



HUMBERSIDE FIRE AND RESCUE SERVICE

Finance & Procurement

Procurement Policy

Owner	Executive Director of Finance/S151 Officer
Responsible Person	Head of Procurement
Date Written	August 2018
Date of Review	August 2023
Date of Next Review	August 2025
EIA Reviewed	May 2024



What we must
do well



How we support our
communities



We value and support
the people we employ



We efficiently manage
the Service

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1. INTRODUCTION

Humberside Fire & Rescue Service (HFRS) sources goods and services from a range of suppliers in order to carry out its service provision.

The procurement hub (the HUB) is responsible for overseeing the sourcing process, ensuring that Service objectives are achieved in a compliant, auditable and efficient manner.

The Service is also committed to ensuring that all activities carried out in its service provision should fully recognise its responsibilities in relation to the rights of individuals to equality of opportunity and corporate social responsibility and as such any implications should be fully considered when undertaking any sourcing activity.

The HUB forms part of the Corporate Finance and Procurement Section and provides professional advice and assistance to all employees of HFRS during the sourcing process, ensuring that all policies, procedures and best practices are adhered to.

This policy and guidance is to provide clarity of the roles and responsibilities of officers and how the HUB will interact to enable the sourcing of goods and services to be carried out effectively in a timely manner achieving value for money.

Core Code of Ethics

HFRS has adopted the Core Code of Ethics for Fire and Rescue Services. The Service is committed to the ethical principles of the Code and strives to apply them in all we do, therefore, those principles are reflected in this Policy.

National Guidance

Any National Guidance which has been adopted by HFRS will be reflected in this Policy.

2. EQUALITY, DIVERSITY AND INCLUSION

HFRS has a legal responsibility under the Equality Act 2010, and a commitment, to ensure it does not discriminate either directly or indirectly in any of its functions and services or in its treatment of staff, in relation to race, sex, disability, sexual orientation, age, pregnancy and maternity, religion and belief, gender reassignment or marriage and civil partnership. It also has a duty to make reasonable adjustments for disabled applicants, employees and service users.

3. AIM AND OBJECTIVES

Aim

The aim of this policy is to define the procedures for obtaining written quotations and competitive tenders from suppliers for the provision of Supplies, Services and Works. Embed the Authority's Constitution incorporating Financial Procedure Rules,

Scheme of Delegations and Contract Procurement Rules that provide a framework for managing the Authority's financial affairs. They apply to every Member and Officer of the Authority and anyone acting on its behalf.

The policy should be read in conjunction with the Constitution, Financial Regulations, the Scheme of Delegation and also supporting standards, procedures and instructions.

Objectives

- Support the Vision, Mission and the Strategic Plan of Humberside Fire Authority
- Fairness in awarding public contracts
- That the highest standards of propriety, integrity and impartiality are achieved
- Compliance with the Law
- That the financial and legal interests of HFRS are properly safeguarded
- HFRS obtains best value for money, through competitive procedures

4. ASSOCIATED DOCUMENTS

- [Equality Impact Assessment](#)
- Legal References
 - National Public Procurement Regulations
 - Local Government Transparency Code 2015
 - Social Value Act 2012
 - Public Contracts Regulations 2015
 - Modern Slavery Act
 - Data Protection Act 2018 / UK General Data Protection Regulations (UK GDPR)
- [National Guidance – Procurement Policy Notes](#)
 - PPN5/21 – National Procurement Policy Statement
 - PPN7/21 – Requirements for Publishing on Contracts Finder
 - PPN1/17 – Update to transparency Principles
 - PPN11/20 – Reserving Below Threshold Contracts
 - PPN8/16 – Standard Selection Questionnaire
 - PPN4/21 – Applying Exclusions in Public Procurement
 - Procurement Policy Note 10/12
- [Humberside Fire & Rescue Service's Constitution](#)
- [Anti-Fraud and Corruption Policy](#)
- [Gifts and Hospitality Policy](#)
- [Professional Standards Equality and Inclusion Policy](#)

- [Information Security Policy](#)
- [Pre-Procurement Policy Delivery Guidance](#)
- [Contract Register](#)

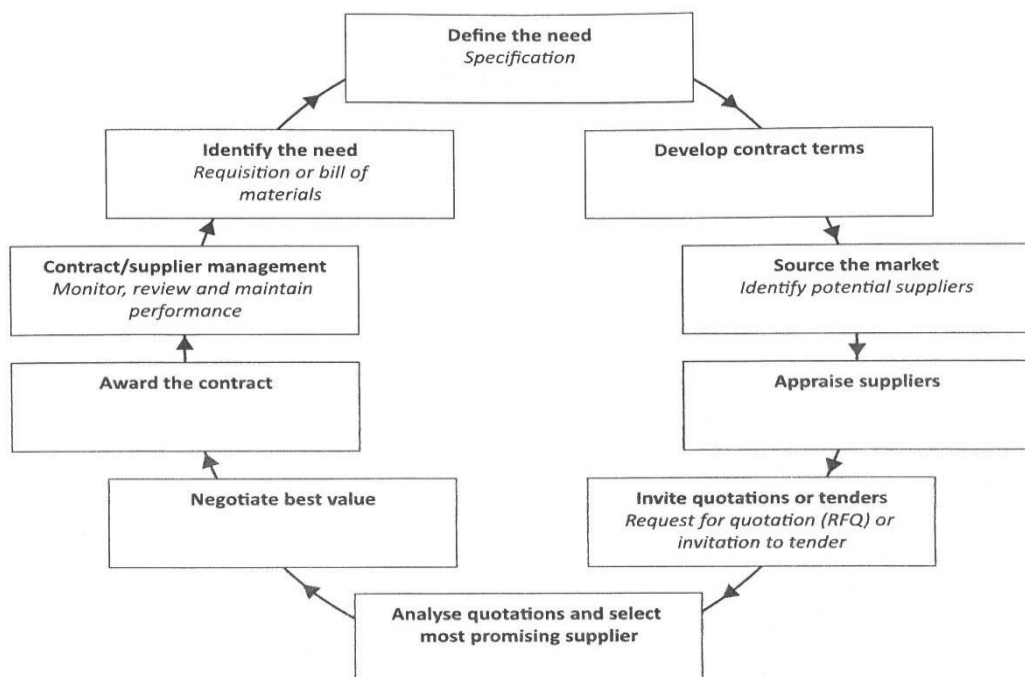
5. SOURCING PROCESS

The sourcing process contains a number of steps which should be managed effectively throughout the process in order to remove waste that can make the process inefficient and ineffective.

Throughout the sourcing process officers engage with stakeholders to ensure that a full and complete options appraisal is undertaken throughout the process, taking into account any legislation, guidance and standards that are available at the time.

The diagram below details a generic procurement cycle from the initial identification of the need through to the contract management of the supplier.

Figure 1.1 A generic procurement cycle



It is the aim of the HUB to provide professional advice and assistance to officers of the Service throughout the procurement process.

All officers who participate in the sourcing process must fully understand their responsibilities and actions in relation to the current procurement legislation and Service policies ([see Sect. 4 Associated Documents, Legal References / Service Policies](#))

6. RESPONSIBILITIES OF THE HUB

To ensure that procurement activity is carried out in line with public procurement legislation, European directives and the Constitution of HFRS.

Provision of advice to officers of HFRS during the sourcing process including:

- Specification writing
- Route to Market
- Evaluation process
- Contractual implications
- Liaising with suppliers
- Identification of products and ensuring fit for purpose
- Life Costing
- Contract Award
- Post procurement appraisal
- Data protection considerations

The Hub will also be responsible for:

- Maintenance of the material catalogue
- Supplier qualification
- Production and control of HFRS contract register
- Exploration of collaboration opportunities with other fire & rescue or public service bodies
- Benchmarking
- Maintenance of e-procurement system and procurement portal
- Exploring opportunities
- Publication of information as required by the Government's Transparency code
- Control and issue of procurement cards
- Production of purchase orders
- Advising staff on the requisition process
- Running invitation to tender and quotation exercises

7. RESPONSIBILITY OF OFFICER INVOLVED IN THE PROCUREMENT PROCESS:

Identification of needs and benefits, is it actually required?

- Early engagement with the HUB over any procurement activity that is to be undertaken

- Cost implications
- Preparation of specification of requirements
- Product evaluation
- Supplier relationship following the award of contract
- DPIA undertaken where appropriate
- Consideration of Social Value

8. HOW WILL THE PROCUREMENT HUB ASSIST IN THE SOURCING PROCESS?

The sourcing process can be carried out at 2 levels, strategic and tactical.

Tactical sourcing can be defined as relating to the sourcing of low-value, low risk items which are generally routine in nature, items such as stationery, cleaning materials for example where there are many options for supply.

Strategic sourcing relates to longer term decisions relating to items with high cost and high supply risk, and items which have low value but high risk to the operational function of HFRS.

It is essential that the HUB be engaged as early as possible during the sourcing process, so they can offer their professional guidance and assistance over the formulation of a sourcing plan.

All officers who undertake any procurement activity will be required to engage with the HUB so that any sourcing is carried out in the most efficient and effective way ensuring that it is undertaken in a fully compliant transparent and auditable process.

Advice and guidance will be provided on how to best obtain the market intelligence in order to assist in the preparation of specification of requirements, and also protect the Service during the process.

Including the HUB at this early stage will enable the correct procurement process to be identified earlier so that any pitfalls arising from legislation or directives do not arise later during the sourcing process.

The HUB will be there to assist officers involved in the process, ensuring that there is a compliant specification, whole life costings are taken into account, contractual terms are considered from the outset, and the most efficient route to market is identified as early as possible ensuring sufficient resource is applied at the right time and at the right level of the organisation.

The HUB staff will work with officers involved in the sourcing process assisting them through the sourcing stages, ensuring a robust procurement process where full stakeholder engagement is carried out and a fully compliant, transparent auditable process is undertaken.

9. PROCUREMENT PLAN

The Hub will be responsible for the preparation of a procurement plan which will provide full details of all procurement activity being undertaken by the Service.

The Hub will be responsible for the upkeep of procurement pipeline information which will be utilised through the Service to record activity progress and assist with the identification of collaboration opportunities on a regional and national basis.

It is imperative that where sourcing activity is identified, the HUB is consulted as early as possible in order for the activity to be included in the plan. Ensuring sufficient resource is available to undertake the exercise, reasonable timescales are identified, and any possible collaboration opportunities are identified. The HUB will update the Tactical Management Team on a quarterly basis with a summary of the procurement activity currently being explored.

Where it is necessary to change the plan then the HUB will work with officers to ensure any conflicting priorities do not unnecessarily impact the delivery of the procurement plan.

10. CONTRACTS

“**Contract**” shall mean any arrangement, including a partnership, whether in consideration for money or other consideration by which HFA acquires works, goods or services.

All reasonable steps are taken to estimate the gross value of a contract. Where the contract is for more than one year, the contract value is determined by multiplying the expected annual value by the initial contract term (including any option period). If a term is not specified, then four years should be used. VAT is included in the calculation.

All contracts that are entered into between HFRS and a supplier must be included on the Service’s [contract register](#), with full details surrounding the contract term and financial implications.

The HUB will be responsible for managing the Service’s contract register and will work with officers involved in the sourcing process to identify the most efficient way to obtain the goods and services required and ensure that any procurement exercise is carried out in a compliant and transparent way.

The preferred route to market may include collaboration with another service, utilising an existing framework, tender, (open or restricted), quotations or straight rebuy. Identifying this at an early stage will ensure sufficient resource, time and detail is allocated to the exercise.

Route to Market:

Contracts not more than £5,000:

- At least one vendor quotation, catalogue price or internet market research must be obtained which constitutes value for money.

Contracts valued at not more than £25,000:

- Where practicable, the appropriate Authorised Officer shall obtain at least three quotes from contractors and produce a decision record for the award of the contract.
- Where it is not possible to obtain three quotes from contractors, the reasoning and justification for the decision to award the contract will be recorded on the decision record form included at [Appendix A](#).
- In all instances where the aggregation of spend has been assessed in excess of £20,000, officers will be required to contact the procurement section to ensure that the sourcing process is undertaken in a fully transparent and compliant way, meeting any requirements of legislation and transparency codes.

Contracts valued above £25,000 but not more than £50,000:

- Where the estimated value of a proposed contract is above £25,000 but does not exceed £50,000 the Authorised Officer shall seek written quotations from not less than three contractors experienced in the supply of the required goods, works or services.
- Formal quotation exercises stating the nature and purpose of contract, and final submission date, will be undertaken by the Authorised Officer using the Authority's procurement portal with support from the HUB. The timescales used shall be such that persons or organisations invited have an equal opportunity to respond.
- A record shall be maintained by the Authorised Officer of the contractors approached and their responses. A decision record shall be placed on the Contract File together with a record of the reasons for the award of the contract.

Contracts valued at more than £50,000 but not more than the published national procurement threshold in respect to works, supplies or services contracts:

- The Authorised Officer or Chief Fire Officer shall determine the most appropriate method of tendering the contract.
- Where a Tender is sought the proposed contract shall be advertised on the HFA's Procurement Portal and Contracts Finder. A reasonable period of time shall be allowed for the submission of the tender. The Authorised Officer shall

make available to all parties requesting particulars a copy of the contract terms and conditions and the Specification free of charge. A written record shall be made on the Contract File of all persons who have requested tender documents. All tenders shall be opened at the same time.

- In exceptional circumstances the Authorised Officer, and or the Chief Fire Officer & Chief Executive may undertake negotiations with potential Contractors. This may be particularly relevant where only one Contractor is available to tender. The negotiated procedure shall be approved by the Secretary and the S.151 Officer. The Authorised Officer shall record in the Contract File all steps and decisions taken in the process and the reasons for those steps and decisions.

Contracts for Supplies, Services and Works Above the Published National Procurement Thresholds

The Contract shall be tendered in accordance with the requirements of the applicable procurement legislation and the Authorised Officer shall record all decisions taken in connection with the contract award process and the reasons for those decisions in the Contract File.

11. Pre-Procurement Considerations

A Pre-Procurement Considerations Form is to be completed for every planned procurement over £50,000.

The Pre-Procurement Considerations Form is used to assess the nature of the goods, works or services to be procured and utilising the assessment tools linked within the form provides an indication of the likely risk factors and or opportunities identified and indicates how this should be articulated within the procurement documentation. This includes an identification of the wider business requirements of the procurement such as GDPR compliance, risk of Modern Slavery, and effective use of social value to bring additional Social, Environmental and Economic benefits to the region over and above the core purpose of the procurement. Once the document is completed and approved the procurement documentation is structured to include any recommendations identified.

Please refer to the [Pre Procurement Policy Delivery Guidance](#) for further information and a link to the Pre Procurement Consideration Form.

12. WAIVERS

Exemptions to the Contract Procedure Rules exist for the following contracts:

- For urgent repairs to plant or machinery necessitated by breakdown or to satisfy health and safety requirements.
- With Statutory Undertakers who have a monopoly on works, supplies or services.
- Repairs to plant or machinery which can only be carried out by the manufacturer.

- For the purchase of goods, works or services where there exists a sole supplier.
- Which are funded by a grant from a third party and that grant is conditional upon either contracts being awarded in a particular manner or the appointment of named contractors.
- Framework contracts to be entered into with other public authorities or associations acting on behalf of public authorities where the standing orders of the actual awarding authority or association shall apply.
- Contracts for the supply of goods, services or execution of works undertaken by a local authority on behalf of HFA in which case that local authority's standing orders relating to contracts will apply, subject to any requirements of HFA.
- Contracts of employment.

Any proposal to waive any of the provisions of one or more Contract Procedure Rule in relation to a Contract, due to an exemption or any other reason must be referred to a Principal Officer. The proposal must be in writing and included in the decision record form setting out the reason(s) for the waiver.

The Principal Officer shall consult the Executive Director of Finance and S.151 Officer before making a decision.

Requirements of National Procurement Regulations cannot be waived.

13. E-SOURCING

The Service operates an [e-sourcing portal](#) where all sourcing opportunities will be advertised. This will enable potential suppliers to gain access to requirements easily and ensure that the process is carried out in a compliant and transparent way.

HFRS require that all tender exercises, written requests for quotations, Request for Quotes (RFQ), and mini competitions will be undertaken using the portal. The HUB will be responsible for running the opportunity and will work with officers to ensure any sourcing exercise is carried out in accordance with the HFRS Constitution and procurement legislation.

14. REQUEST FOR QUOTES

When undertaking an RFQ officers must ensure that the process is as transparent as possible, and the process flow chart is adhered to.

Where the decision has been made to seek at least three written quotations from suppliers, the opportunity will be advertised using the procurement portal and will be managed by the HUB, who will engage with responsible officers throughout the process, ensuring that full transparency and auditability are maintained.

As part of the contract award process a decision record should be prepared to record full details surrounding the contract award, for inclusion in the Service's contract database.

15. TENDER EXERCISES

Where a full tender exercise is required then the Hub will work with officers providing advice and guidance throughout the process.

The opportunity will be advertised on the procurement portal where full details of the opportunity will be provided to suppliers that register their interest. Details to be included (minimum):

- Full specification of requirements
- Instructions to tenderers
- Health and safety questionnaire
- Environmental questionnaire
- Equality questionnaire
- Modern slavery questionnaire
- Form of tender
- Contractual terms
- References request
- Evaluation criteria

Responses will be submitted electronically to the portal in accordance with the deadlines and will be collated by the Hub on the closing of the opportunity.

Tender responses will be evaluated in accordance with the criteria by the evaluation panel who will make a recommendation to the Strategic Leadership Team on the making of an award.

16. FRAMEWORK AGREEMENTS

HFA may establish a framework agreement or alternatively seek access to Framework Agreements held by another public authority.

Where a framework is to be utilised then HFRS must comply with all terms and conditions of the existing framework.

The Hub will assist officers in the identification of a suitable framework that may be available during the assessment of route to market and will make arrangements for the necessary access confirmation is required.

17. PURCHASE ORDERS

Unless otherwise approved by the S.151 Officer or the Secretary, all contracts must be made on an Official Purchase Order Form which shall make reference to the

contract terms and conditions and the Specification.

18. REQUISITION PROCESS

A requisition must be made for all goods and services using the Financial Management System.

19. CONTRACT MANAGEMENT

An effective contract management process will enable the Service to ensure that its suppliers meet the requirements of the Service level that is required.

Contract management should be considered from the outset of the sourcing process and continue through the life of the contract through to the resourcing process.

Prior to contract award, the HUB will work with those officers involved in the sourcing process to ensure that contractual terms, KPIs etc. are considered from the outset.

Following the award of contract, the relationship between the supplier and the Service will be managed by the responsible officer, who will act as the day to day contract manager.

The contract manager will:

- Manage all aspects of the relationship between the Service and the supplier
- Act as a single point of contact
- Ensure goods and services are delivered as per the agreed Terms and Conditions
- Manage the development of the supplier
- Monitor and review the performance of the supplier

The Hub will provide assistance and guidance to the contract manager on best practise processes and provide advice on the contracts terms and conditions that are in place.

The Hub will also work with the contract manager throughout the life of the contract to ensure that the supplier contract that is in place performs effectively and meets the requirements of the service.

20. SOCIAL VALUE

The Service seeks to make a positive contribution towards social inclusion, securing improvements to the environment and minimising environmental impact through its procurement activity. Evaluation criteria involving social considerations will be used as part of the tender evaluation process where appropriate.

The Social Value Act 2012 (the Act) requires public authorities to consider economic, social and environmental benefits in connection with public services contracts above the current threshold identified in the Public Contracts Regulations 2015, (it is not

required on contracts for services below this threshold or for goods). This should be undertaken before the procurement process commences.

The Act states that the authority must consider:

- How what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area
- How, in conducting the process of procurement, it might act with a view to securing that improvement.

The legislation and its requirements have been explained by the Procurement Policy Note from the Cabinet Office 10/12 dated 20 December 2012. ([See Sect. 4 Associated Documents, National Guidance](#)).

The Act does not impose on commissioners how social value needs to be obtained, it only requires contracting authorities to consider it before they go to procurement. There is no one size fits all approach in considering the Act and there is no prescribed method on how consultation should take place, therefore commissioners should consider the implications of the Act on a case by case basis. In order to show that commissioners have been compliant with the Act, HF&RS commissioning Officers should document how benefits to the community have been considered in the relevant area or the reasons why social value is not applicable.

21. MODERN SLAVERY

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain. HFRS has a zero-tolerance approach to modern slavery and is committed to acting ethically and with integrity in all business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in its own business or in any of its supply chains.

HFRS is also committed to ensuring there is transparency in both its business and in its approach to tackling modern slavery throughout its supply chains, consistent with disclosure obligations under the Modern Slavery Act 2015. The Service expects the same high standards from all contractors, suppliers and other business partners and as part of the contracting process include specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children. The Service expects those who supply HFRS to hold their own suppliers to these same high standards.

This policy applies to everyone working for or on behalf of HFRS in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners (Relevant Parties).

The prevention, detection and reporting of modern slavery in any part of HFRS' business or supply chains is the responsibility of all those working for the Service or

under its control. Relevant parties are required to avoid any activity that might lead to, or suggest, a breach of this policy.

Staff must notify their manager or the Hub as soon as possible if they believe or suspect that a conflict with this policy has occurred or may occur in the future.

Employees are encouraged to raise concerns about any issue or suspicion of modern slavery in any parts of the Services business or supply chains of any supplier tier at the earliest possible stage.

If an employee believes or suspects a breach of this policy has occurred, or that it may occur, they must notify their manager or the Hub as soon as possible.

If an individual is unsure about whether a particular act, the treatment of workers more generally, or their working conditions within any tier of the Service's supply chains constitutes any of the various forms of modern slavery, they should raise it with their manager or the Hub.

**If you require further guidance / information relating to this document,
please contact the Finance & Procurement Section**

Finance and Procurement Procurement Policy

APPENDIX A: PROCUREMENT FLOWCHART

