



KINGDOM
Group

MORE THAN A HOME

Procurement Policy



HAPPY TO TRANSLATE

Approved: January 2023
Next Review: January 2028

PROCUREMENT POLICY

1. Statement of Intent

The Kingdom Group recognises its responsibility to carry out its procurement activities collaboratively and in an economically, environmentally and socially responsible manner which also makes a contribution to our organisational strategic objectives.

Our procurement vision is to achieve excellent procurement performance through sustainable procurement practices for the benefit of the organisation and our stakeholders.

Our procurement process will be fair, open, honest, transparent and non-discriminatory. The key principles are to:

- comply with all relevant legislative requirements.
- have a clear basis for using the procurement method selected for the award of each of Kingdom's contracts for works, supplies and services.
- ensure procurement good practice is applied consistently across every department of the Kingdom Group and in line with Kingdom's Policies and Procedures.
- evidence value for money when purchasing goods and services.
- ensure sustainability principles are embodied within all procurement activities.
- engage with suppliers to bring greater community benefits to the geographical area Kingdom operates.
- ensure appropriate internal controls are in place covering authority levels, declaration of interests, audit processes and appropriate reporting to Kingdom Group Governing bodies.
- ensure our procurement processes and activities are structured in a way which promotes access for small and medium businesses.
- ensure Kingdom staff and Board members are up to date with current procurement and financial legislation.
- ensure all specifications for works, services and supplies clearly detail the scope and standard of the requirement.

2. Procurement Strategy

The Procurement Reform (Scotland) Act 2014 requires any public organisation which has an estimated annual regulated spend of £5 million or more (excluding VAT) to develop and review a procurement strategy annually before the start of the next financial year.

Kingdom's procurement strategy underpins this policy and sets out our Procurement objectives and aims to demonstrate a clear and structured approach to all of Kingdom's procurement activities outlining what will be done and when to deliver quality, price, experience, specialist knowledge and value for money in order to achieve best value.



A copy of our Procurement Strategy is available on our website www.kingdomhousing.org.uk

3. Managing the Procurement Process

As part of this procurement process we will aim to demonstrate and deliver best value for Kingdom. Best value means assessing the quality and price to procure the most appropriate supplies, services and/or work. This recognition of quality should lead to measurable continuous improvement based on the Most Economically Advantageous Tenders (MEAT) over the life cycle of the contract.

We recognise that projects vary and different factors should be recognised when determining the most appropriate quality / price ratio to be applied therefore we do not apply a standard ratio and this will be assessed and agreed on a project specific basis. When tenders are issued we will confirm the assessment ratio as part of the tender document.

As part of the tender process we reserve the right not to accept the lowest priced, or any tender submitted. We will also consider any abnormally high, or low priced tenders and where there is a 15% variation from the budget cost, we may disqualify the tender.

This Policy splits the procurement of supplies, services and/or works into three main Categories:

Category	Value Range (exc VAT)
Category 1 – Low Value contract	£15,000 or under
Category 2 – Medium Value contract	Over £15,000 - £49,999
Category 3 – High Value contract	£50,000 and over

Category 1 – Low Value Contract

A single Contractor, Consultant or Supplier can be contracted to supply works, services and/or supplies if the total value of the contract is under or equal to £15,000 (exc VAT). This refers to the value of the specific order where there is no on-going contractual or procurement relationship.

Category 2 – Medium Value Contract

Any supplies, services and/or works which fall within the value range of over £15,000 and under £50,000 (exc VAT) should normally utilise the Quick Quote process on PCS Scotland or an internal quote procedure.



Category 3 – High Value Contract

The Kingdom Group will comply with the Procurement Reform (Scotland) Act 2014 and Public Contracts Scotland Regulations 2015

Non-regulated

Work contracts between £50,000 and £2m do not need to go through the Public Contracts Scotland (PCS) Tender process but in other respects must comply with organisational procurement procedures.

Regulated

Contracts for supplies and services with a value of £50,000 or above and work contracts with a value of £2m or above are regulated procurements. The Kingdom Group will advertise all regulated procurement on the PCS website and in accordance with Regulations.

Kingdom will follow published Scottish Government guidance when advertising and awarding contracts which are above the Procurement Reform (Scotland) Act 2014 thresholds. This will include the need to advertise and award such contracts on PCS.

The Kingdom Group is an associate member of Scotland Excel, a national organisation that negotiates contracts for a wide range of products and services on behalf of Scottish local authorities and Registered Social Landlords. The Kingdom Group will normally use one of Scotland Excel's frameworks or any other pre-procured frameworks that are available to us, when appropriate. When a suitable pre-procured framework is not available Kingdom will normally procure our own framework in accordance with The Scottish Procurement Journey.

4. Contract Award

The awarding of contracts will be in accordance with the authority levels set out in Kingdom's financial regulations.

5. Contract Management

Kingdom has adopted a contract segmentation approach in order to classify contracts based on risk and value.

High value and/or risk contracts are generally considered to require the highest level of management with a reducing need for management identified through medium and low value contracts.

As a minimum, performance will be reported to the Board on an annual basis.

6. Annual Procurement Report

Kingdom will publish an annual procurement report on its regulated procurement activities in accordance with Section 18 of the Procurement Reform (Scotland) Act 2014.



7. Contracts Register

Kingdom will maintain an online register of all regulated procurements.

8. Monitoring and Review

This policy will be reviewed 5 years from the date of implementation.

Date of Approval: TBC



KINGDOM GROUP

PROCUREMENT POLICY

Policy drawn up with reference to:

Public Contracts (Scotland) Regulations 2015.

Procurement Reform (Scotland) Act 2014.

SHR Regulatory Standards of Governance & Financial Management & Guidance .

Kingdom's Policies and Procedures.

Scottish Government Procurement Journey.

Scottish Government's Public Procurement Policy Handbook.

Scottish Procurement Policy Notes (SPPNs).

EC Public Procurement Directives – OGC 2004/17/EC and 2004/18/EC.

Planning Advice Note 3/2010: Community Engagement, published by the Scottish Government.

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Review Process:

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Policy Approved by KHA Board of Management: 5th December 2022

Policy Approved by Kingdom Initiatives Limited: 23rd December 2022 (Electronic)

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