

## **GOVIA THAMESLINK RAILWAY**

### **PROCUREMENT POLICY**

ISSUE DATE: 19.04.2023

1)	Purpose of Procurement Policy.....	3
2)	Policy Scope.....	4
3)	Third Party Funded Schemes .....	4
4)	Value for Money .....	5
5)	Role of the Procurement Team .....	5
6)	Suppliers .....	6
7)	Service Expectations.....	6
8)	Sustainability .....	7
9)	Copyright.....	7
10)	Responsibilities and Authority Limits .....	7
	a)Approval Authority Limits .....	7
	b)Valuing a Contract.....	8
	c)Requisition Approval Authority Limits.....	8
	d)Purchase Order Approval Authority Limits .....	10
	e)Temporary Delegation of Authority.....	10
11)	Payments .....	11
12)	Procurement Routes .....	11
	a)Request for Information (RFI).....	11
	b)Request for Quotation (RFQ) .....	11
	c)Request for Proposal (RFP) / Tender Below UCR16 Thresholds .....	11
	d)Utilities Contracts Regulations 2016 (UCR16) Compliant Tender.....	12
	e)Framework.....	12
	f) Purchasing Card.....	12
	g)Proof of Concept.....	13
	h)Single Tender Action (STA).....	13
13)	Approved Competition Methods and Thresholds.....	14
14)	Elements of the Procurement Process .....	15
	a)Key Contracts and Umbrella Direct Agreements.....	15
	b)Affiliate Contracts .....	15
	c)Procurement Tender Strategy .....	15
	d)Evaluation and Selection of Suppliers .....	16
	e)Railway Industry Supplier Qualification Scheme (RISQS).....	17
	f) Contract Award Recommendation.....	17
	g)Permitted Contact with Suppliers.....	18
	h)Keeping Records.....	19
15)	Contracts .....	19
	a)Contract Signing Authority .....	19
	b)Contract Reviews and Management.....	20
	c)Contract Change and Variation.....	21
16)	General Data Protection Regulation (GDPR) .....	21
17)	Freedom of Information.....	21
18)	Data and Document Retention.....	22
19)	Cyber Security.....	22
20)	Procurement Policy Exceptions .....	23
21)	Procurement Policy Review .....	23

For queries and clarifications, please visit [Procurement \(sharepoint.com\)](https://sharepoint.com)

## 1) Purpose of the Procurement Policy

GTR stands for Govia Thameslink Railway, and includes Southern, Thameslink, Great Northern and Gatwick Express. Govia is a partnership between the Go-Ahead Group and Keolis.

The Procurement Policy is a guide to how GTR delivers value for money, transparency, and performance from its supply chain, whilst complying with relevant legislation, regulations, and its procurement obligations under its [National Rail Contract](#) (NRC).

The purpose of the Policy is to ensure that GTR's procurement activities:

- Comply with relevant legislation and regulations, including the Utilities Contracts Regulations 2016 (UCR16), the Concession Contracts Regulations 2016 (CCR 2016) and financial regulations
- Achieve NRC compliance
- Deliver value for money
- Reflect and respect safety and operational obligations and constraints
- Are conducted in a fair, impartial, and transparent manner
- Are executed with the highest standards of integrity, with zero tolerance of bribery, corruption, and fraud
- Embed sustainability objectives and targets into the supply chain
- Meet GTR's corporate objectives
- Align with other complementary GTR policies.

The Policy defines the key principles and objectives of how GTR procures, together with the associated governance for its employees.

GTR's employees have a responsibility to make informed, pragmatic purchasing decisions on behalf of GTR. The Procurement Policy applies to every person in GTR and to all purchases. Breaching the Procurement Policy, for example through an unauthorised or improperly vetted purchase, may lead to disallowable costs with the Department for Transport (DfT), and/or disciplinary action, up to and including termination of employment.

The Policy is a public document available to suppliers and prospective suppliers. It can be quoted in business performance and shareholder engagements.

The processes, procedures and resources which support the Policy are referenced within and documented separately, as are complementary policies.

## **2) Policy Scope**

The Policy applies to all GTR procurements, including but not limited to:

- Supplies
- Services
- Property agreements
- Works
- Capital investments
- Concession agreements.

The Policy applies to all colleagues, whether permanent, fixed term, temporary or engaged as consultants. It also applies to third party funded schemes (see section 3).

The Policy will always apply, save for exceptional circumstances which have the prior written approval of the Chief Executive Officer.

## **3) Third Party Funded Schemes**

The Policy applies to 'Third Party Funded Schemes', which are works or services delivered on behalf of external organizations, including, for example, Network Rail, local councils, rolling stock owning companies and charities.

Third party funded schemes may include other conditions concerning how the contract is awarded. Therefore, the Head of Procurement should always be engaged prior to the start of a third party funded scheme and will be responsible for ensuring that commercial risk and supply chain requirements are captured and mitigated prior to scheme approval.

#### 4) Value for Money

It is the duty of all GTR's employees, when procuring supplies, services, or works, placing contracts, managing contracts, or conducting transactions on behalf of GTR, to ensure that the Procurement Policy is followed, and that optimum value for money is obtained.

Value for money in a procurement is achieved through:

- Cost savings over an existing contract and budget risk avoidance
- An improved and comprehensive specification
- Market research, conducted to increase supplier participation
- Minimized total cost of ownership or 'whole life cost'
- Competition
- Supply chain innovation
- Enhanced sustainability through the supply chain
- Improvements to processes and / or compliance
- Better management of supplier contracts, ensuring accurate costs and invoices, and enhanced data analytics.

#### 5) Role of the Procurement Team

The role of the procurement team is to:

- Work closely with GTR's subject matter experts to help ensure that GTR's supply chain is compliant with relevant legislation and regulations
- Optimize costs and mitigate risk in the supply chain
- Deliver high quality procurements to increase responsible sourcing, supplier diversity, flexibility, value, and to promote continuous improvement
- Comply with supply chain sustainability targets and safety performance
- Oversee end-to-end contract execution including supply chain performance measures, contract variation and change control.

The procurement team is a strategic partner that enables GTR colleagues to:

- Achieve value for money in their procurements
- Focus their knowledge and expertise on contract scope and operational delivery
- Identify opportunities for growth and innovation across the supply chain
- Achieve ambitious business goals.

## 6) Suppliers

GTR's relationships with its suppliers are underpinned by fairness, transparency and honesty.

GTR expects its suppliers to:

- Extend the principles of fairness, transparency and honesty to everyone with whom they do business, including employees, sub-contractors and other third parties.
- Uphold ethical standards in the context of the environment, employment conditions, child labour, modern slavery, health and safety, employee working conditions and discrimination.
- Not use their position or authority for personal gain.
- Not divulge information to unauthorized personnel.
- Not accept hospitality which may be deemed to influence a business decision.
- Not put GTR or its other suppliers to unreasonable or unnecessary expense.

## 7) Service Expectations

Suppliers are expected to ensure that goods and services are supplied in full and on time, according to specification. All material order lines are expected to be delivered complete by the due date. Without limiting their contractual obligations, suppliers are expected to advise procurement, as soon as is practicable, if there will be any variance to performance, delivery, quantities, or locations.

## 8) Sustainability

GTR is committed to supporting the safety, health, and welfare of its employees. GTR acknowledges its responsibility to other persons who may be affected by its activities and aims to ensure that the implementation of its safety, health, environmental, energy and carbon policies always meet statutory and regulatory standards. Whilst dealings with suppliers may take place in cultures with different norms and values, GTR expects its suppliers to be aligned with its goals.

With respect to sustainability, GTR adheres to The Go-Ahead Group's ISO 20400 accredited [Sustainable Procurement Charter | The Go-Ahead Group](#).

## 9) Copyright

Suppliers are not permitted to use GTR's name, logo, or trademarks, except where required by an applicable law or otherwise permitted by a contract. Suppliers and prospective suppliers are not permitted to use the name, logo, or trademarks of any member entity of GTR, or to make any public announcements or disclosures in relation to the subject matter of their contract, or their dealings with GTR, without prior written consent.

## 10) Responsibilities and Authority Limits

### a) Approval Authority Limits

GTR's employees must ensure that they operate within their delegated levels of authority. Employees are required to review the Schedule of Authorities, which are here: [Delegated Financial Authority \(sharepoint.com\)](#)

For all procurements and third party funded schemes:

- Employees are restricted to their level of delegated authority.
- No employee without the appropriate delegated authority may commit to or approve expenditure.
- No employee may conduct any procurement activity, including making a commitment on behalf of GTR, without the delegated authority and in accordance with the Policy.
- The employee must ensure there is sufficient funding available in the budget-holder's overall authorized budget to fulfil the contract, service, or third-party requirement before commencing a procurement.

For queries and clarifications, please visit [Procurement \(sharepoint.com\)](#)

- For services or works carried out on GTR premises (i.e. on site), a fully executed contract is required.
- Delegated authority may be withdrawn from an employee not complying with the Policy or taking steps to circumvent the Policy.
- Unless explicit authority is provided, any contract and variation may only be signed and executed by a statutory director in accordance with the [Delegated Financial Authority \(sharepoint.com\)](#). Any employee signing or executing contracts on behalf of GTR without explicit authority will be subject to disciplinary action.

### **b) Valuing a Contract**

The valuation of a contract is defined within UCR16 regulation 17. For any purchase order or contract commitment, the total estimated expenditure, duration, and financial limit must be specified and approved in advance, and the procurement executed in accordance with the Policy. Calculation of a contract's value must include extension options, renewals or additional activities that may be required as part of the service or contract. In summary:

- They must not divide the transaction into smaller amounts nor spilt up contracts to avoid an authority limit. Any employee carrying out this practice may be subject to disciplinary action.
- For contracts or leases with an agreed financial value, the employee should use the total value in the contract, inclusive of VAT.
- For term or open-ended contracts, the employee should use a reasonable estimate of the monthly contract value multiplied by 48 months as defined in the UCR16 regulation 17.19 (b) and include all optional works, extensions and renewals within the valuation, inclusive of VAT.

Advice should be sought from the procurement team if support is needed when valuing contracts.

A record of how a contract was valued must be kept on file for six years.

### **c) Requisition Approval Authority Limits**

A requisition serves to confirm:

- The needs or requirements of GTR.



- That sufficient funding is available in the budget-holder’s overall authorized budget.
- Compliance with the Policy’s approved Competition Methods and Thresholds (see section 13).

A requisition does not incur an obligation to procure or contract with a supplier.

Where the request involves works or services on site, an executed contract and the applicable contract reference must be stated on the requisition.

The procurement team is responsible for reviewing all requisitions and, where appropriate, may compete the goods, works, or services to comply with the Procurement Policy and / or any other applicable policy, standard or legislation.

The Scopes of Authority are:

<b>Position</b>	<b>Scope of Authority</b>
Group CEO	Unlimited
Group CFO	£20 million
Chief Executive Officer	£10 million
Chief Financial Officer	£500,000
Chief Operating Officer	£75,000
Other Directors	£20,000
Other Budget Holder (Head of Department or equivalent)	£5,000
Other By Request	Up to £2,000

The Delegated Financial Authority Schedule of Authorities lists the categories of spend which require prior approval by the Chief Financial Officer or the Chief Executive Officer (for example consultancy). Exceptions to the authorities require the prior approval of the Chief Financial Officer.

#### d) Purchase Order Approval Authority Limits

A purchase order contractually binds GTR and the obligation to pay for goods or services. It is used to approve the route to market, supplier, compliance with the Procurement Policy, or the contract agreement proposed.

No employee should instruct any works, services or product purchases until a purchase order has been fully approved, unless the request is made through a pre-approved executed contract relating specifically to that requirement.

Likewise, goods or services must only be supplied when a valid purchase order number has been issued by GTR to the supplier.

GTR reserves the right to refuse payment to suppliers unless a valid and complete invoice is provided which includes a reference to the applicable purchase order.

In some locations the infrastructure may be insufficient to enable the use of the enterprise resource planning (ERP) system and the formal purchase order process. In such cases, alternative arrangements may apply. These can be found in the Procurement Procedures Handbook.

Engineering stock authorities are incorporated into the materials asset management system. The GTR Schedule of Authorities Guidance lists the exceptions specific to materials management.

The Scopes of Authority are:

<b>Position</b>	<b>Scope of Authority</b>
Chief Executive Officer	Unlimited
Chief Financial Officer	£250,000
Head of Procurement	£25,000
Senior Buyer	£5,000
Buyer	£500

#### e) Temporary Delegation of Authority

In the case of employee absence, please refer to the [Delegated Financial Authority \(sharepoint.com\)](#) GTR Schedule of Authorities Guidance for temporary arrangements.

For queries and clarifications, please visit [Procurement \(sharepoint.com\)](#)

## 11) Payments

GTR supports the Prompt Payment code. Following satisfaction of a purchase order and service expectation requirements, payment will be remitted no later than the next scheduled payment run following the invoice due date.

Invoices which do not reference a valid purchase order will be rejected. Section 10 (d) of the Policy states that no employee should instruct any works, services or product purchases until a purchase order has been fully approved. Any employee instructing procurements prior to a fully approved purchase order may be subject to disciplinary action.

In addition, GTR proactively supports its supply chain to improve cash flow and has engaged with [C2FO: Working Capital. Working for Everyone.](#) in this respect.

## 12) Procurement Routes

There are eight procurement routes available for GTR to approach the market for information or to procure goods, services, or works. These are:

### a) Request for Information (RFI)

Used to aid the identification of supply chain solutions or options available to achieve business objectives.

### b) Request for Quotation (RFQ)

A formal process to obtain a quote from one or more suppliers to deliver a scope of work, bill of materials or specification. The quotes can be used to evaluate and procure the goods, services, or works requested.

### c) Request for Proposal (RFP) / Tender Below UCR16 Thresholds

This is a formal competition between two or more suppliers which follows best practice, mirroring the principles of UCR16. GTR's standard RFP / tender template must be requested from the procurement team at the commencement of each new procurement, to ensure that the most up to date version is used. This should be tailored for each procurement and will typically contain an appended scope, specification, key performance indicators (KPIs), a service level agreement (SLA), programme details, and proposed terms and conditions. The tender must also include a clearly defined and published methodology for tender evaluation, including weightings and scoring criteria. The evaluation weighting shall be set by the Head of Procurement and approved by the Chief Financial Officer.

A copy of the final evaluation scores, along with all bid documents received, should be provided to the Head of Procurement at the conclusion of the process prior to the award of any contract, and retained for audit purposes.

Guidance is available in the Procurement Procedures Handbook.

#### **d) Utilities Contracts Regulations 2016 (UCR16) Compliant Tender**

This is a robust formal competition which complies fully with the requirements of UCR16 and follows one of the five defined procedures: Open, Restricted, Competitive Dialogue, Negotiated or Innovation Partnership. GTR's standard RFP / tender template must be requested from the procurement team at the commencement of each new procurement, to ensure that the most up to date version is used. This should be tailored for each procurement and will typically contain an appended scope, specification, key performance indicators (KPIs), a service level agreement (SLA), programme details, and proposed terms and conditions. The tender must also include a clearly defined and published methodology for tender evaluation, including weightings and scoring criteria. The evaluation weighting will be set by the Head of Procurement and approved by the Chief Financial Officer.

A copy of the final evaluation scores, along with all bid documents received, should be provided to the Head of Procurement at the conclusion of the process prior to the award of any contract, and retained for audit purposes.

Further information can be found in the Procurement Procedures Handbook.

Details of the regulations are here:

<https://www.legislation.gov.uk/ukxi/2016/274/contents>

#### **e) Framework**

GTR maintains several competitively tendered frameworks which contain a list of pre-approved suppliers. Frameworks contain a blanket set of terms and conditions covering a defined scope of goods, works or services and in most cases are UCR16 compliant. GTRs frameworks allow procurements either by direct 'call off', or a 'mini-competition' between two or more framework suppliers.

#### **f) Purchasing Card**

Corporate purchasing and credit cards are issued to a limited number of colleagues in GTR to allow the purchase of goods and services on the company's behalf in certain defined situations and without prior approval. Procurement best practice must still apply, however. For example, the card-user must ensure that value for money is

achieved, and sufficient funding is available in the budget-holder's overall authorized budget. The Purchasing Card Procedure, including guidelines and responsibilities, are here: [Purchasing Card Procedure \(sharepoint.com\)](#)

### **g) Proof of Concept**

This is a useful approach whereby the market can assist GTR in addressing specific challenges or innovations. These arrangements can prejudice future procurements and may commit GTR to long term obligations or requirements, therefore no proof of concept can be undertaken without seeking advice from the procurement team. A strategy must be approved in accordance with delegated financial authority.

### **h) Single Tender Action (STA)**

This is a route for procurements with a total estimated spend of over £20,000 which allows GTR to secure urgent operational or safety specific needs, where tendering may not be applicable or where restrictions such as Intellectual Property Rights (IPR) may apply.

A single tender action involves agreeing terms for the supply of goods, works or services with a single supplier. Single tender actions must have clearly documented evidence supporting this choice of procurement route, and may be used only in specific and special circumstances, namely:

- Extreme urgency relating to operational risk and security; or
- Emergency health, environmental or safety issues; or
- Where pre-existing intellectual property rights exist.

Single tender actions are not appropriate where GTR has failed to plan ahead for its requirements.

To request a single tender action, an outline form must be completed (found here: [Procurement - Single Tender Action Approval - All Items \(sharepoint.com\)](#)) and the requester must ensure that detailed information is provided which justifies this procurement route. This will enable the procurement team to provide preliminary advice.

For requests over the applicable UCR16 threshold:

- the procurement team must be approached immediately;
- the rationale must adhere to the exemptions stated within the UCR16;

- executive approval is required; and
- GTR is obliged to publish a contract award notice no later than 30 days after the contract is awarded.

Guidance on STAs is available in the Procurement Procedures Handbook.

### 13) Approved Competition Methods and Thresholds

Estimated Spend / Contract Value (inclusive of VAT)	Procurement Policy Requirement*
Up to £20,000	A priced quotation from a supplier, including a scope of work.
Between £20,000 and £50,000	A minimum of three quotations sought from suitable suppliers for the same scope of work, using the GTR standard form. The form should be submitted alongside the Purchase Order.
Between £50,000 and £100,000	Seek advice from the procurement team.
Between £100,000 and the UCR16 threshold	Seek advice from the procurement team. A formal tender must be undertaken.
Above the applicable UCR16 threshold	A UCR16 compliant tender must be undertaken by the procurement team.

\* Individual frameworks have their own defined procedures and associated spend values approved at the award stage. These may differ from the above table. Please contact the procurement team for details or refer to the applicable Framework Handbook for guidance.

Further information is available in the Procurement Procedures Handbook.

## 14) Elements of the Procurement Process

### a) Key Contracts and Umbrella Direct Agreements

A key contract is a contract as defined by the DfT under Chapter 9.2.1 of the [NRC](#). Key contracts are integral to the continuing operation of the railway should there be a change of operator from GTR to a third party.

Before a procurement begins, confirmation regarding a contract's potential key contract status should be sought from the procurement team. All key contract procurements must be delivered by the procurement team and require approval by the DfT. The procurement team can advise on this and provision for approvals will be included within the tender programme.

In addition, the DfT requires an Umbrella Direct Agreement (UDA) with suppliers who hold key contracts. The DfT needs only one UDA to be in place for each individual supplier; suppliers may already have an executed UDA through their association with another Train Operating Company. The procurement team is responsible for managing the UDA process with the DfT, in collaboration with the franchise management team.

### b) Affiliate Contracts

An affiliate contract is a contract as defined by the DfT under Chapter 10.3.1 of the [NRC](#). An affiliate includes any direct or indirect shareholder of GTR.

Any new contract, contract variation or proposed award to an affiliated company must be approved by the GTR Board prior to approval by the DfT and sourced through the procurement team in accordance with this Policy. In doing so, the procurement team will follow the process detailed in the GTR Board paper "NRC Affiliate Contracts Compliance Process".

### c) Procurement Tender Strategy

Where the value of a tender is estimated to be more than £100,000 for supplies, services, or works, a formal procurement tender strategy is compulsory.

Where the value of the tender is estimated to be between £50,000 and £100,000, a procurement tender strategy is desirable but not essential. This will be confirmed by the procurement team.

Aspects to be considered when developing a procurement tender strategy are detailed in the Procurement Procedures Handbook and include the following:

- The Procurement Policy
- NRC requirements
- Value and consolidation
- The requirement, market options and risks attached to the tender
- Consideration of UCR16
- Provision in the event of poor performance
- Contingency planning in the event of contractor failure
- Sustainability, safety, and/or environmental aspects
- 'Make or Buy' options, or whether outsourcing is the best solution.

#### **d) Evaluation and Selection of Suppliers**

In selecting the appropriate supplier, the procurement team will establish whether an existing framework or term contract is in place for the provision of the supplies, services or works required. If there is a framework or term contract then this must be used, or there must be a valid justification for not doing so, which must be documented and recorded for audit purposes.

If there is no appropriate framework or term contract, stakeholders should liaise with the procurement team to nominate an appropriate supplier(s). Where the estimated spend is below the UCR16 threshold, this could be by:

- Use of 'RISQS' (see below).
- Directly approaching organizations.
- From his or her own knowledge, discussions with colleagues, or advice from the procurement team.

The procurement team should be consulted for all safety critical works.

For requirements over UCR16 thresholds, the procurement team will be responsible for supplier engagement and the tender event.



### **e) Railway Industry Supplier Qualification Scheme (RISQS)**

For operational and health and safety critical requirements, GTR utilises an external supplier accreditation system called RISQS, the UK's Rail Industry Supplier Qualification Scheme. RISQS provides a single common registration, qualification and audit process for suppliers shared by the UK rail industry.

- It is a UCR16 compliant supplier qualification platform.
- It enables suppliers to be selected through a fair, open and transparent process.
- Using RISQS ensures that suppliers have the necessary qualifications and skills to undertake various activities safely in a railway environment.
- RISQS must be used for all safety critical requirements.
- It removes the need for individual calls for competition to be published, though these may still be published if desired.

GTR does not limit or restrict its tendering to suppliers qualified on RISQS.

### **f) Contract Award Recommendation**

Following all formal tenders (i.e. those valued over £100,000), a contract award recommendation must be produced and submitted with supporting documentation for approval. Preparation of the contract award recommendation will be led by the procurement team and be completed in collaboration with the tender assessment team or their nominated lead.

The contract award recommendation should:

- Detail the findings of the examination of the tenders received.
- Explain the reasons why a specific tender was selected, aligned to the initial procurement tender strategy, the tender and tender assessment.
- Include a firm recommendation to accept a tender and/or any other action to be taken.

Signed agreement to the contract award recommendation must include:

- Director of Function (Sponsor)

- Head of Function (unless they are the main requestor)
- Head of Procurement

The Chief Financial Officer must approve all contract award recommendations.

Any proposed award to an affiliated company must be approved by the GTR Board.

The following Scopes of Authority apply:

<b>Position</b>	<b>Scope of Authority</b>
GTR Board	Unlimited, for affiliate contracts
Chief Executive Officer	Unlimited, excluding affiliate contracts
Chief Financial Officer	£250,000

The approved signed contract award recommendation must be kept on file by the procurement team.

During the life of the contract, the contract manager and the procurement team should continuously reference the contract award recommendation as part of contract management, variation, spend and performance to ensure continued alignment with the initial award.

### **g) Permitted Contact with Suppliers**

GTR employees, including those without delegated authority, are permitted to contact suppliers to obtain:

- Technical data
- Safety data
- Product or equipment specifications
- Rectification of product or service issues
- Blanket order releases
- Logistics department requests for delivery schedules

- Catalogue prices.

However, for any contact which may result in a future procurement, the Procurement Policy will apply, and records of supplier engagement must be kept, including dates and personnel present. Please contact the procurement team if guidance is needed.

#### **h) Keeping Records**

Written records should be kept by all those involved in a procurement, including how decisions were taken and value for money obtained. All contracts and correspondence must be retained and made available for third party inspection for a minimum of six years after the completion of a contract.

### **15) Contracts**

#### **a) Contract Signing Authority**

All contracts, statements of work or other agreements binding GTR must be reviewed by the procurement team.

The authority to sign contracts on behalf of GTR is outlined below.

<b>Business Group</b>	<b>Primary Signer</b>	<b>First Backup Signer</b>	<b>Second Backup Signer</b>
Capital and Operating Expenditure	Chief Executive Officer	Chief Financial Officer	Chief Operating Officer
Variations and Claims on Goods and Services (accumulative over £50,000)	Chief Executive Officer	Chief Financial Officer	Chief Operating Officer
Variations and Claims on Goods and Services (accumulative under £50,000)	Executive Directors	Chief Operating Officer	Chief Executive Officer

## b) Contract Reviews and Management

Contract management is crucial to the performance of GTR and its supply chain. Contract managers are required to carry out regular contract reviews; monitor and measure supplier performance; and always keep detailed records. In partnership with the relevant budget holder/requisitioner, GTR's nominated contract manager will ensure the supplier delivers the goods or services in accordance with the contract.

A summary of roles and responsibilities for contract management are below:

<b>Role</b>	<b>Responsibilities</b>
<b>Contract Manager</b>	<ul style="list-style-type: none"><li>• Works closely with the supplier and GTR budget owner to ensure that the contract is delivered successfully</li><li>• Fulfils responsibilities as detailed in the Contract Handbook</li></ul>
<b>Contract Owner</b>	<ul style="list-style-type: none"><li>• Ensures that contract performance and the supplier relationship is delivering GTRs expectations</li><li>• Provides a point of escalation for contractual issues</li></ul>
<b>Procurement Team</b>	<ul style="list-style-type: none"><li>• Is a source of expertise on the contract, especially commercials</li><li>• Supports the contract manager on supplier and contract performance</li><li>• Provides contract management tools and templates</li></ul>
<b>Legal</b>	<ul style="list-style-type: none"><li>• Provides a source of legal expertise as needed</li></ul>
<b>Supplier (primary contact)</b>	<ul style="list-style-type: none"><li>• Delivers against the terms and service levels stipulated in the contract</li></ul>

Where performance issues arise, the procurement team should be contacted for support. The procurement team is ultimately responsible for all commercial contract management, unless otherwise defined within contract documentation.

A series of templates to support contract managers are available here: [Procurement \(sharepoint.com\)](#)

### **c) Contract Change and Variation**

All contract changes and variations must be captured and documented in writing, with a copy of the executed document provided to the procurement team.

Contract changes must be approved in accordance with delegated authority and where applicable in accordance with UCR16 regulations. Where the change relates to a key contract, affiliated trading, UCR16, or is over the delegated authority, the contract change must be delivered through the procurement team. Where UCR16 applies, the procurement team will review the existing competition, Regulation 88 (Safe Harbours), exemptions for the requirement or whether a new tender event is required.

## **16) General Data Protection Regulation (GDPR)**

GTR and its supply chain must comply with data protection regulations. Any agreement or supplier engagement which includes the processing of data or includes personal data must be defined and controlled.

Procurements which involve data processing must be reviewed by the procurement team and GTR's Data Protection Manager. The procurement team will ensure that:

- A Data Protection Impact Assessment (DPIA) is completed.
- The contractual clauses for GDPR are in line with the regulations and the nature of the engagement.
- Contracts involving the processing of passenger personal data are submitted to the DfT for pre-approval. The procurement team can advise on this and provision for approvals will be included within the tender programme.

The business owner is required to support as required to ensure compliance. Further details can be found here: [Data Protection Policy \(sharepoint.com\)](#)

## **17) Freedom of Information**

The Secretary of State is subject to the requirements of the Freedom of Information Act and the Environmental Information Regulations. GTR has obligations under the NRC to assist the Secretary of State to comply with such requirements.

Suppliers must assist and co-operate with the Secretary of State and/or GTR to enable the Secretary of State and/or GTR to comply with their information disclosure

obligations under the Freedom of Information Act and/or the Environmental Information Regulations and will be required to:

- Transfer to GTR any Requests for Information as soon as practicable and in any event within one working day of receiving any such Request for Information;
- Provide GTR with a copy of all information in its possession or power in the form that GTR or the Secretary of State requires within three working days of GTR's or the Secretary of State's request (or within such other period specified); and
- Provide all necessary assistance as reasonably requested by GTR or the Secretary of State to enable the Secretary of State and/or GTR to respond to any Request for Information within the time for compliance set out in Section 10 of the Freedom of Information Act or Regulation 5 of the Environmental Information Regulations as applicable.

## **18) Data and Document Retention**

GTR must comply with applicable regulations and is obliged to maintain and retain data and documents in accordance with the mandated time periods stipulated in the legislation applicable to the activity.

## **19) Cyber Security**

As a critical infrastructure, GTR is required to comply with the Network and Information Systems Regulations 2018 (NIS) and must proactively risk assess the cyber security of its supply chain.

GTR complies with the DfT / National Cyber Security Centre (NCSC) Cyber Assessment Framework.

GTR is obliged to maintain a robust understanding of its supply chain, including sub-contractors, and the risks faced by the import of goods and services. Those responsible for dealing with suppliers must consider factors such as the supplier's partnerships, competitors, nationality, and the other organizations with which they sub-contract.

For all ICT procurements, the procurement team will seek from GTR's cyber security team a set of non-functional security requirements on which the functional delivery will be based. These may include prequalification through certification to proclaimed standards including, but not limited to:

- ISO/IEC 27001
- Cyber Essentials
- Cyber Essentials +
- Payment Card Industry Digital Security Standard (PCI-DSS).

Suppliers will be assessed using the 'Risk Ledger' assessment criteria, either upon onboarding, or by annual review, in compliance with the NIS.

## **20) Procurement Policy Exceptions**

Some exclusions apply to the Procurement Policy, where pre-authority and approval has already been secured. These exceptions are limited to:

- Existing depot lease and access agreements.
- Industry bodies and memberships.
- Existing rolling stock leases (where scope and critical spares are defined within the agreements) including contract variations and / or extensions.
- Tenancy and retail lettings.

For new requirements associated with the above exceptions, excluding Network Rail leases and access agreements, the Procurement Policy will apply.

## **21) Procurement Policy Review**

The Procurement Policy will be reviewed on an annual basis by the Head of Procurement. Minor changes will be updated. Significant changes will require approval by GTR's executive prior to implementation.