



**KINGDOM**  
Group

# Procurement Policy

If you need this publication in larger print, audio form, Braille, or in another language, please contact our office and we will try to help you.



**Approved: January 2018**  
**Next Review: January 2023**

# 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 make 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 best 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](http://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.

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	£10,000 or under
Category 2 – Medium Value contract	Over £10,000 - £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 £10,000 (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 £10,000 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, Public Contracts Scotland Regulations 2015 and all EU Procurement Thresholds (OJEU).

##### 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 EU Procurement Regulations.

Kingdom will follow published Scottish Government guidance when advertising and awarding contracts which are above the Procurement Reform (Scotland) Act 2014 thresholds but below EU Procurement 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: 15 January 2018



## 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 Published 2012.  
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

**Prepared by:**

Scott Kirkpatrick, Director of Development  
Julie Watson, Development Manager  
Calum Kippen, Governance and Executive Support Officer

**Previous Policies:**

Mar 2004; Feb 2005, Feb 2010; Mar 2013; Jun 2014, Dec 2015: This Policy supersedes earlier versions.

**Review Process:**

Presented to Board of Management for review / approval

Policy Approved by KHA Board of Management: 15<sup>th</sup> January 2018

Policy Approved Date: 15<sup>th</sup> January 2018

Next review date: January 2023

