

## Procurement Strategy 2023 - 2027

### Introduction

Procurement is the process of acquiring goods, services and works, spanning the whole cycle from identification of needs through to the end of a contract or the end of the useful life of an asset. It involves options appraisal and the critical decision on whether to provide services in-house or through other supply arrangements. Effective procurement is essential to provide quality services and deliver optimum value for money.

Orwell is committed to including social value in all procurement and through contract management. Orwell will consider the environmental, social and economic consequence of any works and services and assess suppliers and the supply chain's ability to address these. This strategy will be at the forefront of encouraging the engagement of local suppliers.

Orwell will consider the whole life cost of contracts entered into, including balancing the need to obtain value for money whilst not compromising on quality, with due regard to risk. Structured forward planning and clear performance management will allow Orwell to generate value for money savings and improved quality, and to manage risk.

The overarching objective of the Procurement Strategy is to carry out all procurement activity in a manner that supports Orwell's strategic plan, and which follows the requirements for public procurement under the Public Contract Regulations 2015.

This strategy will be reviewed annually, or sooner if in response to emerging legislation such as the Procurement Bill (Transforming Public Procurement).



# **Our Objectives**

We will procure major contracts through Procurement partnerships where it links to our strategic objectives, operational plans and meets the needs of our customers.

To deliver on this objective we will:



🞊 Work with Independent East to investigate and progress joint procurement where appropriate, beneficial and best value.

Encourage feedback from customer groups on performance of contracts and use customer satisfaction feedback to inform future contract requirements.

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m N}$  Work with customer groups to co-create future tender specifications and service standards.



All contracts in excess of a whole contract spend of £213k will be procured via Procurement partnerships by the end of 2026. Where the partnership route does not meet the desired objectives, an alternative more appropriate route, in line with Orwell's procurement processes, will be utilised.

For every major contract, overall customer satisfaction with service delivery and outcome is at least 90% by the end of 2024.

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# 2 We will utilise our own internal frameworks and e-tendering system to efficiently and effectively procure and manage contracts.

To deliver on this objective we will:

- Expand DPS approved supplier list with local SMEs and other companies to strengthen supply chain contingency.
  - Ensure social value is embedded in all appropriate procurement processes and specifications and there is a framework for measurement.
- Ensure environmental sustainability is considered in all procurement processes.

Supplier lists that cover all of our business needs.

Demonstration of social value and environmental sustainability is included within all new specifications and positive outcomes generated.

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#### Develop and co-ordinate the delivery of an efficient and effective procurement service.

To deliver on this objective we will:



- Centrally monitor all procurement activity and emerging industry standards.
- Continue to deliver procurement training to all procuring departments across the organisation.
- 🔊 Establish a suite of KPIs for all key contracts and monitor on a regular basis via a robust contract management process.
- Regularly monitor procurement resource and capacity.

- All procurement spend has appropriate contracts or frameworks in place that adhere to legislation and standing orders.
- All suppliers meet Orwell's minimum standards and eligibility criteria.
- Training and documentation is kept up to date across the organisation, in line with emerging changes as part of Transforming Public Procurement

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### Improving value for money, service and driving innovation and change

To deliver on this objective we will:



Analyse and review approved supplier list to ensure best value.

Spend analysis to be used to understand spend leakage and the supply chain and inform prioritisation of areas for attention to maximise benefits and cost savings.

Conduct routine analysis of supplier performance, cost, financial status, added social value and assessment of risk.

Consider joint procurement opportunities with local registered providers through new and existing partnerships.

- Incorporate customer feedback in future procurement activities including, but not limited to, tender specifications, evaluation and monitoring. Formally evaluate and record lessons learned to feed into future procurement activity.
- Mork with peers to establish best practice.
- / Include a VfM section within our tender documents to achieve buy-in from suppliers and contractors to Orwell's VfM and social value.
- A Ensure all tendering includes an appropriate evaluation split between price and quality

- All spend captured within formal contract arrangements by the end of 2026.
- Using information from tender submissions during 2023, we will establish a VfM savings benchmark to be used in all tendering from 2024.

All DPS categories and frameworks will have an approved supplier offering covering full span of supply and customer choice.

Joint procurement opportunities are explored and taken forward.

All new tender specifications and evaluations from 2023 include customer focus.

All new tender requirements from 2023 include scenario-based questions.



If you would like this leaflet in another language or format please email comms@orwell-housing.co.uk or call 0345 60 100 30

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