

Understanding of Local Procurement for gaining accreditation

Specification

This specification consists of the interpretation, four parts and two appendices.

It details the requirements of Support Training and Services Limited (STS) for the provision of a service to manage approved suppliers audited against specified audit standards, and to maintain an online portal for the recording of customer complaints and to enable online verification of supplier accreditation.

Interpretation:

- Part 1: Administration
- Part 2: Complaints Management
- Part 3: Advisory Services
- Part 4: The Understanding
- Appendix 1: Fees

Interpretation

1. In this specification the following definitions shall apply:

The participating bodies means the Hospital Caterers Association (HCA), HCA Members (including associate members) which adopts the services under this Memorandum of Understanding, referred to as participating bodies

The contractor means Support, Training & Services Limited (STS), who by this Memorandum of Understanding undertake to supply the services to the participating bodies.

The price means the price exclusive of value added tax that is payable to STS by the participating bodies suppliers under this Memorandum of Understanding for the full and proper performance by STS of its part of the Memorandum of Understanding. The price will be fixed for the duration of this Memorandum of Understanding.

The services means the services and the goods that STS is required to supply under the Memorandum of Understanding.

The duration of this Memorandum of Understanding will be for a period of three years from the date of commencement. Six months prior to the expiration STS will negotiate with the participating bodies to agree a further term of three years and price.

The date of commencement shall be 1 September 2013.

The supplier means the person or organisation that participating authorities require to be audited

The BRC Technical Standard refers to the British Retail Consortium (BRC) Global Standard for Food Safety (Issue 6) or the BRC Global Standard for Storage & Distribution (Issue 2) or any subsequent versions.

The Public Sector Code of Practice refers to the STS Code of Practice for Suppliers to the Public Sector for the manufacture, dispatch and supply of food, ingredients and food related products.

The SASLA Safe and Local Supplier Approval refers to the SASLA standard that includes the specific requirements for supply into the health services

The Small and Regional Code of Practice refers to the STS Code of Practice for SMEs to the public sector for the manufacture and supply of food, ingredients and food related products.

Part 1 – Administration

This function is to ensure that invoicing arrangements enable the audit programme to be maintained to timetable, to ensure that the information derived from audits is handled efficiently and that this information is easily accessible and, where appropriate, to ensure that the complaints are resolved as expeditiously as possible.

1. Audits

(i) Initial Audits

The participating body will provide STS with as much notice as possible of the new supplier/potential supplier/tenderer that is to be validated, together with details of the contract and the products to be purchased. STS will determine by questionnaire the current status of the supplier, the controls and systems they operate for food safety, quality and legality and the need for assessment or audit.

(ii) Re-Audits

STS will maintain a web based portal giving details to all participating bodies of the current audit status of accredited suppliers. To ensure that the participating bodies are, at all times, provided with a due diligence defence it is vital that suppliers with an existing audit are either audited by STS to the relevant BRC Technical Standard or the STS Code of Practice for Suppliers to the Public Sector or the STS Small and Regional Code of Practice in a timely manner before their current audit has expired, or by their preferred certification body against the BRC Technical Standards or SALSA.

STS will refer to the appropriate participating bodies suppliers that are to be re-audited **three months** prior to the audit status lapsing. Within **7 days** the participating bodies will confirm those suppliers to proceed with. STS will then invoice the company, for the appropriate fee with at least **two months** to spare. Reminder notices will be sent by STS after a **month** if payment is not forthcoming and a further week after this if necessary. This second notice will be copied to the participating bodies. This procedure should allow ample time to ensure that suppliers have sufficient time to clear invoices and undertake the audit before their audit status expires.

(iii) Timescales

All audits should take place on or before the expiry date of the current audit. Where a supplier has elected to undergo an audit to the BRC Technical Standard, with an alternate certification body, or SALSA, STS will be required to ensure that the results of the audit are available prior to the date of expiry of the supplier's audit approval.

2. Database

STS will establish and maintain a database giving the participating authorities web-based access to the information including:

- a) supplier and distribution systems
- b) audit reports
- c) certificate
- d) a status report
- e) log of supplier contact, and contact details. hazard reports, quality failures, product failures and complaints
- f) status reporting

The database will be continually updated.

The format of the information will be agreed between STS and the participating bodies.

3. Insurance

STS shall maintain appropriate and comprehensive insurance against its liability, including professional indemnity, with a minimum limit of indemnity of £5 million in any insurance year, or such other sum as may be agreed between STS and the participating bodies.

4. Certificates

STS will issue certificates of status to suppliers. These will include date of audit, date of next audit, date of validity, site and production address and scope of audit. The certificates are those issued for audits carried out against the Public Sector Code of Practice or the STS Small & Regional Code of Practice or certificates issued confirming compliance of an accreditation by third party accreditation. It does not refer to the original third party accreditation or BRC certification.

5. Promotion and Management of Contract

(i) STS will, as required, make such presentations to participating bodies and suppliers

(ii) Newsletter

STS will produce an electronic newsletter, on general food safety matters.

(iii) Regular Review Meetings

The participating bodies will hold regular review meetings with STS.

Part 2 – Complaints Management

STS, where requested, will be responsible for complaints management, closing complaints and database administration. Where local procedures are in place for complaints management and investigation they will be used, however significant complaint information will be sent to STS for entry onto the database.

Where incidents are particularly serious and there is a risk of prosecution, or a need for supplier re-audits or product hold/withdrawal, then the participating bodies will utilise this complaints service.

1. Food Complaints

- (i) All complaints reported to STS shall be logged on the online complaints database.

2. Processing Food Safety Complaints

- (i) The vast majority of complaints are of a routine nature, including foreign bodies, spoilage, packaging etc. After review by a suitably qualified member of staff, STS will transmit details of the complaint to the nominated contact at the supplier. Complaints should be transmitted to suppliers on the day of receipt or as soon as possible the following working day.
- (ii) STS will deal with all enquires and correspondence in connection with complaints under investigation.
- (iii) After transmission of a complaint, the response times will be determined depending on the importance of the incident. For serious incidences (an issue that poses a potential risk to health) a response of 24 hours will be requested from the supplier. This response is to include a root cause analysis and the corrective action and amends to procedures. For routine incidences a response within 10 working days should be requested from the supplier. A system to monitor, progress and satisfactorily close all complaints referred to suppliers will be STS's responsibility.
- (iv) The supplier will bear the costs incurred in arranging pick-up of any foreign bodies, any analysis and any credits issued.
- (v) After investigation the supplier will be required to formally respond to STS. STS will assess the response, copy to the appropriate participating body and if satisfied, close the complaint and inform the appropriate participating body. The database will be updated with full details of the complaint.

STS will not be involved in discussing compensation with suppliers.

3. Need for product hold and supplier re-audit

- (i) From the analysis of the incoming complaints and complaints history STS will recommend:
 - Product hold/withdrawal where there appears to be a serious breach of management systems putting participating bodies customers at risk and/or
 - A re-audit of the supplier

- (ii) After consultation between STS and the participating bodies, agreed action will be communicated to the suppliers. Where product is held STS will communicate to the participating bodies the result of the complaint investigation by the supplier and indicate if the product is to be returned/destroyed or is safe to be released.

Part 3 – Advisory Services

STS will ensure the participating bodies are fully aware of legislation relating directly to food or likely to impact on the purchase, manufacture and distribution of food.

STS will:

- (i) Ensure that all participating bodies are aware of the commercial implications of existing, pending or proposed legislation
- (ii) Provide advice on legislative issues relating to food when required.
- (iii) Provide legal and administrative support in establishing a due diligence defence if a prosecution of a participating body is proposed or pending.
- (iv) STS will inform all participating bodies when FSA notices are published and advise the authorities on appropriate action

Part 4 – The Understanding

STS will, on behalf of participating bodies, provide the services under the STS Supplier Certification Programme under this Memorandum of Understanding for a period of three years at a price fixed, namely:

- To assist with the demonstration of due diligence in respect of the STS Supplier Certification Programme in the case of any proposed or actual legal action.
- To audit and/or monitor the certification standard of all suppliers as detailed within participating bodies supplier lists and provide access to certificates and reports (as applicable) on an ongoing basis.
- To immediately notify participating bodies of any audit failures by any of their listed suppliers.
- To conduct audits or any other complaint or investigative visit at participating bodies suppliers upon the request of a participating body.
- To attend court, meet and liaise with enforcement officers, solicitors or other parties and liaise with the accredited suppliers as required by a participating body.
- To assist with any challenge or query in respect of the due diligence provided by the STS Certification Programme by a Local Authority Enforcement Officer.
- To undertake the assessment of the due diligence systems of any proposed new food supplier, or any supplier who has not been previously assessed; or due to failure of an assessment, is due for re-assessment. Such assessment to include all correspondence with the supplier, including responsibility for the collection of all or any fees due from the supplier the assessment of the pre-audit questionnaire and the audit of the suppliers location(s) in accordance with the appropriate Code of Practice and Technical Standard.
- To undertake the re-assessment of a suppliers location in accordance with the frequency established in the audit report.
- To permit access to and to update the STS supplier database indicating the suppliers location(s), audit certificates and reports (as applicable), products approved, communications with the supplier and date of next audit due.
- To provide a complete set of documentation in respect of the STS Supplier Certification Programme, including:
 - Code of Practice
 - Pre-audit questionnaire
- To provide telephone/email support for any query's in respect of the supplier database.
- To provide a copy of the STS Probe newsletter as issued.

Participating bodies undertake to:

- Notify STS immediately of any change of supplier, any new product purchased from an existing supplier, any newly appointed supplier, any serious concerns regarding food complaints, foreign body or hazard related to a bought-in product or ingredient; any challenge, query or proposed legal action in respect of the STS Supplier Certification Scheme.

Costs

- All audit costs will be at direct cost to the supplier unless agreed with participating bodies prior to audit booking (see appendix 1).
- Access to the STS supplier database will be at no charge to participating bodies.
- Specific audit or inspection fees for emergency or investigative visits will be agreed with participating bodies prior to the booking.

- Any fees applicable to participating bodies shall be paid to STS within 30 days of the invoice date.

Signed on behalf of STS

Signed:

Name:

Date:

In the presence of (Witness):

Name of Witness:

Signed on behalf of the Hospital Caterers Association:

Signed:

Name:

Date:

In the presence of (Witness):

Name of Witness:

Appendix 1

Audit to the STS Public Sector Standard	£525 per day plus VAT
Audit to the STS Small & Regional	£336 plus VAT
Third party – BRC	£90 plus VAT
Third Part SALSA	£50 plus VAT

Expenses will be charged at cost for audits outside of the UK.

Note

All audits will be subject to application at which stage the audit duration will be determined. The expected duration of Public Sector audit will be 1.5 days. Total cost per audit will be £800 +VAT.