

# Group Procurement Policy

## Scope of Policy

This policy sets out the approach of Platform Housing Group (the Group) to procurement activities undertaken, including the acquisition of goods, services and works.

This policy is designed to ensure that all procurement practices are conducted in a fair, transparent, ethical and cost effective manner in compliance with legal and regulatory requirements.

This policy applies to all spend, regardless of value, across the Group and includes all business units, subsidiaries and commercial entities owned and controlled by the Group.

## Applicability

The policy applies to all members of the Group.

### 1. Introduction

1.1 The policy outlines the roles and responsibilities of all Group employees and representatives, including Group Procurement, Executives, Senior Leadership, and Contract Managers, in delivering compliant procurement activities under the Procurement Act 2023, and:

- The principles we will abide by for selecting and putting in place supply arrangements
- How supply arrangements will be identified
- Who has the ability to award a contract
- The routes to market for new or replacement supply arrangements
- How suppliers and contractual arrangements are managed
- How employees and representatives access goods and services

1.2 **Non-compliance with the policy could result in misconduct under the Group Disciplinary Policy and Procedure.**

### 2. Principles of Group Procurement

2.1 Group Procurement will work with business stakeholders to understand their supply needs short and long term and will develop appropriate Category Strategies and delivery plans.

2.2 Group Procurement will set up, manage and provide effective group-wide supply arrangements to leverage group spend and maximise the Group's commercial position whilst demonstrating Value for Money.

- 2.3 Group Procurement will provide a level of assurance that the Group is running processes that are compliant with all relevant legislation, regulations, internal governance and delegated authorities.
- 2.4 Business Users must provide all suppliers with an approved purchase order prior to provision of goods or services.
- 2.5 Group Procurement will award and hold all contracts using the Group's standard Terms and Conditions. Any variations may only be approved by Group Procurement in consultation with key stakeholders.

### **3. Aims and Objectives**

- 3.1 **Group Procurement will work with business stakeholders to understand their supply needs short and long term and will develop appropriate Category Strategies and delivery plans.**
  - 3.1.1 A Category Management approach will be deployed for all spend types. This will include new business requirements, variations and extensions to existing arrangements and renewals of expiring arrangements.
  - 3.1.2 Category Management must align to the budget setting and business planning process. Under the Procurement Act 2023, all pipeline activities must be forecasted in advance and formally reported to the Executive Risk Committee (ERC) for governance purposes. Therefore procurement will be aligned to the budget submission process.
  - 3.1.3 Group Procurement will own and develop the Category Management stakeholder engagement plans and take ownership for collating the business needs to establish the Category Management plan. Primary management will be via the category council meetings to ensure all Group Pipeline activity is planned and executed in line with the correct governance and compliance (see **Appendix 1**).
  - 3.1.4 Annual Category Plans will articulate the delivery programme and benefits profile. These will be presented to Executive Sponsors for approval and sign-off prior to implementation and being built into any financial forecasts.
- 3.2 **Group Procurement will set up, manage and provide effective group-wide supply arrangements to leverage group spend and maximise the Group's commercial position whilst demonstrating Value for Money.**
  - 3.2.1 Group Procurement will ensure that all suppliers and contractors are selected and sourced, and in accordance with a documented and auditable procurement process, which embraces best practice processes, systems and templates. All contract management responsibility will sit with the key internal stakeholder identified.

- 3.2.2 Category Plans will inform the schedule of procurement activity and will be reviewed on an annual basis (as a minimum) to take into account changes in the supply market and how that could impact the Group.
- 3.2.3 The standard approach for the Group will be to seek competition for procurement of goods, services and works.
- 3.2.4 The Route to Market will be determined by Group Procurement based on what will deliver the Group the best value for money (see **Appendix 2**). It could be:
- (1) Utilising established Framework Agreements to call off against
  - (2) Establishing bespoke contracts using a competitive process
  - (3) Negotiation
- 3.2.5 As a registered charity and social housing provider, the Group must comply with the **Procurement Act 2023**, ensuring that all supplier selection and contract awards align with the principles of transparency, value for money, and fair competition. The Act introduces new obligations, including enhanced transparency requirements, a competitive flexible procedure, and stronger exclusion grounds for suppliers. Compliance with the National Procurement Policy Statement (NPPS) is also mandated under this legislation. Monetary values are based on a total aggregated spend over three years including VAT.
- 3.3 **Group Procurement will provide a level of assurance that the Group is running processes that are compliant with all relevant legislation, regulations, internal governance and delegated authorities.**
- 3.3.1 Should anyone wish to engage with a supplier outside of an existing framework or contractual arrangement, they must seek approval from Group Procurement. The Group is required under the Procurement Act 2023 to ensure all supplier engagements meet transparency and compliance requirements.
- 3.3.2 Regardless of spend level, Group Procurement are involved in all supplier selection and contract awards. The level of involvement will vary based on the value of spend and the associated risk identified to the organisation (see **Appendix 4**).
- 3.3.3 Subject to the level of spend, Group Procurement will use the appropriate Route to Market when facilitating the selection of a supply arrangement. The value of spend and type of goods and services will dictate the routes available.
- 3.3.4 If multiple routes are available to the organisation, then Group Procurement will determine the best route based on a combination of factors such as price, value for money and ease to achieve.
- 3.4 **Business Users must provide all suppliers with an approved Purchase Order prior to provision of goods or services.**

- 3.4.1 Users of goods and services can access approved supply arrangements using the Purchase Order system by drawing on an existing and approved supplier.
- 3.4.2 Only those suppliers put in place for the provision of the goods, services and works (as outlined in the contract between the Group and the supplier) are available to users to access.
- 3.4.3 Access to products and suppliers will be determined by Group Procurement based on the buying needs and Delegated Authorities of the employee. Where possible the buying channels and exceptions will be prescribed by Group Procurement to ensure efficient access to the supply chain by the Groups internal stakeholders (see **Appendix 3**).
- 3.4.4 Approval of a Purchase Order must be made by a person(s) with the appropriate Delegated Authority.
- 3.4.5 It is Group policy that all suppliers must not be engaged without an approved purchase order. This aligns with regulatory requirements and ensures best practice, full transparency and accountability over spending.
- 3.4.6 The “No PO No Pay” policy will be enforced by Accounts Payable. An invoice received without a valid purchase order will not be paid.
- 3.4.7 Should a user be unable to locate a specific product, service or supplier, assistance should be sought from the Group Procurement team.

#### **4. Policy Outline**

- 4.1 **Group Procurement will award and hold all contracts using the Group’s standard Terms and Conditions unless authorised by Group Procurement, e.g. JCT contracts. To comply with the Procurement Act 2023, contract performance monitoring must be in place to ensure suppliers meet contractual obligations, including ESG (Environmental, Social, and Governance) commitments and Social Value requirements. Any variations may only be approved by Group Procurement in consultation with Legal Services.**
  - 4.1.1 Contracts will be awarded in accordance with the agreed schedule of the Group Pipeline and Category Management Plans by Group Procurement.
  - 4.1.2 The contracts will be procured on Platform Housing Group standards terms. Any variations may only be approved by Group Procurement in consultation with key stakeholders.
  - 4.1.3 Group Procurement will award and hold all Contracts and Framework Agreements in a central contracts’ repository (Source to Contract) and will be responsible for ensuring the ongoing validity of those arrangements during the contract term.

- 4.1.4 Group Procurement will be responsible for creating a re-letting plan of expiring Contracts and Framework Agreements in accordance with the annual Category Management planning process to ensure that all on-going business needs are addressed.
- 4.1.5 Business areas will be responsible for the day-to-day contract management, however, Group Procurement will retain oversight, and where required, intervene where contractual breaches occur.
- 4.1.6 Group Procurement will work with stakeholders to ensure contracts are delivering the expected services at the forecast costs and standards. Any changes made to the total forecast spend, contract, service offer or goods provided must be facilitated and put in place by Group Procurement.

## **5. Equality and Diversity**

- 5.1 We are committed to fairness and equality for all regardless of colour, race, ethnicity, nationality, gender, sexual orientation, marital status, disability, age, religion or belief, family circumstances or offending history, as referred to in our relevant Group policies. Our aim is to ensure that our policies and procedures do not create an unfair disadvantage for anyone, either directly or indirectly.

## **6. Monitoring and Review**

- 6.1 Procurement processes and compliance must be reviewed annually in line with the **Procurement Act 2023**. Audit trails must be maintained for all procurement activities, ensuring full transparency over contract awards and supply chain management. The next formal policy review is scheduled for September 2027.
- 6.2 Approved documents are valid for use after their approval date and remain in force beyond any expiry of their review date until an updated version is available.

## **7. Associated Documents**

- 7.1 List of documents - associated policies, procedures and publications:
- Public Procurement (Amendment etc.) (UK Exit) Regulations 2024
  - Procurement Strategy
  - Financial Regulations and Standing Orders

<b>Author:</b>	Chris Musgrave
<b>Document type:</b>	Policy
<b>Version 2:</b>	Final
<b>Version 2</b> <b>Approved by:</b> <b>Approved date:</b> <b>Release date:</b>	Executive Risk Committee 23/04/2025 30/04/2025
<b>Version 1</b> <b>Approved by:</b> <b>Approved date:</b> <b>Release date:</b>	Executive Risk Committee 05/09/2024 11/09/2024
<b>Customer Voice Panel:</b>	No
<b>Next review date:</b>	09/2027
<b>DPIA completed:</b>	No
<b>EIA completed:</b>	No

## Strategic Category Management

### Category Council

Updated – 06/09/2024

---

#### **Purpose – to be used in the email not the ROE (Start with the Mandate)**

The Category Council is a pivotal element of Group Procurement's strategic Category Management initiative, designed to enhance contract compliance and drive both commercial and operational efficiencies across the organization. In light of the new regulations coming in October 2024 (Procurement Act), it is essential to reaffirm the importance of these meetings and secure active participation from Senior Leadership and Heads Of to ensure the Council's objectives are fully realized.

---

#### **Council Mandate**

The Category Councils have been established to provide strategic oversight and governance for all procurement activities across the organization, ensuring alignment with the Group's strategic objectives and strict compliance with procurement regulations. The Rules of Engagement (ROE) are embedded in the Procurement Policy and must be adhered to by all attendees to support the policy's guidelines, particularly to ensure compliance and the effective implementation of the new Procurement Act.

With support from Group Procurement, Senior Leadership Team (SLT) members and Heads of Service are responsible for ensuring their teams fully understand and comply with both the ROE and the Procurement Policy, thereby maintaining governance, compliance, and driving value for money in all procurement activities.

Senior Leadership must ensure active participation in procurement decision-making at key milestones to maintain oversight of procurement risks, compliance obligations, and financial controls. Their involvement is essential to provide the Head of Category Management with a clear view of the Procurement Pipeline, ensuring that all planned procurement activities are governed effectively, supply chain spend is compliant, and the overall process is aligned with the Group's objectives. This oversight enables accurate reporting and ensures that procurement initiatives are executed in a way that maximizes value for money.

---

## Key Responsibilities

- **Strategic Oversight:** The Council will review and provide input on all capital and revenue contractual needs, ensuring alignment with the Group's strategic priorities and adherence to relevant governance and legal frameworks.
- **Compliance and Governance:** All procurement activities must comply with the Group's Financial Regulations/Standing Orders and the Procurement Contract Regulation (PCR) 2015 (pending October 2024 change in regulations). The Council will oversee compliance and take corrective actions as necessary.
- **Collaborative Implementation:** Council members will work together to manage interdependencies effectively, ensuring that agreed changes are implemented within specified timelines.
- **Procurement Pipeline Management:** The Council will review and prioritise the Procurement Pipeline, ensuring that activities are value-driven and align with budgetary constraints and strategic objectives. This will be shared regularly with EPMO to ensure that strategic projects and Group resource is planned in advance to ensure resource availability and is aligned with the Group strategic projects.
- **Strategic Endorsement:** The Council will endorse Category Plans and procurement strategies, ensuring their effective deployment across the organization.
- **Resource Allocation:** Directorates are responsible for identifying, releasing, and empowering the resources necessary to implement agreed solutions and efficiencies.
- **Accountability and Reporting:** Accurate reporting on changes, efficiencies, and compliance issues is mandatory. These reports will inform future strategies and be used for auditing purposes and shared with the relevant internal interdependencies or cross functional teams.
- **Group Procurement Pipeline Management:** The Procurement Pipeline must be reviewed annually and aligned with the Group's strategic planning. This process must include market analysis, risk assessments, and compliance checks against the new Procurement Act 2024

---

## Category Lead Responsibilities

The Category Lead is responsible for the strategic development and regular updating of the Procurement Pipeline. They will collaborate with stakeholders across the organization to implement agreed category strategies, ensuring alignment with the Group's overall objectives. The Category Lead will also track and report on any efficiencies achieved through

these strategies, communicating the results to the relevant Financial Business Partner(s) for budget adjustments.

---

## **Council Attendees Responsibilities**

Heads of Service, SLT members (Budget Holders) are required to report all significant procurement activities to their designated Category Lead before engaging with suppliers. They must prioritise procurement activities based on risk, opportunity, and compliance, and ensure that all necessary resources are available to support the Category Strategy teams involved in each Pipeline activity. This also includes any in year contract variations relating to Service Level Agreements, Key Performance Indicators, Schedule of Rates, so the appropriate system updates can take place to track changes.

---

## **Meeting Structure and Attendance**

To ensure effective governance and participation, the following attendance structure is proposed:

- **Standing Members:**
    - Heads of Service
    - Category Leads
    - Financial Business Partners
    - Procurement Shared Services (Buying Team)
  
  - **Additional Attendees (as needed):**
    - Senior Leadership Team members (representation from each Directorate)
    - Budget Holders
    - Service Managers
    - Subject Matter Experts
    - Interdependencies where appropriate
- 

## **Meeting Protocols**

- The Category Lead will circulate the meeting agenda at least 48 hours in advance.
  - Meetings will focus on the agreed Procurement Pipeline and any significant changes to business operations.
  - Actions from meetings must be issued within two working days, with all tasks completed within the agreed timelines.
-

## Reporting and Accountability

Going forward, the Council will receive a detailed update report at each Category Council, which will include:

- Progress on Pipeline activities.
  - New Pipeline activities from end users.
  - Spend control risks on compliant and non-compliant activities by the Category Management Team.
  - Budget spend risk assessments.
  - Buying Team activity updates.
  - Procurement systems updates (when appropriate and relevant).
- 

## Review and Continuous Improvement

The Council will regularly review category strategies and the Procurement Pipeline to ensure they remain aligned with the Group's strategic objectives. An annual review will assess the effectiveness of implemented strategies, with necessary adjustments made to address any non-compliance or inefficiencies.

---

## Attendance

To ensure the effectiveness of the Category Council and underscore its importance, each Directorate should ensure consistent attendance by its identified representatives. This commitment is essential to ensure that procurement activities are appropriately prioritized and that the Council can successfully fulfil its strategic mandate.

---

## Guidance Notes: Buying Routes and Compliance

As part of our ongoing efforts to ensure compliance and value for money, please take note of the following **procurement routes and spend thresholds**:

- **Soft Market Test/Request for Information (ROI)**: Can be used for any spend level to explore market solutions but **cannot be used to select or eliminate suppliers**.
- **Competitive Quotations**: Used for goods, services, and works below the UK Public Contracts Directive threshold, typically involving informal sourcing based on best practice.
- **Open/Restricted Tender**: Required for goods, services, or works exceeding the UK Public Contracts Directive thresholds.

- **Framework Mini Competition or Direct Award:** Available at all spend levels through approved Frameworks Agreements or Dynamic Purchasing Systems (DPS).

### Procurement Thresholds

- **Works Contracts:** £5,336,937 including VAT
- **Service and Supply Contracts:** £213,477 including VAT

### What End Users Can and Can't Do:

- **Can Do:**
  - For spend up to **£500-£2,000**, users should check if a supply arrangement exists by contacting the Group Procurement Team. A Purchase Order (PO) must be raised once a written quote is obtained.
  - For spend between **£2,001-£30,000**, a minimum of three written quotes is required, and a PO must be raised.
  - For spend over **£30,001**, you must engage with your Category Lead for advice on the correct procurement process.
- **Cannot Do:**
  - You **cannot** engage suppliers not part of the Group's supply chain without Group Procurement's approval.
  - You **cannot** sign contracts, make commitments, or vary terms (including payment schedules) without Procurement's involvement.
  - Approval at the **Investment Approval Panel (IAP)** does not give authority to engage with suppliers or proceed without Procurement's involvement. Procurement must oversee the engagement process to ensure compliance and value for money.

If you cannot find what you're looking for, or if you are unsure of the process, please contact **Group Procurement** at: [procurementhelp@platformhg.com](mailto:procurementhelp@platformhg.com) for assistance.

---

## Appendix 2

### Routes to Market

Group Procurement will use one or more of the following routes to market based on risk and level of spend. Procurement planning must incorporate early supplier market engagement to shape requirements and ensure an efficient, competitive process. This aligns with the new Procurement Act 2024 principles.

ROUTE	DESCRIPTION	THRESHOLD
Early Market Engagement	Interactions between contracting authorities and potential suppliers prior to initiating a formal procurement process. Aims to refine procurement strategies, understand market capabilities, and foster innovation.	Applicable to all procurement activities, especially beneficial for complex or high-value contracts.
Open Procedure	A single-stage process where any interested supplier can submit a tender. Suitable for simple procurements where the requirements are well-defined, and no negotiation is needed.	No minimum or maximum threshold; applicable to all procurements where appropriate.
<b>Competitive Flexible Procedure</b>	A multi-stage process that allows contracting authorities to design the procedure to fit their specific needs, including the option for negotiations. Ideal for complex procurements requiring dialogue with suppliers to refine solutions.	No minimum or maximum threshold; applicable to all procurements where flexibility and negotiation are beneficial.
Direct Award	Allows for the direct awarding of a contract without a competitive process in specific circumstances, such as when no suitable tenders are received, or in cases of extreme urgency.	Permitted under defined conditions as specified in the Procurement Act 2023, regardless of contract value.
Dynamic Markets	Electronic systems that remain open to new suppliers, enabling continuous competition for contracts. They offer flexibility and are suitable for commonly used purchases where the market is dynamic.	No minimum or maximum threshold; applicable to categories of procurement where a dynamic supply

ROUTE	DESCRIPTION	THRESHOLD
		base is advantageous.
Framework Agreements	Agreements with one or more suppliers that set out terms and conditions under which specific purchases can be made during the life of the agreement. They streamline the procurement process for recurring needs.	No minimum or maximum threshold; suitable for recurring procurements where pre-agreed terms offer efficiency.
Request for Quotes	A non-formal sourcing process conducted using best practice guidance from Group Procurement via e-sourcing platform	For all expenditure between £2,001 to £30,000

## Appendix 3

### Buying Channels and Exceptions

Contract owners must conduct quarterly performance reviews with key suppliers to assess risk, compliance, and delivery against SLAs (Service Level Agreements). Any supplier underperforming must be reported to the Procurement Shared Services team.

PRODUCT	BUYING CHANNEL	ROLES
Flights, Trains, Hotels	Infotel	All employees who travel on business purposes only.
Car Parks, Subsidence, Tolls	Expenses	All employees who travel on business purposes only.
Fleet Vehicle Fuel	Fuel Card	Employees that have access to a company registered vehicle for business travel purposes only.
EV Charging	MINA	Employees will have access to home charging units and in key Platform locations.
Tenant Personalisation for those schemes and customers that offer support services and engagement Activities only where the item is not available through an existing supplier with a Purchase Order	Pre-Paid Card	Employees with the appropriate authorities to make and authorise a purchase.
Corporate spend for supplier or customer engagement and/or urgent need	Credit Card	All Purchasing Card holders.
Repairs and Maintenance to Properties (Schemes and Housing Stock)	Housing Management System	Employees with the appropriate authorities to raise a repair.
All other items	Purchase Order	Employees with the appropriate authorities to either request and/or authorise a purchase.  Access to Marketplace via punch-outs is available to selected Purchasing Card/Pre-paid Card Holders and to supported living schemes.

## Appendix 4

### What Business Users Can and Can't Do

Any financial commitment above £30,001 must be reviewed by Procurement before proceeding to ensure regulatory compliance, auditability, and alignment with financial governance.

VALUE	WHAT BUSINESS USERS CAN DO	WHAT YOU CAN'T DO
£500-£2,000	<p><b>Check a supply arrangement does not already exist by:</b></p> <ul style="list-style-type: none"> <li>• Searching the Purchase to Pay Solution</li> <li>• Contact Group Procurement via the helpdesk <a href="mailto:procurementhelp@platformhg.com">procurementhelp@platformhg.com</a></li> </ul> <p><b>If no supply arrangement exists, or the arrangement does not meet the requirements:</b></p> <ul style="list-style-type: none"> <li>• You must submit a requisition or raise contact Group Procurement via the helpdesk <a href="mailto:procurementhelp@platformhg.com">procurementhelp@platformhg.com</a></li> <li>• Group Procurement will understand your supply needs and either refer you an existing arrangement or provide you with a solution for the requirements and engage a supplier.</li> <li>• Obtain a written quote.</li> <li>• Raise a Purchase Order</li> </ul>	<ul style="list-style-type: none"> <li>• Engage with suppliers who do not form part of the existing Platform Housing Group supply chain without prior approval from Group Procurement.</li> <li>• Sign a contract or commit Platform Housing Group to any supply arrangement.</li> <li>• Vary any contract service level agreement, terms or contract lengths without the approval from Group Procurement.</li> <li>• Commit to any payment schedule and method of payment.</li> </ul>
£2,001-£30,000	<p><b>Check a supply arrangement does not already exist by:</b></p> <ul style="list-style-type: none"> <li>• Searching the Purchase to Pay Solution</li> <li>• Contact Group Procurement via the helpdesk <a href="mailto:procurementhelp@platformhg.com">procurementhelp@platformhg.com</a></li> </ul> <p><b>If no supply arrangement exists, or the arrangement does not meet the requirements:</b></p> <ul style="list-style-type: none"> <li>• You must submit a requisition or contact Group Procurement via the helpdesk <a href="mailto:procurementhelp@platformhg.com">procurementhelp@platformhg.com</a></li> </ul>	<ul style="list-style-type: none"> <li>• Vary Platform Housing Group standard supplier and payment terms.</li> <li>• Commission service delivery until such a time as the supplier is validated and approved and the necessary checks complete.</li> </ul>

VALUE	WHAT BUSINESS USERS CAN DO	WHAT YOU CAN'T DO
	<ul style="list-style-type: none"> <li>• Group Procurement will understand your supply needs and either refer you an existing arrangement or provide you with a solution for the requirements and engage a supplier.</li> <li>• Buying Team obtain a minimum of three written quotes.</li> <li>• Convert to Contract where appropriate.</li> <li>• Raise a Purchase Order</li> </ul>	
£30,001 or more	<ul style="list-style-type: none"> <li>• You must engage your known category lead or submit a requisition or contact Group Procurement via the helpdesk <a href="mailto:procurementhelp@platformhg.com">procurementhelp@platformhg.com</a></li> <li>• Group Procurement will work with you to understand your needs and agree the best approach for deployment.</li> </ul>	
Pipeline and Budget planning	<ul style="list-style-type: none"> <li>• All supply chain activity is to be reported to Group Procurement to populate the pipeline via the following means:               <ul style="list-style-type: none"> <li>○ <a href="mailto:procurementhelp@platformhg.com">procurementhelp@platformhg.com</a></li> <li>○ Category Councils</li> <li>○ Directorate SMT meetings with the Category lead</li> </ul> </li> </ul>	