

CONTRACTOR & SUPPLIER MANAGEMENT POLICY

Purpose:	The Contractor & Supplier Management Policy describes how DPHA will manage contractors and suppliers in compliance with DPHA's Procurement Policy
Last review Date:	New Policy
Review Date:	Presented to PRWG on 11 April 2023
Next review Date:	April 2026
Guidance:	Internal Audit Reports 2023
Regulatory Standards:	<p>Standard 2 - The RSL is open and accountable for what it does. It understands and takes account of the need and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these priorities.</p> <p>Standard 3 - The RSL manages its resources to ensure its financial well-being, while maintaining rents at a level that tenants can afford to pay and economic effectiveness.</p> <p>Standard 4 - The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose.</p> <p>Standard 5 - The RSL conducts its affairs with honesty and integrity.</p>
Other Relevant Policies	<ul style="list-style-type: none"> • Procurement Policy • Complaints Policy • Data Privacy Policy • Equality & Human Rights Policy
Approved by the Board:	May 2023
Publish on the Website:	No

Contractor and Supplier Management Policy

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1.0 Introduction

- 1.1 Dalmuir Park Housing Association (DPHA) is a 'contracting authority' for the purposes of the Public (Contracts) Scotland Regulations 2015.
- 1.2 DPHA is in a period that is characterised as a time of significant capital expenditure due to the delivery of a rolling programme of planned investment in the existing stock. This is in addition to on-going corporate procurements.
- 1.3 This Policy, which focusses specifically on Contractor and Supplier Management, is designed to complement DPHA's Procurement Policy by facilitating a proportionate approach to the various contractual commitments of DPHA.

2.0 Policy Objectives

- 2.1 The implementation of this Policy:
 - Assists DPHA in ensuring contracts throughout the organisation are successfully executed.
 - Provides a formalised method of monitoring supplier performance against contract requirements.
 - Ensures that there is clarity of the roles and responsibilities by all parties relating to supplier and contract management.
 - Monitors overall compliance by all parties to the terms of the agreement and contract, refining and improving Key Performance Indicators (KPIs), Service Level Agreements (SLAs), Framework Agreements and service delivery through honest and open communication.
 - Maintains, improves and develops relationships with key suppliers representatives based on mutual trust and understanding, open communication and a joint approach to managing delivery.
 - Helps to realise estimated and planned savings through continuous monitoring of spend mechanisms.
 - Helps to identify potential savings and benefits through proactive contract management and supplier management.
 - Coordinates, where possible, supply chain gains.
 - Provides a focus for development of initiatives and innovation.
 - Delivers learning and knowledge transfer.
 - Drives continual improvement.
 - Embeds a partnership ethos.

3.0 Risk Management

- 3.1 As part of the DPHA's approach to effective management of its procurements, the Association categorises live contracts, according to their risk and value to establish a relevant and proportionate approach to contractor and supplier management.

3.2 Contracts are identified as low, medium or high engagement in terms of contractor and supplier management. Each contract is assessed to establish which combination of the following engagement processes will be used to monitor, manage and report on quality, service, delivery and cost.

Type of engagement	Frequency	Reporting body
Minuted pre-start and progress meetings	e.g. monthly, quarterly, annual review	e.g. feedback reported to Leadership Team, Board quarterly Performance Report, Annual Board reports
Setting and monitoring of KPIs	e.g. monthly, quarterly, annual review	e.g. feedback reported to Leadership Team, Board quarterly Performance report, Annual Board reports Publish results in Newsletter
Tenant/ customer satisfaction	e.g. at close of contract phase	e.g. feedback reported to Leadership Team, Board quarterly Performance report, Annual Board reports Publish results in Newsletter
Other- bespoke engagement due to nature of the contract/ product/ client group i.e. owners, commercials	e.g. monthly, quarterly, annual review	e.g. feedback reported to Leadership Team, Board quarterly Performance Report, Annual Board reports

3.2 A clear schedule, in line with the template in Appendix B, is regularly updated to show all contracts and the engagement level for each contract.

3.3 Each contract will be reviewed annually (or earlier if deemed necessary) to assess and implement the level of contractor & supplier management required.

3.4 The details used to populate the above schedule will be based on the assessment of each contract using the pro-formas provided as follows:

- Appendix C :Pro-forma for determining level of contractor & Supplier management.
- Appendix D: Pro-forma for Contractor & Supplier Management Plan

3.5 The engagement level will be based on a risk assessment. A High, medium or low engagement label will be assigned to each contract. Determination of the level of engagement needs to consider such matters as:

- How critical the product or service is to the business.
- The value of the contract.
- The complexity of the contract or product/service.

4.0 Exit Strategy

- 4.1 A Contractor & Supplier Management Plan for each contract will be completed, using the pro-forma provided in Appendix D. This will include an exit strategy to ensure all parties are working towards the planned fulfillment of the contract and the procurement process for securing any subsequent supply arrangements, if required.
- 4.2 It is a requirement of each new contract to be assessed against the above and added to the contract schedule.
- 4.3 The exit strategy should focus on the 6-12 months immediately prior to the contract end date.
- 4.4 The fully inclusive process involving all parties should include a 'lessons learned' review which will incorporate feedback from end users and the supplier.

5.0 Implementing the Policy

- 5.1 Appendix A details the actions required to be in place to allow implementation of the Policy.

6.0 Equality & Human Rights

- 6.1 We are committed to promoting an environment of respect, understanding, encouraging diversity and eliminating discrimination by providing equality of opportunity for all. This is reflected in our Equality and Diversity Human Rights Policy.

7.0 Data Protection

- 7.1 We will treat personal data in line with our obligations under the current data protection regulations and our Privacy Policy. Information regarding how data will be used and the basis for processing data is provided in our Customer Fair Processing Notice.

8.0 Complaints

- 8.1 Although we are committed to providing high levels of service, we accept that there may be occasions where customers may not be satisfied with the service received from us. We value all complaints and use this information to help us improve our services. Our Complaints Policy describes our complaints procedure and how to make a complaint.

9.0 Review

- 9.1 This Policy will be reviewed by the Board of Management every 3 years or earlier if required.

Appendix A: Action Plan to implement Contractor & Supplier Management Policy

Action point number	Action required	By whom	By when
1	On-going review to populate and update the contract schedule (Appendix B) with new contracts, risk and engagement information	Lead Officers	On-going
2	Determine the level of risk and engagement required, using standard pro-forma for each contract Lead Officer to complete pro-forma for each procurement with Leadership Team to then review	Lead Officers/ Leadership Team	On-going
3	On a quarterly basis, review procurements and contractor & Supplier management feeding into quarterly/annual report to the Board	Leadership Team	On-going
4	Include wording in contract documents for all future procurement the intention of DPHA to implement a C+S Management Plan for each contract	All staff with procurement responsibility	On-going

Appendix B: TEMPLATE Contractor & Supplier Management Schedule

Last updated: XX/XX/XXXX

DPHA contract number	Contract title/nature of works	Lead officer	Current status	Current contractor	Current contract expiry	Extension options	Approx value of contract (excl. vat)	Procurement method used/proposed	Proposed future procurement method based on nature and size	Proposed future procurement timetable	Any procurement actions required 2020/21	Nature and Frequency of engagement	Change control: Note of amendments	Comments
<i>Example:</i> DPHA001	<i>Reactive Repairs</i>	D Wilson	Appointed	ACME Construction	[date]	+ 2 years	£XX	PCS and FTS advert	PCS and FTS advert	Advertise [DATE]	No	<i>Monthly progress meetings Monitoring and reporting on KPIs Monitoring and reporting on tenant satisfaction Minutes Quarterly report to the Board</i>	<i>Board gave approval on XX/XX/XXXX to vary contract by +£xxx to incorporate XXX</i>	

Appendix C: Pro-forma for Determining level of Contractor & Supplier Management

Name of Contract	
Name of Supplier/Contractor	
Lead Officer	
Date of Completion of pro-forma	

Identified risk level	
Summary of reasons for this assessment	

Appendix D: Pro-forma for Contractor & Supplier Management Plan

Name of Contract	
Name of Supplier/ Contractor	
Lead Officer	
Date of Completion of pro-forma	
Timeframe for contract	

Risk level	
Contract Objectives	
Roles and responsibilities of each party	
Performance Management engagement	
KPIs	
Escalation Process	
Key issues	
Exit Plan	

Signed on behalf of DPHA:

Date:

Signed on behalf of Supplier/ contractor:

Date: