

Policy Name	Procurement Policy
Version No.	8.0
Approval Date	January 2022
Category	Corporate
Classification	Internal

Procurement Policy	
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Version Control

Version	Date	Description	Updated By	Approved By
5.0	October 2018	Comments on draft from ELT included	Head of Procurement	ELT
		Comments from Interim Head of Finance included	Head of Procurement	Executive Lead
	November 2018	Comments from Executive Director of Development, Sales & Procurement	Head of Procurement	Executive Lead
6.0	July 2020	Comments on draft from ELT included	Head of Procurement	ELT
7.0	October 2020	Comments of draft from SMT included	Head of Procurement	
8.0	September 2021	Comprehensive Policy overhaul	Head of Procurement	Executive Leadership Team
				Board January 2022

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1. Policy Purpose & Aim

The ExtraCare Charitable Trust (hereafter referred to as ExtraCare) is committed to achieving efficiency, economy and effectiveness through fair and transparent procurement. The Charity seeks to ensure compliance and Value for Money (VfM) whilst demonstrating a clear and well-structured approach to its procurement activities in order to contribute to delivering better lives for our residents.

The aim of this policy is to provide clear guidance on how ExtraCare and the ExtraCare Retail subsidiary will procure Works, Goods and Services in accordance with the Regulations (“PCR”), continuing to ensure legislative obligations are followed and continually enhancing the economic, social, technological, sustainable and environmental prospects of ExtraCare’s residents, staff and extended communities.

All ExtraCare employees, volunteers and contractors must comply with ExtraCare’s procurement procedures to ensure compliance with legislation and avoid any legal challenges or allegations of bribery, corruption and collusion, to achieve VfM and to provide the best possible service to ExtraCare’s residents.

2. Objectives

The objectives of this policy and subsequent work instructions are designed to ensure that ExtraCare and its Retail trading subsidiary:

- remain compliant with the PCR in order to minimise any legal risk or exposure;
- ensure the procuring of goods and services is managed in an equitable, sustainable, transparent, open, competitive, non-fraudulent and non-discriminatory manner;
- remain compliant with the Modern Slavery Act 2015, The Public Services (Social Value) Act 2012 the Regulator of Social Housing standards, UK Law and ExtraCare’s Financial Regulations;
- where appropriate, ensure the procurement process considers and implements resident engagement (e.g. resident forum) and statutory consultation with residents/leaseholders (e.g. Section 20 Consultation);
- maximise VfM opportunities throughout the lifetime of a product or service;
- undertake procurement decisions in a fair, open and transparent way;
- ensures consideration of environmental impacts through procurement; and
- applies a level of administration and effort that is proportionate to the value of the procurement.

3. Scope of Policy

This policy applies to every ExtraCare Trustee, employee, volunteer and contractor. It also applies to procurement activities undertaken within the ExtraCare Retail subsidiary.

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4. Responsibilities

ExtraCare employees are responsible for procuring goods and services in line with the PCR, irrespective of the source of funds, in order to obtain goods and services that demonstrate VfM, quality, health, safety and environmental requirements, delivery requirements, sustainability and social value. Any procurement activity is to be in accordance with this policy, the Financial Regulations, the Bribery Act 2010 and in accordance with sound business practice and commercial considerations. Failure to act in accordance with ExtraCare's procurement policy may lead to action being taken under ExtraCare's Disciplinary Policy.

Specific responsibilities are outlined below:

Board	<ul style="list-style-type: none"> Approve the policy in accordance with Standing Orders.
Audit & Assurance Committee	<ul style="list-style-type: none"> Review the policy and recommend to the Board for approval; and Keep the policy under review and seek assurance where appropriate.
Executive Leadership Team (ELT)	<ul style="list-style-type: none"> Lead by example; Support the Head of Procurement in ensuring all staff act in accordance with this policy and relevant legislation; Review compliance updates via a Procurement Dashboard; Ensure waivers proposed are compliant with this policy; and Undertake commercial decision making on high level procurement decisions.
Executive Director Development, Sales & Procurement	<ul style="list-style-type: none"> To review compliance updates derived from the Procurement Dashboard – this includes information on waivers, suppliers, purchase orders, savings, contracts for renewal, tender plans and risk register; Escalation point for any query; Initial review of policy and work instruction updates; and Provide guidance on high level procurement decisions.
Senior Management Team (SMT)	<ul style="list-style-type: none"> Lead by example; Support the Head of Procurement in ensuring all staff act in accordance with this policy and relevant legislation; and Ensure spend relating to waivers proposed by team members is approved in accordance with the financial limits detailed in the Financial Regulations.
Head of Procurement	<ul style="list-style-type: none"> Regularly review and update the policy and work instructions; Monitor compliance and report any exceptions; Produce/update a Procurement Strategy for continuous, sustainable improvement; Ensure adequate and appropriate training is available for ExtraCare employees in relation to the Procurement Policy;

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	<ul style="list-style-type: none"> • Produce the Procurement Dashboard to report compliance and savings; • Produce tender plans and pipelines for key procurement projects based on contract value and risk; • Capture VfM, cashable and efficiency and value savings; and • Record departmental procurement risks on the risk register and escalate as necessary to the Corporate Risk Register (Board Assurance Framework).
Category Managers and Procurement Team	<ul style="list-style-type: none"> • Provide procurement support to ExtraCare employees where required. <p>Monitor procurement compliance via:</p> <ul style="list-style-type: none"> • Analysing, on a regular basis, all spend to identify “rogue spend” and anomalies. Findings will be reported back to ELT via the Head of Procurement; • Communicating policies, forms to be used and supplier lists on a regular basis; • Update waiver register; • Support all staff in terms of advice and guidance, holding workshops if necessary; • Categorisation of goods and services, including: <ul style="list-style-type: none"> ○ Analysing supplier spend and categorise goods and services into groups in order to understand and rationalise the suppliers list; ○ Work with the relevant stakeholders in order to classify the categories; and ○ Create a Procurement Plan for each category spend in order to reduce non-compliant contracts and minimise risk. • Assist in the production of tender plans and pipelines.
All managers	<ul style="list-style-type: none"> • Comply with this policy; • Ensure that approval of expenditure from budgets is on the basis that quotes/tenders have been sought (as/where necessary); • Obtain financial approval in accordance with the financial limits in the Financial Regulations; • Ensure that existing suppliers are used when there is already a contract in place for the required provision; • Allow staff to undertake tenders and provide capacity to do so; and • Ensure that waivers are completed in accordance with the Waiver Work Instruction and that the waiver process is only utilised in exceptional circumstances.
All staff	<ul style="list-style-type: none"> • Understand, agree and comply with the Procurement Policy and its supported work instructions requirements and the associated Financial Regulation thresholds; and • Update the Contracts Register in accordance with the Contracts Management Policy.

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5. Monitoring & Review

ExtraCare, is a Contracting Authority due to its status as a Registered Provider of housing and is therefore deemed to be a “body governed by public law”. ExtraCare has a legal obligation to comply with the PCR (where they apply to ExtraCare’s procurements).

The success of this policy in delivering its aims, alongside ensuring compliance with this policy will be monitored by ExtraCare, with oversight provided by the Procurement Team.

Success will be measured on the reduction of risk associated with contracts, alongside non-compliant contracts. All staff must engage with the Procurement Team to ensure that where there are contracts in place for a particular requirement, they are utilising contracts already in place for a particular requirement before they attempt to engage a new supplier.

It should be noted that a Green Paper entitled “Transforming Procurement” was published by the Cabinet Office in December 2020 and was followed by a wide-ranging consultation process which closed in March 2021, with the UK Government’s response to this consultation due for publication imminently and a proposed timescale of 2023 has been set for the introduction of new legislation. Due to the significant changes to procurement legislation expected as a result of this consultation, it is likely that this policy will be updated once any new legislation is in force.

6. Risk Management

In June 2021, the Board of Trustees reviewed their risk appetite in June 2021, with this confirmed in September 2021. The Board’s risk appetite for Compliance has a tolerance of Averse to Minimalist. The Procurement team will therefore prioritise projects based on the level of risk.

If found non-compliant with legislation, ExtraCare could face penalties such as suspension of a specific contract award procedure, payment of damages and cuts in/the suspension of grants and/ or regulatory intervention. This is a financial and reputational risk for the Trust.

Compliance with this policy and related work instructions and documents reduces the potential risk and also ensures that the Trust meets its legislative and regulatory obligations.

There is also responsibility upon ExtraCare, as a charity and registered provider, to ensure that Value for Money (VfM) is secured from use of our funds – adhering to this Procurement Policy and, specifically, seeking best value through competitive quotation/tender processes supports our achievement of VfM.

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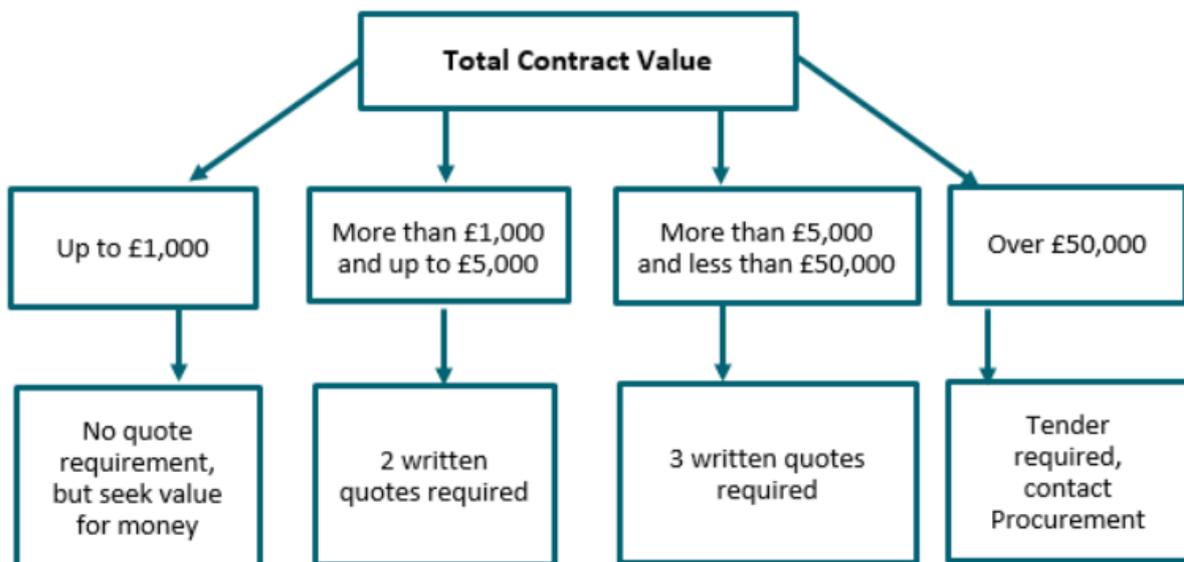
7. Statement of Commitment

ExtraCare will ensure, so far as is reasonably practicable, that the risk associated with Procurement will be managed in compliance with the PCR and any other relevant legislation that may impact upon it.

ExtraCare will take a consistent and holistic approach to Procurement through each stage of village development from planning, construction, commissioning and operations as well as for any requirements for goods and services in accordance with the thresholds detailed in the Work Instructions attached to this policy.

8. Additional Arrangements

8.1 Procurement Processes and Procedures



To determine the procurement process for a particular requirement, the total contract value must first be determined. This is based on the total value of the contract over its duration including all extensions (for example, if a contract is over 2 years at £40,000 per annum with the option to extend for a further year, the total contract value would be £120,000) in accordance with the table below:

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Total Contract Value (excluding VAT)	Procurement Method
Up to £1,000	<ul style="list-style-type: none"> No formal quoting exercise required, but value for money should be considered.
More than £1,000 and up to £5,000	<ul style="list-style-type: none"> At least 2 written quotes must be obtained; and All details of pricing and award justification should be retained for audit purposes.
More than £5,000 and less than £50,000	<ul style="list-style-type: none"> At least 3 written quotes must be obtained; and All details of pricing and award justification should be retained for audit purposes.
Over £50,000	<ul style="list-style-type: none"> Procurement process to be completed (and route to market to be determined) in conjunction with the Procurement Team. Procurement processes will be prioritised based on a combination of value and risk; and Please note that there is a slight difference in the procurement administration process depending on whether the total contract value is above or below the current public procurement threshold. The Procurement Team will be able to provide further information on this.

8.2 Social Value

Social value can have a positive and lasting impact on individuals, communities and the environment. ExtraCare are required to “have regard to” the national priority outcomes in their procurement, alongside any additional local priorities in their procurement activities where it is “relevant to the subject matter of the contract and it is proportionate to do so”.

The national priority outcomes presented under the heading of “Social Value” are:

- creating new businesses, new jobs and new skills;
- tackling climate change and reducing waste; and
- improving supplier diversity, innovation and resilience.

The Public Services (Social Value) Act 2012 (the “Act”) requires public authorities to consider wider social, economic and environmental benefits in their procurements and to have regard to whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders. In line with the PPN and the Act, ExtraCare therefore aims to ensure that our contracts and supply chain to deliver social value to our locations and the wider communities within which we operate.

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Our appointed suppliers will therefore be required to actively and consistently participate in the economic, social and environmental wellbeing of the communities and areas surrounding the location of contract delivery.

Accordingly, it is important that our procurement and sourcing activity includes social value elements for suppliers to be assessed against. Whilst tender activity will seek to assess social value at a greater depth, all sourcing activity within ExtraCare (irrespective of contract value) will need to have elements of social value considered and captured where possible.

8.3 Modern Slavery

In accordance with The Modern Slavery Act 2015 and our values, ExtraCare is committed to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure modern slavery and human trafficking are not taking place anywhere in our charity or our supply chains. ExtraCare has a policy of zero-tolerance towards acts of modern slavery which are unlawful and are a violation of fundamental human rights. ExtraCare has a specific policy statement which sets out our commitment and the responsibilities of management and staff. ExtraCare requires its suppliers and contractors to comply with all applicable legislation as well as adhering to ExtraCare's behaviours and values and supporting ExtraCare in the delivery of our commitment. ExtraCare will uphold Article 8 of the Human Rights Act 1998, respecting a tenant's right to private life, family life, and the home and will not tolerate any forms of human trafficking or forced labour within our properties.

All staff involved in procurement activity are expected to be familiar with ExtraCare's Modern Slavery Statement and Modern Slavery Policy and this aspect is to be continually monitored and considered when procuring goods and services.

8.4 Sustainability

It is vital that ExtraCare procure goods and services in a way that secures value for money on a whole life basis and which generates benefits for our residents, our charity, society, the economy and reduces the environmental impacts of our supply chains. As an example, a product may be cheaper overseas but behind obtaining this product there may be other environmental factors such as emissions from shipping and transport that should be considered in the evaluation process. When procuring goods or services it is therefore key that this is conducted in the most sustainable way, considering the total contract life cycle.

Prior to embarking on any procurement process, the Contract Owner must consider the social, economic and environmental factors associated with the required goods or services and ensure that it aligns with the relevant ExtraCare policies (such as the Environmental Policy or the Modern Slavery Policy). If you require further advice and guidance on how to ensure sustainability is incorporated into your procurement project, please speak to the Procurement Team.

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8.5 Routes to market

For contract opportunities over the relevant threshold triggering the requirement to procure in accordance with the PCR there are several routes to market for that can be used for your requirement. These include:

Open Procedure

An open procedure involves advertising the requirement in Find a Tender and Contracts Finder to all suppliers within the supply market. It is a one stage process in that suppliers submit both their selection stage information (backwards facing information on the supplier as an organisation) and their tender in one go. An Invitation to Tender (ITT) is constructed detailing as a minimum:

- selection criteria including the mandatory and discretionary grounds for exclusion under the PCR;
- the specification;
- price/quality weighting;
- evaluation methodology;
- method statement questions; and
- a pricing schedule.

This is then advertised to suppliers who must be provided with a minimum of 30 days to respond and all interested suppliers are required to submit a tender by the tender submission deadline.

A one stage process is used and entails assessment of the selection criteria based on a pass/fail basis by the Procurement Team. All suppliers who pass the selection criteria will then be assessed on their method statement questions and pricing information in line with the evaluation methodology stipulated within the ITT documents by the evaluation panel. Once the evaluation has been conducted and scored with a full audit trail and justification; the supplier to be awarded the contract will be determined by the overall highest score obtained.

Award letters are drafted and issued to all suppliers who submitted a tender by the Procurement Team which details the awarded suppliers score, the scores of the supplier receiving the letter, the reasons for the decision, the characteristics and relative advantages of the successful tender and the date when the standstill period will end/ExtraCare intends to enter into the contract. A minimum of a 10-calendar day standstill period is then observed and subject to no successful challenges during this period, the contract can be formally awarded, and contractual documentation finalised and signed.

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Restricted Procedure

A restricted procedure involves advertising the requirement to all suppliers in Find a Tender and Contracts Finder, this is done using a two-stage process. The first stage entails establishing and assessing the minimum requirements/ selection criteria based on a pass/fail basis the requirements will be set out in a Selection Questionnaire which will be based on the Cabinet Office template selection questionnaire. The requirement must be advertised to all suppliers on our e-tendering portal, Find a Tender and Contracts Finder and all suppliers must be provided with a minimum of 30 days to respond to the Selection Questionnaire. For any suppliers who fail to meet the selection criteria, a notification letter must be issued detailing why and where they failed to meet the minimum requirements.

All suppliers who pass the selection criteria will then be invited to stage two, the ITT. An ITT is constructed detailing as a minimum:

- the specification;
- price/quality weighting;
- evaluation methodology;
- method statement questions; and a
- pricing schedule.

Suppliers must be provided with a minimum of 30 days to respond and are required to submit a tender by the tender submission deadline. The evaluation panel will assess their method statement questions and pricing information in line with the evaluation methodology. Once the evaluation has been conducted and scored with a full audit trail and justification; the most economically advantageous supplier is determined by the overall highest scoring supplier and will be awarded the contract.

Award letters are then issued to all suppliers who submitted a tender which details the awarded supplier's score, the scores of the supplier receiving the letter, the reasons for the decision, the characteristics and relative advantages of the successful tender and the date when the standstill period will end/ExtraCare intends to enter into the contract. A minimum of a 10-calendar day standstill period is observed, subject to no successful challenges once this period is over the contract can be formally awarded and contracts can be finalised and signed.

Framework Agreement

A framework agreement is an agreement with one or more suppliers for a pre-agreed scope of goods or services, established by another Contracting Authority or Professional Buying Organisation (PBO). Usually, permissible users of the relevant framework agreement can directly call-off this agreement for goods or services, using either direct award or conducting a further competition with the awarded suppliers on the framework.

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Any framework agreements authorised for use by a Contracting Authority (as defined by the PCR) can be utilised by The ExtraCare Charitable Trust and can include frameworks from PBOs such as:

- [Crown Commercial Services \(CCS\)](#);
- [Eastern Shires Purchasing Organisation \(ESPO\)](#);
- [NHS Shared Business Services \(NHS SBS\)](#);
- [Procurement for Housing \(PfH\)](#);
- [The University Caterers Organisation \(TUCO\)](#); and
- [Yorkshire Purchasing Organisation \(YPO\)](#).

Please note that if your requirement is for ExtraCare Retail Ltd or if you are unsure of ExtraCare's eligibility to utilise a particular framework, please seek further advice and guidance from the Procurement Team.

Light Touch Procedure

The light touch procedure is available for health, social, education and certain other service contracts as detailed within Schedule 3 of the PCR. The threshold for the light touch procedure is higher than the procurement threshold. For any requirements under this threshold, there is great flexibility in the procurement process, and this can be tailored so it is suitable to the supply market.

For any requirements above this threshold, the flexibility in the procurement process still remains, however there are additional requirements to advertise the requirement on our e-tendering portal, Find a Tender and Contracts Finder. ExtraCare can determine the structure of the procurement process as long as it is transparent, and bidders are treated equally. Timescales must be reasonable and proportionate.

Once the evaluation has been conducted and scored with a full audit trail and justification provided by the evaluation panel; the most economically advantageous supplier is determined and will be awarded the contract. Award letters are then issued to all suppliers who submitted a tender which details the awarded supplier's score, the scores of the supplier receiving the letter, the reasons for the decision, the characteristics and relative advantages of the successful tender and the date when the standstill period will end/ExtraCare intends to enter into the contract. A minimum of a 10-calendar day standstill period is observed as best practice, subject to no successful challenges once this period is over the contract can be formally awarded and contracts can be finalised and signed.

These are the main routes to market that are most commonly used for most above threshold requirements. There are 3 additional routes to market, these are used in unique circumstances as detailed below:

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Innovation Partnership

An innovation partnership procedure is commonly used for the development of an innovative product or service that cannot be already met by a supplier in the market. Suppliers are invited to participate and complete the minimum requirements/ selection criteria. A minimum of 3 suppliers must then be invited to submit their proposals.

These proposals are developed with the suppliers using a number of successive stages and reduced to establish a final requirement. An ITT is developed detailing the final minimum requirement and award criteria and suppliers are invited to submit their tender submissions.

Once the evaluation has been conducted and scored with a full audit trail and justification; the supplier who submits the most economically advantageous tender is determined and will be awarded the contract

Competitive Dialogue

A competitive dialogue procedure is advertised in Find a Tender and Contracts Finder and involves establishing an initial set of requirements, suppliers are then invited to review the requirements and complete the minimum requirements/selection criteria stage based on a pass/fail basis.

All suppliers who pass the selection criteria, will be invited to the Invitation to Participate in Dialogue stage, where dialogue will commence with suppliers to develop all aspects of the requirement and finalising submissions. Once dialogue is completed, suppliers are invited to submit final tenders and the supplier who submitted the most economically advantageous tender is determined and will be awarded the contract.

This process is commonly used for highly complex and risky requirements, where suppliers are required to have significant input in the final requirement. This procurement process can be lengthy depending on the complexity, number of bidders and level of dialogue required.

Competitive Procedure with Negotiation

A competitive procedure with negotiation is advertised in Find a Tender and Contracts Finder and involves establishing and assessing the minimum requirements and selection criteria based on a pass/fail basis. All suppliers who pass the selection criteria, will be invited to the Invitation to Negotiate stage.

Once submissions have been received and the initial evaluation has been conducted, any clarifications or negotiations can commence with all suppliers on an equal basis. When any negotiations have been completed, suppliers must be invited to re-submit any new or revised tender submissions.

The final stage of evaluation will be conducted to identify the supplier who submitted the most economically advantageous tender to be awarded the contract. This process is commonly

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used for requirements which require adaptation or design input from the suppliers. This procurement process can be lengthy depending on the complexity, number of bidders and level of negotiation required.

8.6 Section 20 and resident consultations

Section 20 of the Landlord and Tenant Act 1985 outlines that ExtraCare can recharge the costs of services to residents by way of a variable service charge. For qualifying works, the charge is over £250 per resident or a qualifying long term agreement of over 12 months is entered into by ExtraCare which will result a charge to residents of over £100 per annum (or any one resident a charge of over £250), ExtraCare are required to consult residents in relation to the procurement process which will result in these charges. If section 20 may apply, the contract owner must consult the Procurement Team and the Legal Manager to confirm whether this is the case.

The Section 20 process consists of two initial stages with a third stage required if applicable. The first stage consists of informing residents of our intentions and making specification documents available to residents to view should they wish to. Residents have 30 days to respond to this consultation. The Procurement team will work with the contract owner to draft letters to residents and review the documentation to be shared with residents.

The contract owner should then, in conjunction with relevant stakeholders, determine how this process should be conducted and agree the most effective way to inform and engage residents and tenants and share the letter and documentation with residents via the agreed method. The contract owner must then collate and respond to any feedback received from residents and ensure this feedback is considered as part of the procurement process.

The second stage of the process requires ExtraCare to inform residents of the tenderer(s) that ExtraCare is intending to award along with the merits of their bid. The Procurement Team will work with the contract owner to draft letters to residents and review the documentation to be shared with residents. The contract owner must then share the letter and documentation with residents via the agreed method and collate and respond to any feedback received from residents. Residents have 30 days to respond to this consultation.

The final stage is only applicable where the tenderer(s) that ExtraCare intend to award are not the cheapest supplier based on the pricing evaluation, detailing the merits of the tenderer(s) bid(s). The Procurement Team will work with the contract owner to draft letters to residents and review the documentation to be shared with residents. The contract owner must then share the letter and documentation with residents via the agreed method and collate and respond to any feedback received from residents. Residents have 30 days to respond to this consultation.

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It is best practice from a procurement perspective to include any optional extensions within a contract when it is established (first agreed). Any extension to the provision of goods or services with a supplier should be reviewed 3 - 6 months in advance of the contract end date by the contract owner (unless the notice period in the contract requires a longer period). Any optional contract extensions should be included when a contract when it is established.

The contract owner is responsible for ensuring the contract extension is in compliance with the PCR (regulation 72), continues to achieve Value for Money and obtaining confirmation from the supplier that the extension will remain under the existing terms and conditions of the contract and is the best course of action.

It is not possible to extend a contract where an optional extension was not agreed when the contract was established and any attempt to extend a contract after commencement will be determined to be non-compliant. If there are exceptional circumstances in which a requirement needs to continue following the expiry of a contract term that has no further extension options available, a waiver must be sought for this. It is important to note that poor planning for a new procurement process will not be deemed an acceptable reason for a waiver.

- Further information on general procurement principles can be found in Work Instruction 1 – General Principles. Further information on the process for requirements between £1,000 and £5,000 can be found in Work Instruction 2 – Two Quote Process.
- Further information on the process for requirements more than £5,000 and less than £50,000 can be found in Work Instruction 3 – Three Quote Process.
- Further information on the process for requirements over £50,000 can be found in Work Instruction 4 - Tenders.
- Further information on the process for waivers can be found in Work Instruction 5 - Waivers.

It is also important to ensure that any spend approvals are obtained in accordance with the financial limits in the Financial Regulations.

8.8 Capital Expenditure (Building Projects/Works)

All building projects with a contract value of £4,733,252 or more should use a compliant framework or conduct a full tender process compliant with the PCR.

The Executive Director of Development, Sales and Procurement is responsible for ensuring that, for any capital building project above £1,000,000, an appraisal is approved by the Board prior to any commitment to expenditure being incurred. Expenditure is then only to be incurred in line with the authorised document (and delegated powers), which will include a full and detailed financial appraisal in a format that the Board has agreed. All supporting documentation is to be retained.

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8.9 Supplier set up process

A Supplier set up Form (found on SharePoint) must be completed for all new suppliers. The contract owner must ensure that all areas of the forms have been completed and all information requested has been obtained from the supplier. The information requested for the Supplier set up form is:

IR35

Before awarding a contract, it is important to understand whether or not the awarded supplier will fall under IR35. IR35 rules are applicable for all contractors who are supplying services through a personal service company or partnership.

IR35 rules ensure that individuals who are contracted to provide a service to us have the correct statutory deductions made, determining whether they are working as an 'employee' (on payroll working) or a 'contractor' (off payroll working). ExtraCare is responsible for determining whether or not IR35 rules apply.

A supplier who is awarded a contract through a tender process should be assessed through the IR35 and CEST (Check Employment Status for Tax) assessment process to ascertain whether they are to be paid on or off payroll.

The contract owner must liaise with the payroll team to determine this and inform the procurement team to ensure the tender and supplier set up processes are managed correctly. Further guidance on IR35 can be found within the Off Payroll Working (IR35) Policy. Please refer to Work Instructions 2 and 3 for further information on the process.

Bank Details

Supplier bank details must be provided on a supplier letterhead. Bank details without a letterhead cannot be accepted for the supplier set up process.

Insurance

The ExtraCare standard insurance levels are £10m Public Liability, £10m Employers Liability, £10m Product Liability and £5m Professional Indemnity).

For any procurement process chosen, the contract owner must consider the most appropriate insurance levels for that contract based on risk, value or any other factor deemed relevant by the contract owner. Further advice can be sought from ExtraCare's insurance broker or legal advice on this matter.

Proof that the supplier insurances meet the requested levels must be provided at the supplier set up stage. Supplier set up forms submitted without the correct insurance levels cannot be accepted for the supplier set up process.

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Due Diligence Forms

A Due Diligence Form (found on SharePoint) must also be submitted as part of the supplier set up process. The supplier set up form captures information on the following areas:

- Supplier declarations of interest;
- Modern slavery declaration;
- Tax evasion declaration;
- Equality and diversity declaration; and
- GDPR compliance declaration.

Proof of Competition

All supplier set up forms must be submitted with either proof of the relevant competitive process having taken place (e.g. two quotes, three quotes or a tender) or a waiver. Supplier set up forms that are not accompanied by a proof of competition or a waiver form will be rejected.

Policy Name	Procurement Policy
Version No.	8.0
Approval Date	January 2022
Category	Corporate
Classification	Internal

9. Other Relevant ExtraCare Policies & Documents

General	<ul style="list-style-type: none"> • Anti-Bribery Policy • Anti-Fraud Policy • Conflict of Interests Policy • Environmental Policy • Equality & Diversity Policy • Financial Regulations • Gifts & Hospitality Policy • Risk Management Policy • Simple Procurement Guide • Whistleblowing Policy
Related Policies	<ul style="list-style-type: none"> • Board Assurance Framework • Contract Management Policy • Contract Register & Contract Register Update Form • Disciplinary Policy • Procurement Dashboard
Work Instructions/Supporting documentation	<ul style="list-style-type: none"> • Work Instruction 1 – Procurement: General Principles • Work Instruction 2 – Two Quote Process • Work Instruction 3 – Three Quote Process • Work Instruction 4 – Tender Process • Work Instruction 5 – Waiver Process • Due Diligence Form • Procurement at a Glance Guide • Request for Quote • Supplier set up Form • Tender Initiation Form • Waiver form

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10. Relevant Legislative & Regulatory Requirements

Legislation	Regulation	Guidance & In-House Document
Public Contract Regulations 2015	Regulatory Framework of Social Housing 2012	<ul style="list-style-type: none"> • ExtraCare Terms and Conditions for supply of goods or services • GDPR • Invitation to Tender Document (ITT) • List of Approved Frameworks • Purchase Order • Service Level Agreement template • Variation to Terms Form
Procurement Policy Note PPN 05/21 - National Procurement Policy Statement		
Bribery Act 2010		
Modern Day Slavery Act 2015		
Equality Act 2010		
Social Value Act Public Services (Social Value) Act 2012		