not directly involved in the procurement project.

Detecting bribes and kickbacks

- 5.8 Bribery by its very nature is secret and therefore difficult to detect. The preventative measures introduced by health bodies to help mitigate this threat can however also assist in its detection.
- 5.9 The following checks will assist in the detection of bribes and kickbacks:
- The gifts and hospitality register should be examined on a regular basis and any concerns investigated. The register should be cross-referenced against the conflict of interest and tender registers to identify any concerns. Things to look out for include individuals recording significant amounts of hospitality or gifts, or items known to have been received not being declared.
 - Looking out for significant lifestyle changes, while remaining mindful that many legitimate reasons are likely to exist for them.
 - Looking out for artificially low bids and subsequent inflated charges in the post contract phase.
 - Heightened concerns may be raised when a key member of the procurement team obtains employment with a supplier after a contract has been awarded.
 - Reviewing single tender waivers and the quantity of work going to contractors to see if one particular supplier is being awarded more work than would reasonably be expected.
- 5.10 All NHSCFA reporting requirements apply to all allegations of fraud and bribery (see Section 9). In addition, in cases where Fraud and Bribery has been uncovered in relation to a supplier, health bodies must follow the reporting requirements, which is to report each exclusion of a supplier to the PRU via gov.uk.

6. False quotations and tenders, and bid rigging

- 6.1 Procurement exercises often allow NHS officials to use their discretion in deciding which individuals or companies should be invited to bid. The Procurement Act 2023 introduces a new procedure for running a competitive tendering process – the

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competitive flexible procedure. This provides health bodies with more opportunity and flexibility to design their own competitive tendering procedure

- 6.2 Limiting the call for bids is one way in which a dishonest employee can influence the procurement process. The need to demonstrate that competitive tendering requirements have been met can lead to the generation of false quotes and tenders. The production of phantom quotes or tenders from rival or fictitious companies creates the illusion of competition, when in reality a preferred bidder will succeed.
- 6.3 The risk of false quotes or tenders is more prevalent in procurements that follow a less stringent process. The risk of false quotes or tenders may also co-exist with that of contract splitting (see [Contract Splitting Quick Guide](#)). False quotations can also take place when a procurement need has been inflated or created; fictitious quotes in these cases result from the fact that there is no genuine desire to complete the work or order the full extent of goods or services.
- 6.4 The uncompetitive market created through the use of false quotes will often lead to higher prices being paid. Individuals engaging in false quotes may be guilty of Fraud Act and Bribery Act offences.
- 6.5 The [Find a Tender Service](#) on the [Central Digital Platform](#) has been created to support the Procurement Act to standardise and improve the accessibility of commercial data across the public sector and to facilitate the publishing of required notices and documents in accordance with the new regulations.²¹ It is where all UK contracting authorities publish information relating to procurement. It is also the place where identifiers are recorded and/or issued and for suppliers to input their commonly used information. It is a fully integrated digital platform where noticing, sign-in and registration, supplier information all work together to support public sector procurement. Find a Tender is free to use for everyone. There are no charges to access this service.
- 6.6 As part of pre-procurement preparation, health bodies will be able to take advantage of this platform to:
- find information on the market and supply base that is already contracting with the public sector.
 - review other contracting authorities' data.
 - understand suppliers' performance.
 - use this information to assist in the development of the procurement strategy and help further understand the market.

²¹ [Central Digital Platform – factsheet](#)

- publish information in a standardised way in line with the Open Contracting Data Standard (OCDS) throughout the whole procurement process.

Competitive Tendering Procedures

- 6.7 Effective competition and transparency are key enablers of the procurement objectives of delivering value for money and being seen to act with integrity. Both of the new competitive tendering procedures; the open procedure and the competitive flexible procedure, should be commenced via publication of a tender notice.²²
- 6.8 Before awarding a public contract under section 19 of the Procurement Act 2023 (Award of public contracts following a competitive tendering procedure), a contracting authority must carry out a competitive tendering procedure. The competitive tendering procedure used can take one of two forms (as defined in section 20 of the Act):
- the first is an open procedure, which is a single stage procedure whereby any interested party can submit a tender and the authority will decide whom to award the contract to on the basis of that tender;
 - the second is a competitive flexible procedure, which is any other competitive tendering procedure the contracting authority considers appropriate for the purpose of awarding the public contract.
- 6.9 There are some circumstances where a health body can only use the competitive flexible procedure; these include:
- where it wishes to limit the number of suppliers before inviting tenders (section 20(4)(a));
 - when procuring under a dynamic market (section 34) (see the guidance on dynamic markets and utilities (for utilities dynamic markets)); and
 - when reserving a public contract to supported employment providers or public service mutuals (sections 32 and 33) (see the guidance on reserved contracts and light touch contracts).
- 6.10 There are a limited number of circumstances in which it may be necessary to award a contract without competition. These are:
- where direct award is justified under sections 41 or 43; or

²² [Guidance: Competitive Tendering Procedures](#)

- when awarding a public contract under a framework (referred to as a 'call-off' contract), as set out in section 45 (although under section 45(3), call-off contracts do generally require competition)

6.11 The procurement objectives underpin the Act and must be considered when carrying out a procurement, which would include making any decision in relation to the procurement. For example, when designing the competitive tendering procedure, choosing realistic deadlines is important. Short deadlines (particularly if combined with overly prescriptive specifications) may limit Small and Medium Enterprises (SMEs) participation and innovation in tenders.

Bid Rigging

6.12 Bid rigging occurs when bidders agree among themselves to eliminate competition in the procurement process, thereby denying the public a fair price. Bid rigging can involve:

- Price fixing: suppliers who collude to fix 'what price to charge'
- Bid rotation: collusion by suppliers to rotate contracts between themselves, ensuring that a pre-selected bidder wins on a rotating basis.
- Market sharing: collusion by suppliers to divide the market (geographically or otherwise) and agree not to bid against each other.
- Bid suppression: collusion by suppliers to voluntarily reduce the number of bidders or use of coercive means to prevent others submitting bids.
- Complementary bidding: bidders submitting bids with no intention of winning, for example by submitting high-cost bids.
- Cover pricing: submission of inflated bids by suppliers who have no intention of winning the contract, to assist 'winning' bidder.
- Production supply limitation: goods or services being deliberately restricted by suppliers in an attempt to increase the price charged to the NHS (this may be seen during vulnerable periods).

Preventing false quotations and tenders, and bid rigging

6.13 The following measures can contribute to both effective governance and the target hardening of health body procurement processes against false quotations and tenders:

Process

- Health bodies have a responsibility to register themselves on [Find a Tender Service](#) (FTS), the central digital platform for public procurement in the UK.²³ More information on FTS can be found [here](#).
- The FTS is designed to be a central point for public procurement opportunities, the Procurement Act 2023 and related regulations and emphasises transparency and open processes to reduce fraud. All new tenders, notices and relevant information required under the Act for covered and below-threshold procurement must be published on FTS.
- The FTS provides an open and transparent centralised system and helps contracting bodies understand the risk of bid rigging.
- Contracting authorities, by familiarising themselves with the risks outlined by the Competition and Markets Authority (CMA), and using the CMA tools, can identify suspicious bid behaviour that could be indicative of bid rigging.
- Suppliers must register on the platform and share their core business details, financial information, accreditations.
- Contracting authorities can access this information for due diligence and fraud prevention purposes.
- The FTS provides a centralised record of notices, including the names of contractors and the number of tenders submitted by each for audit and fraud detection purposes.

Tenders received by post

- The return envelopes should be marked 'tender'.
- The date and time of tenders should be noted on the envelope.
- Bids should be opened at the same time by a minimum of two people not otherwise involved in the tender process.
- Bids should be stored securely.
- The signatures of persons opening tenders and the signature of the person receiving tenders for evaluation should be recorded in a register of quotes/tenders.

²³ [Guidance: Central Digital Platform and Publication of Information](#)

Personnel

- There should be separation of duties between individuals involved in the selection of potential suppliers (including an invitation to bid), those involved in sending out the invitations to bid and those responsible for evaluating the tenders.
- Staff involved in procurement (and not just staff in the procurement department) should have the relevant competencies and skills to contribute to procurement projects.

Assurance

- The procurement of all goods and services should be subject to robust internal governance, e.g. auditors/managers engaging in regular spot checks of procurement transactions, including the regular review of procurement files.

Detecting false quotations and tenders

- 6.14 Special consideration should be given to examining the conditions that could lead to the submission of false quotations and bids. These include the splitting of contracts (see [Contract Splitting Quick Guide](#)) and creating a procurement need. The latter can be monitored by examining the basis of the procurement need and the proposed spend levels for any project. This may be best done by an overseeing committee, who should refer any concerns to either Internal Audit or the health body's LCFS.
- 6.15 The following checks will assist in the detection of false quotations and tenders:
- The Competition and Markets Authority (CMA) has developed a “screening for cartels” tool to help procurers, audit, and counter-fraud professionals screen their tender data. The tool uses algorithms to spot unusual bidder behaviour and pricing patterns identified in past cartels. It will tell you which (if any) of your procurement exercises show any signs of bid-rigging.
 - Identifying how bids are received, stored and opened. Is there a robust process in place to ensure that all bids are administered in the same way?
 - Examining records of which suppliers have bid for particular projects. This may show a pattern whereby the health body is inviting the same suppliers to bid on numerous projects, or the same supplier is winning numerous tender exercises and the same rival suppliers are constantly losing. This kind of situation requires close examination, in that it would be unusual for losing bidders to continue to bid on a large number of tender exercises if they were always unsuccessful. An added warning indicator is if they never asked for feedback as to why they were unsuccessful. The LCFS should look for patterns regarding which suppliers are

bidding for work and whether any communication (e.g. request for feedback on unsuccessful bids, especially if numerous) has been received.

- Analysing bids to see if the same contractors regularly appear with similar pricing structure or where all but one of the contractors have submitted unrealistically high prices.
- Running sample checks on unsuccessful quotes. Does the company exist, is it known to the health body, do they provide the goods/services that they are bidding for, are there any links between successful suppliers and unsuccessful bidders (e.g. subcontracting)? This should be done when other indicators raise concerns regarding the procurement process.
- Contacting unsuccessful suppliers to verify their quote.
- Analysing spend against each supplier and looking at other quotes received, looking out for similar templates on quotes.

Exclusions on Competition Grounds

6.16 Suppliers involved in cartel activity will fall within the new mandatory exclusion grounds. Suppliers who take part in illegal cartel activity such as bid-rigging, price fixing or market sharing risk being excluded from public procurement unless they can demonstrate that they have ‘self-cleaned’ so that the wrongdoing that led to the exclusion won’t happen again. It is therefore important to check for the following:

- check the [CMA decisions register](#) for infringement decisions
- check the [central debarment list](#) before procurement exercises
- check for ongoing investigations in both the [CMA case list](#) and [the list of cases undertaken in regulated sectors by UK Competition Network members](#)
- See section 4.12 and 5.6 for more information

6.17 For further information on exclusion and debarment on competition grounds, see the following : [Exclusion and debarment on competition grounds - what suppliers and contractors need to know -](#)

7. Manipulating the tender selection process

7.1 The processes of writing a tender specification, inviting tenders and evaluating bids all provide opportunities for unfairly favouring contractors while maintaining the illusion of competition. Methods for achieving this include:

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- Biased, restrictive or vague tender specifications which unjustifiably favour a particular bidder.
- Biased selection of potential bidders. Invitations to tender can be sent out to companies that are highly unlikely to bid or offer meaningful competition. Advertisements inviting tenders can be placed in very obscure publications, or publications which are not geographically suitable.
- A deliberately rushed process which puts a number of competitors at a serious disadvantage. Preferred suppliers can be given advance notice to prepare a bid, whereas the competition is provided with an unreasonably short timescale to produce a meaningful submission. Alternatively, preferred suppliers may be afforded unjustifiable deadline extensions.
- Skewing tender weightings. This involves setting evaluation criteria in a way that does not correspond to the actual requirements of the buyer, for example criteria that are not particularly relevant to price, volumes of work required or quality and which will either favour a particular supplier or allow one supplier to manipulate the price offered. This supplier will be aware of the weightings being skewed. They will quote a very low price for tasks listed in the tender which have been given an artificially high weighting and a high price for tasks given a low weighting. The tasks given a low weighting are the tasks that will in reality be required by the health body. The impact of this is that the supplier who is awarded the work will not provide best value for money to the health body.
- Disguising a new contract as a change of specification to an existing contract with a favoured supplier, removing the need for a procurement process.

7.2 These methods share one essential feature: they all prevent the buyer from paying a fair price for the product bought. As a consequence of a corrupted tender process, the buyer may end up with a product or service the attributes of which neither correspond to business need nor represent value for money. The implications for the buyer may be a direct impact in terms of cost, quality and suitability as well as the indirect cost associated with re-running and/or compensating for a flawed procurement exercise.

7.3 Under the **Procurement Act**, contracts should be awarded to the candidate that submits the most advantageous tender (MAT) and confirms that it best satisfies the award criteria in accordance with the published assessment methodology and weightings, instead of the most economically advantageous tender (MEAT).²⁴ While there may be good reasons why the tender with the lowest price has not been awarded the contract, these should be recorded and maintained.

²⁴ S 19(1) Procurement Act; [Assessment and Award of Contracts](#)

Preventing a manipulated tender selection process

7.4 The following measures can contribute to both effective governance and the target hardening of tender selection processes against manipulation.

Process

- Specifications should be checked by someone other than the author to ensure that they are easy to read and consistent with other similar specifications, and that they contain only essential information and tasks.
- The specification should be approved by procurement personnel. The approval process should certify that the product is needed by the organisation and is included in the budget. It should also be certified that the specification accurately defines what is needed, is free from bias and does not favour a particular company or person.
- All suppliers should have sufficient time to prepare adequately for a tender.
- The specification and evaluation model should be based on a study of essential needs and this should be documented. The requirements and evaluation model may be derived from past procurements and historic service use.
- All decisions should have a rationale and an audit trail reflecting how they are arrived at. Key service stakeholders should be involved in the process.
- The decision relating to where to advertise and who to invite to bid should be well reasoned and documented.
- Business partners should be made aware in writing of the organisation's anti-bribery policies. Suppliers should sign a declaration confirming that they understand these policies when submitting tenders.
- Bidders should have access to debrief material following a selection process and there should be a formal complaints process for them to pursue any concerns they may have.

Personnel

- There should be separation of duties with respect to drafting and approving specifications.
- Tender evaluation panels can be established to include service users and operational personnel with experience in the field being procured. The panel should be balanced so as not to favour a particular bidder.

- Care should be taken not to unfairly steer criteria towards the strengths of one particular supplier and the weaknesses of another.

Assurance

- Those reviewing a proposed procurement should ensure that there is sufficient detail and information to justify, for example, tender specifications, the process for inviting bidders, and weightings and evaluation criteria before suppliers are invited to tender.

Detecting manipulated tender selection processes

7.5 The following checks will assist in the detection of manipulated tenders:

- The rationales used for inviting suppliers to bid should be examined. Relevant suitability factors may include:
 - size of the supplier (they may be too large to consider a small amount of work)
 - location of the supplier (they may not be in the correct geographical area to want to bid for the work)
 - capability to do the work (is it their normal sphere of work?)
 - links between potential suppliers (does one firm typically subcontract for another?)
 - information from past invitations to bid (are suppliers being invited to bid who consistently fail to do so?)
- It may be appropriate to question why the same companies are repeatedly being invited to bid. This may simply indicate a lack of real competition. Nonetheless, the invitation of companies that consistently fail to bid or win may also indicate deliberate manipulation of the tender process.
- It should be examined in which publications the adverts for the work are placed. Is the choice of publication sensible in relation to the need and would it reach the desired audience to provide a good selection of potential suppliers? Is the publication one that has proved successful in past procurements and is there any deviation from normal publications used? On balance, are the most suitable suppliers bidding for the work?
- The evaluation process can be looked at to ensure that there were relevant detailed evaluation criteria. What was the rationale for using these criteria and were relevant service users involved in the design or award?

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- Are there significant differences between the specification used on the invitation to tender and the contract awarded? Any differences may need to be looked at to determine the reasons for the change and to ascertain how they came about. It may be necessary to determine the extent of negotiation after the submission of tender bids. Whether negotiation is allowable will depend on the type of procurement process being followed.
- Where the anticipated cost of a contract has risen beyond reasonable expectations, checks can be undertaken examining the nature of the goods, works or services invoiced and whether this is an accurate reflection of the goods, works or services originally predicted in the tender weightings. If there are large variances between anticipated and actual charges and/or between the work that has been carried out and the volumes and types of work in the specification, the reasons for this need to be examined. The acceptable level of variance should be determined and variances over that value should be investigated further.
- Unsuccessful bidders should be contacted if concerns are identified through the procurement process.

8. Raising awareness of procurement fraud

- 8.1 LCFSSs should include procurement fraud as part of local fraud awareness initiatives and campaigns. This applies particularly to any events such as induction and training delivered to staff in the procurement/finance/accounts payable departments.
- 8.2 Directors of finance and procurement departments should ensure that staff with responsibility within the procurement process, or for supervising these processes, are made aware of the risk of procurement fraud in line with the NHSCFA's guidance and intelligence publications.
- 8.3 In order to be aware of emerging procurement threats / risks, LCFSSs should develop good engagement with Heads of Procurement/ procurement teams. Good working relationships aids with future fraud prevention / detection activity. The NHSCFA Guidance for completing the Procurement Local Proactive Exercise; Appendix 1 Due Diligence Internal Controls Evaluation; and Appendix 2 Contract management Internal Controls Evaluation, available on [Ngage](#), will help with awareness raising around due diligence and contract management.
- 8.4 Resources to support LCFSSs in delivering local fraud awareness initiatives and assisting organisations to embed control measures and implement preventative action are available on the NHSCFA's website. In particular, the [Fraud Awareness Toolkit](#) and the [Fraud Prevention Quick Guides](#) are very helpful resources.

- 8.5 LCFSs should work with communications departments in their health bodies to identify ways to raise awareness of procurement fraud with health body staff. This could include, for example, putting an article in the staff newsletter, developing local posters and leaflets, and making use of available social media channels (in accordance with each health body's social media policies) to reach all staff, and particularly those responsible for any aspect of the procurement process.

9. Reporting suspected fraud and corruption

- 9.1 Staff should be supported and encouraged to report and be assured that the incident will be investigated, and appropriate action taken. All incidents involving fraud should be reported to the health body's LCFS or to the NHSCFA.
- 9.2 In the case of the NHSCFA, referrals will normally be made either by LCFSs or directly by a health body. However, they may come from several other sources, such as the police, other law enforcement agencies, members of the public, NHS employees and whistleblowers.
- 9.3 You can report any concerns or suspicions you have about fraud or corruption within the NHS or wider health group to the NHS Counter Fraud Authority by calling our FREE 24 hr confidential reporting hotline powered by [Crimestoppers](#) on [0800 028 4060](tel:08000284060). You can also make a report to the NHSCFA using our online confidential [NHS fraud reporting tool](#).