



The Langstane Group

Procurement Policy

Board of Management / Committee name	Performance Committee
Approval date	7 November 2023
Implementation date	13 November 2023
Review date	November 2027
Version	Version 3

Version	Date approved	Changes
Version 1	13 th February 2019	New policy
Version 2	3 rd November 2021	<p>Revisions throughout document to remove reference to European tendering and replace with UK wide tendering requirements following Brexit</p> <p>OJEU tendering thresholds updated</p> <p>Amendment to regulated tender opening procedures to allow procurement consultants to open the Public Contracts Scotland portal on behalf of Langstane</p> <p>Amendment to regulated tender opening to remove the requirement for a Board member to be present at higher value tenders</p> <p>Amendment to Section 26 to require an Annual procurement Report only where regulated spend has exceeded the £5 million threshold</p>
Version 3	8 th August 2023	<p>Changes to terminology throughout document:</p> <ul style="list-style-type: none"> ○ 'The Association' changed to 'Langstane' ○ 'Staff' changed to 'employees' <p>References to EU tendering removed and replaced with correct references</p> <p>Values changed from exclusive of VAT to inclusive of VAT as per Procurement Procedure Note PPN 10/21</p> <p>Requirement to carry out regular audits of completed quote / tender exercises added as per Internal Audit recommendations</p> <p>Reference to Procurement Champions removed</p> <p>Operational / procedural items & appendices removed to avoid duplication with Procurement Manual</p> <p>Amendment to the value of contract where community benefit clauses will apply (increased to £500k)</p> <p>Section 10 amended – only unforeseen regulated tenders (over £50k) will require be reported to Board</p>

Contents

1. Introduction	4
2. Policy statement / aim of the policy	4
3. Objectives	4
4. Links to other policies	4
5. Overview of Legislation	5
6. Procurement routes	6
7. Procurement Responsibilities	8
8. Conflicts of interest	9
9. Fraud / bribery	10
10. Procurement Programme	10
11. Procurement categorisation	11
12. Budget Approval	11
13. Joint procurement	12
15. Procurement Exceptions Reports (PERs)	13
16. Business continuity requirements	13
17. Renewals, extensions and amendments to existing contracts	13
18. Procurement procedures	14
18.1. General principles applicable to all procurement routes	14
20. Sustainable procurement	16
21. Community benefits	16
22. Transfer of Undertakings (Protection of Employment) (TUPE) Regulations	16
23. Contract award and contract management	17
24. Contracts Register	17
25. Procurement Strategy	17
26. Annual Procurement Report	17
27. Monitoring and review	18

1. Introduction

Procurement is a highly important activity for Langstane Housing Association Ltd and all subsidiary companies comprising the Langstane Group (hereinafter referred to as 'Langstane') and has a critical impact on its performance and ability to meet its corporate objectives. Langstane currently spends a significant amount of its resources every year on works, goods and services and it is essential that every pound spent derives as much benefit as possible for Langstane, its tenants and the wider community.

2. Policy statement / aim of the policy

This policy supports Langstane's Procurement Strategy and aims to ensure that there is clear guidance for staff who have responsibility for making procurement decisions. This policy is supported by a Procurement Manual which provides detailed procedures for all aspects of procurement.

3. Objectives

The objectives of this policy are to:

- Ensure that Langstane maximises value for money when procuring contracts
- Ensure that Langstane complies with all legal and regulatory requirements, and with best practice guidance, when procuring contracts
- Ensure that procurement processes comply with Langstane's own policies in respect of payments and benefits
- Maximise opportunities to jointly procure services on a collaborative basis with colleagues in other housing associations or related organisations
- Ensure that procured contracts meet the expectations of tenants, customers, staff, colleagues and /or other key stakeholders
- Ensure continuous improvement of Langstane's procurement service through on-going monitoring and reporting of procurement activities to the Leadership Team and the Board of Management

4. Links to other policies

This policy should be read in conjunction with Langstane's:

- Business Plan
- Procurement Strategy – which sets out the Association's 5 year vision for procurement
- Procurement Programme – which details the approved procurement activities for the coming 3 years
- Procurement Manual – which provides detailed guidance on all aspects of procurement
- Financial Regulations
- Scheme of Delegation
- Delegated Authority Levels
- Anti-Bribery Policy
- Entitlements, Payments and Benefits Policy
- Community Investment Strategy

5. Overview of Legislation

Defined as a “Public Body Governed by Public Law”, Langstane has procurement duties placed on it by a number of different pieces of legislation:

Procurement Reform (Scotland) Act 2014

- A duty to publicly procure services / goods contracts over £50,000 in value and works contracts over £2m in value
- A duty to act in a transparent and proportionate manner and to carry out regulated procurement in a way that treats economic operators equally and without discrimination
- A duty to comply with sustainable procurement obligations
- Where procurement spend will exceed £5m in any year, a duty to publish a Procurement Strategy and review it annually
- Where procurement spend has exceeded £5m in any year, a duty to publish an Annual Procurement Report reviewing Langstane’s procurement activities in that year against Langstane’s procurement strategy
- A duty to publish regulated procurement opportunities and contract awards on the Public Contracts Scotland website
- A duty to consider community benefit requirements for all procurement with an estimated contract value over £4m
- A duty to provide feedback to unsuccessful bidders
- The duty to keep and maintain a publicly available contracts register

Procurement (Scotland) Regulations 2016

- A duty to carry out public procurement of contracts with a value over £50k for good / services and £2m for works but below the World Trade Organisation (WTO) Government Procurement Agreement (GPA) thresholds (see below) in accordance with the requirements set out in the Regulations which cover:
 - How contract value is estimated
 - Contract process (Prior Information Notices (PINs), contract notices, splitting contracts into lots etc)
 - Rules for awarding contracts without competition
 - Mandatory and optional reasons for excluding bidders
 - Rules for preparing technical specifications

Public Contracts (Scotland) Regulations 2015

- A duty to publicly procure services / goods contracts exceeding the WTO GPA threshold of £213,477 and works contracts exceeding the OJEU threshold of £5,336,937.
- A duty to comply with the general principles of:
 - Transparency – contract procedures must be transparent and contract opportunities should generally be published
 - Equal treatment and non-discrimination – potential suppliers must be treated equally
 - Proportionality – procurement procedures and decisions must be proportionate
 - Mutual recognition – equal validity must be given to qualifications and standards from other Member States, where appropriate
- A duty to carry out the procurement in accordance with the requirements set out in the regulations which covers:

- How contract value is estimated
- Types of procurement (open, restricted, negotiated etc.)
- Contract process (PIN, contract notices, splitting contracts into lots etc.)
- Procedures for awarding contracts
- The process for bidders to raise proceedings against a contracting authority

6. Procurement routes

The various pieces of legislation and Langstane’s own policy requirements result in Langstane procuring in a three tier regime. For the remainder of this policy, and in accompanying procedures, these tiers will be referred to as:

Route 1 unregulated procurements under £50,000 in value which are governed by Langstane’s own policies and procedures but do not fall within the scope of any of the above legislation. Route 1 procurement is further sub-divided into Route 1a to Route 1d depending on the value of the works. The requirements for each of these procedures are noted in the table below.

Route 2 Regulated procurement with a value over £50,000 (for goods and services) or £2m (for works) but below the WTO GPA thresholds.

Route 3 Regulated procurement over the WTO GPA thresholds

The table below sets out the required procurement route depending on the anticipated value of the contract and whether it is classed as goods, services or works and the applicable legislation and internal policies and procedures to be complied with:

Anticipated Value	Applicable legislation	Tender procedure
Goods, services & works £0 - £1,000	Langstane policies & procurement manual	Before carrying out any tender procedure, staff should check whether the goods, services or works can be provided through an existing contract No formal procedure. Work will be instructed via the most appropriate supplier on Langstane’s approved list
Goods, services & works £1,000 - £5,000	Langstane policies & procurement manual	ROUTE 1A Written quotation from a minimum of one supplier. Refer to Procurement Manual

<p>Goods, services & works £5,000 - £20,000</p>	<p>Langstane policies & procurement manual</p>	<p>ROUTE 1B</p> <p>Tender requires approval from budget holder via Quote Report Form</p> <p>Three competitive quotes to be obtained from suppliers on the approved list. Where the work is specialist and cannot be procured through the approved list, external suppliers may be asked to quote but must complete the approved suppliers process before being appointed.</p> <p>The first choice should be to tender via Quick Quotes on PCS. Requesting quotes via e-mail is acceptable where there are no suitable suppliers on Quick Quotes</p> <p>Consider the use of existing frameworks where appropriate</p> <p>Refer to Procurement Manual</p>
<p>Goods, services & works £20,000 - £50,000</p>	<p>Langstane policies & procurement manual</p>	<p>ROUTE 1C</p> <p>Tender requires approval from budget holder via Quote Report Form</p> <p>Tendered via Quick Quotes on PCS</p> <p>Consider the use of existing frameworks where appropriate</p> <p>Refer to Procurement Manual</p>
<p>Goods & services £50k - £213,477*</p>	<p>Langstane policies & procurement manual Procurement (Scotland) Regulations 2016 Procurement Reform (Scotland) Act 2014</p>	<p>ROUTE 2</p> <p>Procurement requires a Pre-procurement Plan (PPP) with Director approval</p> <p>Advertise tender on PCS</p> <p>Consider the use of existing frameworks where appropriate</p> <p>Refer to Procurement Manual</p>
<p>Goods & services over £213,477*</p>	<p>Langstane policies & procurement manual Public Contracts (Scotland) Regulations 2015</p>	<p>ROUTE 3</p> <p>Procurement requires a PPP with Director approval</p> <p>Works to be advertised on the Find a Tender (UK wide) system via PCS</p>

	Procurement Reform (Scotland) Act 2014	Refer to Procurement Manual
Works £50k - £2m	Langstane policies & procurement manual	ROUTE 1D (Follow Route 2 procedures) Procurement requires a PPP with Director approval Works to be advertised in PCS to maximise competitiveness of quotes Refer to Procurement Manual
Works £2m - £5,336,937*	Langstane policies & procurement manual Procurement (Scotland) Regulations 2016 Procurement Reform (Scotland) Act 2014	ROUTE 2 Procurement requires a PPP with Director approval Works to be advertised in PCS Refer to Procurement Manual
Works over £5,336,937*	Langstane policies & procurement manual Public Contracts (Scotland) Regulations 2015 Procurement Reform (Scotland) Act 2014	ROUTE 3 Procurement requires a PPP with Director approval Works to be advertised on the UK wide Find a Tender system via PCS Refer to Procurement Manual

*Current thresholds applying from 1st January 2022

No contract value should be artificially divided to circumvent the thresholds set out by the Procurement Reform (Scotland) Act 2014 or the Public Contracts (Scotland) Regulations 2015.

All values are inclusive of Value Added Tax (VAT) in accordance with Procurement Policy Note PPN 10/21

7. Procurement Responsibilities

The Board of Management

The Board is responsible for:

- Ensuring that Langstane is compliant with legislative and regulatory requirements in respect of procurement
- Approving the Procurement Policy, Procurement Strategy (and annual reviews of the Strategy) and the Annual Procurement Report
- Approving any authority delegated to employees in respect of procurement activity

- Reviewing the Tender Report quarterly

The Audit Committee

The Audit Committee is responsible for:

- Ensuring that Langstane complies with its Procurement Policy and any procedures in relation to procurement

The Director of Finance & Corporate Services

The Director of Finance & Corporate Services has overall responsibility for setting the strategic and policy approaches to procurement including:

- Overseeing the implementation and review of this policy and associated procedures
- Overseeing the implementation and review of the Procurement Strategy and accompanying action plan
- Producing the Annual Procurement Report
- Carrying out annual spend analysis to identify procurement priorities and updating the Procurement Programme
- Carrying out regular audits of completed quote and tender processes to ensure they have been conducted compliantly

Leadership Team

The Leadership Team are responsible for the day to day application of the procurement policy and procedures within their teams.

Employees

Langstane does not have a dedicated procurement team and so employees throughout the organisation will have responsibility for the procurement of any goods, services and works required by their team.

Procuring employees are responsible for familiarising themselves with the procurement Policy and Manual and ensuring that they manage procurement processes compliantly.

Employees must make their Director or the Chief Executive aware immediately if they become aware of a potential conflict of interest (see Section 8) or any potential fraudulent behaviour (see Section 9).

Procuring employees will usually also be responsible for the on-going management of the contract but where they are not, they must arrange for a robust handover of the contract to the responsible staff member.

8. Conflicts of interest

Employees must immediately advise their Director, and Board members and members of the Leadership Team must alert the Chief Executive, if they become aware of a conflict

of interest arising due to a close relationship between an employee or Board member and a potential supplier.

Tender documentation should always explicitly state that conflicts of interest that the supplier may be aware of due to a close relationship with an employee or Board member must be declared immediately it becomes apparent.

Any conflict will be noted in the Register of Interests and the employee or Board member with the potential conflict will be distanced from the procurement activity to ensure they cannot influence the outcome of the activity. The conflict will be reported to the Board of Management in accordance with the Entitlements, Payments & Benefits Policy.

Any failure by a supplier to highlight a potential conflict of interest may lead to their exclusion from a public procurement exercise. They, and any associated businesses, may be subsequently disqualified from competing for any current and future contracts. Legal advice will be taken where this is considered appropriate.

Any failure by an employee to declare an interest or highlight a relationship which may present a conflict of interest will be dealt with through Langstane's disciplinary procedures.

9. Fraud / bribery

In accordance with the Anti-Bribery Policy, employees must immediately advise their Director, and Board Members and members of the Leadership Team must alert the Chief Executive, if they become aware of an attempt by any supplier to influence a procurement decision by way of inducement or otherwise.

Canvassing of employees or Board members by suppliers for any contract is expressly forbidden and a standard clause must be included in all procurement documents to make this clear. Suppliers who have behaved in this way will be excluded from the procurement process and subsequently may be disqualified for competing for other current and future contracts. Legal advice will be taken where this is considered appropriate.

Similarly, suppliers must alert the Chief Executive and or Chairperson if inducement is sought by any employee or Board member. Such action breaches Langstane's Code of Conduct and will be dealt with through Langstane's disciplinary procedures.

10. Procurement Programme

Langstane will maintain a Procurement Programme which will detail the main procurement activities to be undertaken each financial year. This programme will be presented to Board of Management for approval alongside the annual budget.

Unforeseen regulated procurement activities which arise during the financial year and are not on the Procurement Programme, or are not included in the budget allocation, must be individually presented to, and approved by, Board of Management before being added to the Procurement Programme and (if relevant) incorporated into the annual budget.

11. Procurement categorisation

All procurement activities in the procurement programme will be categorised as Routine, Operational or Strategic based on their value and risk to Langstane:

Procurement Categories

1	Routine
2	Operational
3	Strategic

Increasing Risk ↑	H	2	3	3
	M	1	2	3
	L	1	1	2
		L	M	H
	→			Increasing Value

Routine

Contracts that are low value and low risk will usually be classed as Routine. This can cover items that are non-business critical or have an abundant supply base.

Examples: stationery supplies, vehicles

Operational

Operational contracts are those that are not business critical but where poor procurement or contract management would affect service and satisfaction, and/or impact on business plan delivery.

Examples: grounds maintenance, cleaning contracts

Strategic

Strategic contracts are business critical and often involve services that are regulated. Failure presents a high risk to Langstane and/or tenants. Strategic contracts may also relate to contracts where there are limited suppliers or the work is highly specialised.

Examples: gas servicing, It systems, component replacements

Langstane's contract management procedures give more detail on the key contract management principles related to each contract category.

12. Budget Approval

Employees should always gain approval to procure from the relevant budget holder to ensure there are sufficient funds available to pay for the goods, services or works in question.

For goods, works and services under £50,000:

Section 1 of a Quotations Record sheet must be completed and submitted to the budget holder for their approval and signature.

For goods, works and services over £50,000

A Pre-procurement plan (PPP) must be completed and submitted to the budget holder and relevant Director for their approval and signatures.

Completion of the PPP also ensures that Langstane complies with the duty to consider sustainability, fair working practices and community benefits on higher value contracts and that the risks and benefits of the procurement exercise are understood.

13. Joint procurement

Langstane will maximise opportunities for joint procurement with other housing associations or related organisations where appropriate. In all cases, where new contracts are required, or existing contracts are being retendered, procuring staff will explore opportunities for joint procurement at the Pre-procurement Planning stage.

Where services are jointly procured Langstane will ensure that, as far as reasonably practical, it does not assume any liability for non-payment or withdrawal from a joint contract by another party.

Partnership / Collaborative working

All decisions to enter into a partnership or collaborative agreement must be approved by the Board of Management who must be satisfied that the arrangements represent best value for Langstane taking into account strategic and operational considerations. The minimum period for a partnership agreement will usually be three years and the maximum period will usually be seven years.

Package deals

This describes a situation where a developer approaches Langstane and offers a site for development but on the condition that they are the developer and as such there is no competitive process in respect of the building contract. Procurement advice must always be sought in advance of signing up to a package deal as these will not always be exempt from public procurement rules.

14. Collaborative Framework agreements

Rather than conducting a stand-alone procurement procedure for required goods, services or works, procurement through an existing collaborative framework agreement may be considered.

Calling-off contracts from an existing framework agreement has the advantage of saving Langstane time and resource and may offer the opportunity to take advantage of any economies of scale achieved by the framework agreement.

However, frameworks can be unresponsive to change and it can be difficult to assess value for money if there are limited suppliers offering services through the framework. The use of frameworks therefore needs to be very carefully considered and only used where they offer clear and demonstrable benefits.

Employees should seek approval from the budget holder and/or Director, depending on purchase value, prior to committing to any framework contract, by completing a Quote or Tender Record Sheet to explain the benefits of such an approach.

15. Procurement Exceptions Reports (PERs)

There are exceptional circumstances where quotations or tenders will not be required including:

- Where procurement activity was undertaken but there were no suitable bids or notes of interest.
- Where the contract can only awarded to a particular supplier for technical or artistic reasons or where there are exclusive rights in respect of the required goods, services or works
- Where the work is required urgently, for example due to H&S / Structural or other concerns
- Where Langstane already has a contract in place for similar works and that contract can be modified or amended to include this work, but the following must apply:
 - the new goods, services or works are a repetition of the goods, services or works in the original contract and conform with the project for which that contract was awarded
 - the original project indicated the extent of possible additional works or services and the conditions under which they would be awarded
 - the possible use of this procedure was disclosed in the procurement documents and the total estimated cost of subsequent works or services was taken into consideration by the contracting authority when determining the estimated value for the purpose of applying section 3(1)(b) of the Act in relation to the original contract; and
 - not more than three years has elapsed following the conclusion of the original contract

Procurement exceptions should only be relied upon in limited circumstances and the procuring employee must obtain a quotation for the item in question and complete a Procurement Exceptions Report (PER) for approval by their Director prior to progressing with the purchase of the relevant goods, service or works. The PER ensures that Value for Money is still a consideration despite the absence of competition.

16. Business continuity requirements

Where the Business Continuity Plan is in operation and there is a health and safety risk identified (for example there is damage to office space and/or to systems that may affect business continuity), the normal procedures for procuring may be relaxed to meet business requirements. For example the need for a PPP may be dispensed with and quotes may be obtained direct from approved suppliers rather than using Quick Quotes. The procedure to be used will depend on the specific business continuity issue and will be agreed by the Business Continuity team as soon as the plan is enforced. Any decisions made must be in compliance with procurement legislation.

17. Renewals, extensions and amendments to existing contracts

It is not normally acceptable to renew, extend or amend an existing contract unless the option to renew, extend or amend was written in to the original contract. Renewing,

amending or extending an existing contract can risk being seen as an attempt to circumvent procurement rules.

Any employee considering modifying a contract in any way must discuss this with the Director of Finance & Corporate Services in the first instance.

18. Procurement procedures

Langstane has produced a Procurement Manual to provide detailed guidance to employees on all aspects of the procurement process. The manual is intended to ensure that there is a consistent and compliant approach to procurement throughout the organisation and must be followed. Employees should refer to the manual for step by step guidance on carry out Route 1, 2 and 3 procurements.

18.1. General principles applicable to all procurement routes

There are a range of general principles which apply and which must be considered by Langstane in relation to the procurement of all contracts regardless of the estimated value of the contract and/or whether the procurement activity is regulated or non-regulated:

- No tender process should be carried out without budget holder approval to confirm there is sufficient budget in place to pay for the goods, services or works
- No tender should be accepted where there is insufficient budget to pay for the goods, service or works. Where a tender return is over budget the budget-holder should be consulted with to determine the most appropriate next steps.
- In general the supplier / contractor should provide sufficient financial information to allow them to be added to the approved contractors list including, as appropriate, copies of financial accounts and bank references. If there is any doubt as to the financial stability of the contractor / supplier further checks, such as credit checks, should be carried out by the Finance Department prior to the appointment of the contractor / supplier. The right to carry out such financial checks must be written in to all tender documentation.
- Any selection and award criteria must be clearly specified in the tender documents.
 - Selection criteria relate to the SPD stage of the tender and are the eligibility criteria used to determine a bidders ability to provide the goods, services or works. These will include qualifications, experience and financial standing.
 - Award criteria relate to the ITT documentation and are used to identify the Most Economically Advantageous Tender (MEAT)
- Tenders must be evaluated in accordance with the published selection / award criteria. For tenders over £50,000, three people should evaluate the tender. The scores of the evaluation panel must not be averaged – the evaluation panel should meet to reach a consensus.
- Tenders will not normally be accepted on the basis of cost alone (although this may be acceptable for most non-regulated tenders). Quality, cost and the ability to deliver an excellent customer-focussed product or service should all be assessed.
- Tender documentation should always include a clause which allows the Association to exclude abnormally low or abnormally high tenders (usually 15% lower or higher than the next tender)

- All quotes and tenders must have an accompanying Quote or Tender Record Sheet which is signed off by an employee with the appropriate authority level
- All quotes and tenders should be recorded in the Quotes and Tenders Register
- Details of all awarded regulated contracts should be recorded on the Association's Contracts Register.
- Tender documentation forms part of the contract documentation and should be kept on file for a period of six years after the end date of the contract.
- An appropriate written contract must be used and this must be concluded with the correct legal entity. For very minor works the legal contract may simply be an exchange of letters.
- Contracts should be signed only by a member of staff with the correct level of delegated authority. The signing of formal contracts should be recorded in the Signings Register.
- Any complaint about, or challenge to, a contract award procedure or any situation which could reasonably be expected to lead to a complaint or challenge must be notified to the Director of Finance & Corporate Services as soon as known
- Details of prices or other sensitive information submitted by a supplier must not be disclosed to any other supplier.

18.2 Tender openings

Tenders between £5,000 and £50,000 carried out by email:

Where a tender procedure is carried out by email, tender submissions must be returned to Langstane's dedicated procurement email procurement@langstane-ha.co.uk , to which only a small number of non-procuring employees have access.

Once the submission deadline has passed, submissions will be collated as attachments and returned to the employee managing the tender process.

The employee should open the tenders in the presence of one other employee. At least one employee at the opening should have the relevant authority level.

The opening should be recorded on the Quote Record Sheet and the Quotes Register.

Tenders of any value carried out via Quick Quotes or Public Contracts Scotland

This is the preferred method of tendering for quotes and tenders of any value over £5,000. When setting up the tender in the Quick Quotes / Public Contracts Scotland portal, the employee should ensure that two employees are named as submission postbox openers.

For tenders over £50,000 one employee must be a Director.

For two stage tenders the opening requirements apply to both Stage 1 and Stage 2.

The opening should be recorded on the Tender Record Sheet and the Tender Register.

Opening requirements if using a procurement consultant

Where an external procurement consultant is administering the procurement on Langstane's behalf it will not always be possible for a staff member to unlock the portal –unlocking should be carried out by the consultant and copies of all bidder documentation should be sent to Langstane after the opening for filing in Langstane's procurement files.

1. Sustainable procurement

The Procurement Reform (Scotland) Act 2014 infers on Langstane a duty to consider sustainable procurement issues before carrying out a regulated procurement. Langstane must consider how, in conducting the procurement process it can —

- improve the economic, social, and environmental wellbeing of the authority's area,
- facilitate the involvement of small and medium enterprises, third sector bodies and supported businesses in the process, and
- promote innovation

The PPP for each procurement activity will give due consideration to the economic, environmental and social impact of the procurement and whether the procurement activity can have a positive impact on any or all of these issues.

2. Community benefits

Community benefit clauses can be used to build a range of social, environmental or economic conditions into a procurement activity.

Langstane will comply with its legal duty to consider the use of contractual community benefit clauses in all regulated procurements with a value of £4m or greater.

In order to maximise the potential for community benefit, Langstane will aim to include proportionate community benefit clauses in all contracts with a value over £500k.

3. Transfer of Undertakings (Protection of Employment) (TUPE) Regulations

The TUPE Regulations aim to protect employees who are working on contracts which may be transferred from one supplier to another. As part of the PPP preparation employees must give careful consideration as to whether TUPE is likely to apply to their procurement activity or not. Where procuring employees consider that TUPE will apply, this must be made clear in the procurement documentation and the employee should seek to include as much information as possible on the potential impact on the new supplier (for instance including likely numbers of employees to be transferred and an indication of terms and conditions of staff) to allow potential suppliers to accurately reflect any TUPE costs in their tender.

Where there is a risk that TUPE could apply to a procurement process, legal advice should be sought.

4. Contract award and contract management

Contracts must not be awarded until a completed Quote or Tender Record Sheet has been approved by an employee with the relevant authority level. For contracts with an anticipated value over £250,000 this will mean approval by the Board.

Langstane has a separate contract management procedure which sets out the principles of good contract management. Employees must refer to the procedure when planning new contracts and during the management of existing contracts.

24. Contracts Register

Langstane maintains a Contracts Register in accordance with the requirement set out in the Procurement Reform (Scotland) Act 2014. The Contracts Register records all contracts awarded as a result of regulated procurement. The Contracts Register is publicly available on Langstane's website and the Public Contracts Scotland website.

25. Procurement Strategy

Langstane's spend as a result of regulated procurement is anticipated to be in excess of £5m per year and so, in accordance with the requirement set out in the Procurement Reform (Scotland) Act 2014, Langstane has prepared, and will annually review, its Procurement Strategy. The Strategy is publicly available on Langstane's website.

26. Annual Procurement Report

Langstane's spend as a result of regulated procurement is anticipated to be in excess of £5m per year and so, in accordance with the requirement set out in the Procurement Reform (Scotland) Act 2014, Langstane will, at the end of each financial year, prepare an Annual Procurement Report which summarises:

- The preceding year's procurement activities and compliance with the Procurement Strategy
- Community benefits obtained through procurement activities
- Steps taken to facilitate procurement from supported business
- Likely procurement requirements over the coming two years

27. Notifiable Events and significant performance failures

Employees responsible for work that falls under the scope of this policy must be aware of the requirement to notify the Scottish Housing Regulator's (SHR) with regards to Notifiable Events or Significant Performance Failures which may occur in relation to this policy. In relation to procurement this will include events such as:

- Failure or potential failure to procure a significant contract such as gas / electrical safety inspections

- The administration of a contractor delivering a significant contract which puts the service delivery at risk
- The need to terminate a current contract due to poor performance which puts service delivery at risk

Where a potential notifiable event or significant performance failure occurs, or is foreseen, employees should immediately make their Director aware.

28. Monitoring and review

This policy will be reviewed at least every three years and beforehand if changes to legislation require it.

Right to complain

In the event you are not satisfied with the service you have received, please contact Langstane for a copy of the Complaints Policy. This can also be viewed on Langstane Housing Association's website – www.langstane-ha.co.uk.

Equality and diversity

The Langstane Group / Langstane Housing Association is committed to promoting equality and diversity across all areas of work. Discrimination or harassment of any kind is not tolerated.

If you would like this document sent to you in large print, please contact Langstane's Customer Services Team on 01224 423000.