Procurement Policy

1.0 Purpose and Scope

Each year Notting Hill Genesis (NHG) spends over £600m on goods, works and services.

The purpose of the policy is to set out NHG's approach when purchasing goods, works and services. It aims to ensure procurement activities obtain value for money, demonstrates propriety and good practice, complies with legal requirements, and ensures any subsequent contract awards, enhance our resident's experiences, living in our homes.

This policy sets out the principles we adhere to when undertaking procurement activities and our commitment to ensure:

- Value for money for our customers and service users
- Compliance with Public Contract Regulations 2015 (PCR2015), applies prior to 24 February 2024. Any frameworks or contracts awarded under these Regulations will continue to be governed by these for their term.
- Compliance with the Procurement Act 2023 (PA23) and Procurement Regulations 2024 (PR24) applies from 24 February 2025.
- Transparency and fairness to prevent fraud and bias in our procurements
- Employees of NHG understand the procurement rules and implications

The policy applies to all NHG procurement contracts except for Contracts of Employment for permanent or temporary staff where such staff are employed and paid directly by NHG.

As with the Financial Regulations, except where noted to the contrary, all references to financial limits are to figures that are exclusive of any applicable Value Added Tax (VAT). Where there is a conflict between this Policy and the Financial Regulations, the latter will take precedence.

The policy should be read in conjunction with the current Financial Regulations. It forms part of the Standing Orders of NHG and sets out the obligations that all employees should comply with when considering and making contractual commitments with third parties on behalf of NHG.

2.0 Fraud Risks

NHG is committed to the highest possible standards of openness, honesty, integrity and accountability. Identified fraud risks related to procurement activity have been identified in the table below, together with the associated control measures;

Fraud Risk	Control
Bid rigging / Collusion	Tenderers (i.e. potential suppliers) are required to complete and sign a “Form of Tender” where they warrant amongst others that they have not entered into any agreement with the aim of preventing submissions being made or as to the fixing or adjusting of the amount of any submission or the conditions on which any submission is made. NHGs Code of Conduct is clear that if staff have personal or confidential information on tender costs or other commercially sensitive information, then they must not disclose that information to any unauthorised person or organisation.
Tender manipulation	NHG has a number of controls in place to mitigate tender manipulation and ensure transparency, integrity, and fair competition throughout the procurement lifecycle. In pre-tender stage, contract specifications are developed which are generic and functional, avoiding tailoring to a specific supplier capabilities. All potential tenderers have equal time to prepare and submit bids, and opportunities are widely disseminated via tender advertisements to encourage a wide range of potential suppliers. At tender and evaluation stages, all bids are sealed and kept securely until the official opening date to prevent information leaks, via our e-procurement system. No single individual has control over the entire process with evaluation conducted by at least 2 individuals, based on fair, pre-disclosed criteria. This is independently chaired by a procurement lead, who maintains a clear, documented audit trail of all decisions and scoring rationales.
Contract splitting	As per NHG Financial Regulations, orders may not be split or otherwise placed in a manner devised to avoid the Financial Thresholds.
Conflict of Interests	All NHG employees are required to complete a declaration of interest form and declare any potential conflict of interest. As per NHG Code of Conduct this is required to be updated if any information previously provided has changed and/or at any point, although usually on an annual basis. A further declaration in relation to each procurement exercise is required for all those involved in an individual procurement process, above the Procurement engagement thresholds. Procurements subject to PA23 / PR24 Regulations also require that conflicts of interest or perceived conflicts of interest are assessed throughout the procurement cycle.
Bribery	NHG has a clear Gifts and Hospitality policy in place. In addition, the implementation of a structured governance framework supported by clear operational controls, which include – a Gifts and Hospitality declaration form, with line management approval. Declarations are reviewed independently by the Compliance Team, who also maintain a central G&H register, which is reviewed and presented quarterly to the Audit and Risk Committee (A&RC) to provide assurance and

	oversight. Procurement activities and contract registers across the organisation are reviewed alongside G&H declarations to ensure alignment and identify any potential conflicts of interest.

NHG operates to the highest ethical standards and expects all employees at all levels to always act with integrity. NHG does not tolerate fraud, bribery or corruption and is fully committed to the prevention, detection and investigation of all its forms. Any allegations will be thoroughly investigated by means of disciplinary action or by reporting the matter to the police.

3.0 General Principles

Each NHG Executive, Director or their nominated Director or Assistant Director is accountable for ensuring compliance with this policy. It is the responsibility of each Director to ensure that any of their employees undertaking procurement activity comply with this policy.

We procure all contracts in line with the Public Contract Regulations 2015 (where applicable) and the Procurement Act 2023 / Procurement Regulations 2024. This means in carrying out a procurement covered by these regulations NHG must have regard to the importance of

a) Delivering value for money

b) Maximising public benefit

c) Sharing information for the purpose of allowing suppliers and others to understand our procurement policies and decisions

d) Acting, and being seen to act, with integrity.

4.0 Definitions

Contract/agreement: The commercial and legal relationship that is put in place between two parties.

Procurement: The process by which goods, works and services are sourced and secured. Examples of goods are stationery, furniture, computer equipment etc. Examples of Services are grounds maintenance, ICT support, internal audit and consultancy etc. Examples of Works are window and door installation, external property decoration etc.

Central Digital Platform (CDP): The Procurement Act 2023 legislates for provision of a central digital platform to facilitate the publishing of required notices and documents in accordance with the new regulations.

Public Contracts Regulations 2015 (**PCR2015):** Statutory regulations that apply to procurement activity above the thresholds outlined below. These apply to procurements commenced prior to 24 February 2025.

Procurement Act 2023 / Procurement Regulations 2024 (PA23 / PR24): Statutory Regulations that apply to procurement activity above the threshold outlined below. These apply to procurements commenced after 24 February 2025.

'We': Notting Hill Genesis (NHG) as an organisation

Financial Regulations: These are produced by the Chief Financial Officer and set out the main policies and procedures that all staff must follow when handling NHG finances. From planning, banking and insurance to salaries or petty cash, they're used by all NHG companies. The document also includes sign off approval limits (**standing orders**) for staff across NHG.

5.0 Financial Commitment Thresholds

The type of procurement carried out depends on the contract value. We consider the total contract term, including extension options, when determining the value of a financial commitment, for example, if the annual cost of a service is £20,000 and a contract length of five years is required, then the financial commitment will be £100,000.

6.0 PCR2015, PA23 / PR24 Thresholds

Under the PCR2015, PA23 / PR24 NHG is seen to be a "contracting authority" and therefore must comply with the Regulations for any procurement above the following thresholds:

Category	Financial Thresholds
Goods	£207,720 (incl VAT), £173,100 (excl VAT)
Services	£207,720 (incl VAT), £173,100 (excl VAT)
Works & Concessions	£5,193,000 (incl VAT), £4,327,500 (excl VAT)

7.0 PCR2015 Procurement Procedures

There are six different procurement procedures that can be utilised under the PCR2015. We select the most appropriate procedure for the procurement, producing a contract, framework agreement or dynamic purchasing system.

A framework agreement is an 'umbrella agreement' that sets out the terms under which individual contracts (call-offs) can be made throughout the period of the framework. We have a range of framework agreements in place and procure from other contracting authorities frameworks.

A Dynamic Purchasing System (DSP) is a procedure available for contracts, works, services and goods commonly available on the market. As a procurement tool, it has some aspects that are similar to a framework agreement, but where new suppliers can join at any time.

These Procedures are only available up to the 23 February 2025, following which the Procurement Act 2023 and Procurement Regulations 2024 will apply (see below).

8.0 Procurement Act 2023 / Procurement Regulations 2024 Procedures

The Procurement Act, which will reform the existing Procurement Rules, received Royal Assent in October 2023. In March 2024, the Procurement Regulations 2024 were laid in Parliament to bring some elements of the Bill and the wider regime into effect.

On 12 September 2024, Cabinet Office has announced that the Procurement Act 2023 will now commence on 24 February 2025. These outline the two competitive tendering procedures in the PA23 & PR24: the open procedure and the competitive flexible procedure.

9.0 Internal thresholds

For procurements below the PCR2015, PA23 / PR24 thresholds we have our own internal thresholds for obtaining quotations to ensure value for money for the business and customers. These are outlined in the table below.

We have a list of approved suppliers that we obtain quotations from on occasion.

Net Value of Contract (£, excl VAT)	Full Procurement process	No of Quotes
£0-£50k	Below Threshold Quote	Staff should obtain at least one written quotation from an existing (where applicable) supplier / contractor. Evidence of these should be retained locally for audit purposes.
£50k+ - £173K	Below Threshold Quote	Staff should obtain at least three written quotations, from existing (where applicable) suppliers / contractors. Should staff fail to obtain the required number of quotations, in line with the Financial Regulations, authorisation must be sought from an Executive member for the relevant business area. Evidence of quotes or Executive approval should be retained locally for audit purposes.

Procurement Engagement Required Above £173,100 (excl vat) (excluding call off contracts from pre-approved Group frameworks).

£173K+	Full above threshold tender for Goods and Services	Procurement to be conducted in compliance with the relevant Regulations – PCR2015 or PA23 / PR24.
£4.3M+	Full above threshold tender for Works	Procurement to be conducted in compliance with the relevant Regulations – PCR2015 or PA23 / PR24.

Where Section 20 applies, the Service Charge team are to be consulted before a contract is entered.

10.0 Managing the Tender process

We advertise and administer all above threshold procurements through the e-Tendering portal Delta e-Sourcing, which in turn is linked to the Central Digital Platform (CDP), which ensures compliance with the transparency requirements of the PA23 / PR24.

We ensure the principles of the PCR2015, PA23 / PR24 are reflected within all procurement processes, including how it supports our corporate strategic objectives.

All communication and bids are submitted electronically via the e-Tendering portal to ensure consistency and auditability. All bids are evaluated according to the evaluation process set out within the tender documentation.

11.0 Delta

Delta e-Sourcing is the e-Sourcing system NHG use to procure all our tenders. Any employee that requires access to Delta will need approval from their group director explaining why they require the access.

12.0 Value for Money

We comply with the Regulator of Social Housing published Value for Money Standard and Code of Practice.

We are also committed to maximising value for money for residents and other stakeholders in all our activities including the procurement of third-party goods and services.

The PA23 / PR24 moves away from the existing requirement to award contracts to the 'Most Economically Advantageous Tender' ("MEAT") by instead requiring contracts to be awarded to the 'Most Advantageous Tender' ("MAT"), being the tender that a contracting authority considers both:

- satisfies its requirements; and

- best satisfies the award criteria, which can (as previously) include both price and quality evaluation.

We recognise our duty to deliver value from every pound that is spent. Therefore, we will assess the quality and price of the supplier's goods, works and services, alongside wider social value, environmental and community-based considerations. Each tender will be carefully reviewed on a case-by-case basis to ascertain the correct quality/price ratio.

13.0 Assessing the Economic & Financial Standing of Suppliers

Assessing the economic and financial standing of suppliers is about understanding the financial capacity of suppliers to perform a contract in order to safeguard the delivery of goods, works or services.

For above threshold procurements, PA23 allows NHG to set conditions of participation that a supplier must satisfy in order to participate in a competitive tendering procedure, this includes conditions relating to a supplier's financial capacity. Any conditions must be a proportionate means of ensuring suppliers have this capacity or ability, having regard to the nature, cost and complexity of the particular contract.

NHG adopt a standardised Financial Assessment Template, which assesses financial performance against a set of metrics and ratios, which includes minimum turnover thresholds.

14.0 Dispute Resolution

Any disputes between NHG and our suppliers/contractors are resolved in accordance with the applicable contract terms and conditions.

15.0 Corporate Responsibility

We maintain a sustainable and ethical supply chain.

We require all our suppliers and their supply-chains to operate responsibly from an economic, social and environmental perspective and have developed a "responsible procurement charter" that outlines the requirements.

Through the tender process, we request a proportionate level of detail from a supplier, including information about their approach / processes etc to determine their suitability to work with NHG and represent our values.

16.0 Safeguarding

Safeguarding means protecting the rights of adults at risk and children to live in safety, free from abuse and neglect. We require all our suppliers and their supply chains to comply with our safeguarding policies and procedures. We ask all suppliers working for NHG to self-certify that their organisation will agree to comply with our Safeguarding policy and will ensure that their staff have read and will comply with the policy, including an understanding on how to report concerns.

17.0 Modern Slavery Act

In line with the Modern Slavery Act 2015, we take several steps to ensure our business and supply chains are free from modern slavery, including:

- Requiring our suppliers to adopt an anti-slavery stance
- Training our contract managers to ensure they are alert to indicators of modern slavery
- Where we become aware of any unacceptable practices in our supply chain, either taking steps to ensure our supplier rectifies this or stopping work with them

18.0 General data protection regulation (GDPR)

The General Data Protection Regulation (GDPR) applies to companies in the UK and has replaced the Data Protection Act 1998. The GDPR expands the definition of personal data and introduces a new principle of accountability.

To ensure our business and supply chain is fully compliant with the new regulations, we:

- Reflect the new regulations in standard contract clauses for all our suppliers and subcontractors
- Require independent assessment by the internal data protection teams of suppliers GDPR policy and procedures to determine compliance.

19.0 ISO 27001 – Information Security

Prior to an engagement with a supplier, we identify any risks associated with the engagement where information is to be shared with or accessed by a supplier, managed service provider, vendor, third party or outsourced service provider and the supply chain.

These are independently assessed by internal cyber security teams to determine compliance.

20.0 Docusign (Contract Execution)

The signing of any contract to purchase goods, services or works must be in line with authorisation limits set out in appendix A (delegated authority levels).

Documents to be Executed Under Seal or Deeds are not to be signed via DocuSign. Please continue to sign these documents as outlined in the NHG Financial Regulations.

Under no circumstances are staff permitted to copy an existing DocuSign signature or reference number and utilise this across documents. Each document signed using this tool must have its own unique “Certificate of Completion” to verify authentication. Failure to comply with this may result in an investigation as a disciplinary matter under NHG’S code of conduct.

21.0 Procedure for flagging non-compliant contracts

Below is a list of key requirements for consideration where a non-compliant contract is flagged.

Key Requirement	Risk	Action
Landlord & Tenant Act 1985, Section 20	By law, leaseholders must be consulted before a landlord carries out works above a certain value. Section 20 (S20) is a clause in the Landlord and Tenant Act 1985 intended to protect leaseholders from paying unnecessarily large sums for work carried out to their building. In summary it says that a leaseholder's contribution to the cost of work will be capped if the landlord or their agent fails to follow set consultation procedures first. A S20 consultation must be carried out if any one leaseholder's contribution to the work is estimated to, or does, exceed £250. When calculating the estimated cost, VAT and any consultants' fees must be included. The penalty for failing to consult properly before commencing work is that you will only be able to recover £250 per leaseholder — regardless of the final bill. Failure to consult also opens NHG to loss of income and claims for negligence. Consultation is required with leaseholders and any Recognised Tenants Association (RTA).	Cease any further orders with the supplier and review the costs of the leaseholders effected to determine if it exceeds the £250 limit.
Modern Slavery Act 2015	The Modern Slavery Act 2015 is a UK act of Parliament designed to tackle slavery and human trafficking. Specifically, it introduces new requirements for	Liaise with the procurement team and Safeguarding

	organisations in regard to their business and supply chains. NHG is required to produce an annual statement setting out the steps it has taken to ensure there is no slavery in our business and supply chains. Entering into a non-compliant contract that has not been through a robust procurement process (where provisions exist in the terms to govern these elements) opens the organisation up to both legal penalties and could cause reputational damage.	Lead to review Modern Slavery risks associated with the contract.
General Data Protection Regulation	The General Data Protection Regulation (GDPR) is a framework for data protection laws and has changed the way businesses and public sector organisations handle the information they hold about their staff and customers. GDPR is concerned with personal data, which is any information that directly or indirectly relates to an individual. Where NHG contract a third party, we are required to ensure that they meet the same standards that we do in relation to personal information. We need to issue a contract which contains the data protection clauses that we need them to sign. Entering into a contract non-compliantly could mean NHG does not have these provisions, including an information sharing agreement, also known as a data sharing agreement, which are a set of common rules binding on all organisations involved in an information sharing initiative. This could represent a data breach which is reportable to the Information Commissioner's Office (ICO). In the event of serious or repeated data breaches, the ICO may impose fines and sanctions on an organisation.	Liaise with the Head of Data Protection to determine GDPR risks and whether it could represent a data breach which is reportable to the Information Commissioner's Office (ICO).
Insurance	The importance of supplier's insurance cover to NHG cannot be underestimated. As such, it is advisable to contractually stipulate that a supplier holds the relevant business insurance level for the type of works / services that they are delivering. It is vital to know that our suppliers hold the correct form of business insurance, so if the unexpected does occur NHG interests will be safeguarded.	Liaise with the Group Insurance Manager to determine the level of insurance required for the activity.

Public Contracts Regulations 2015	The Public Procurement (Amendment etc.) (EU Exit) Regulations 2020 SI 1319 (PP Amendment Regulations 2020) set out amendments to the: Public Contracts Regulations 2015 (PCR). The Procurement Act 2023 and Procurement Regulations 2024 (from 24 February 2025) These regulate the purchasing by public sector bodies of requirements above certain thresholds (see 5.0 of the Procurement Policy for current thresholds). Entering into a contract non-compliantly in breach of these Regulations a court may declare the contract ineffective, shorten the contract, and fine the contracting authority. In addition, a bidder may claim damages for its losses resulting from the breach. There is no prescribed "tariff" for fines. However, the Regulations do state that fines must be "effective, proportionate and dissuasive".	Liaise with the procurement team to determine if there is a breach of the PCR's, PA23 / PR24

22.0 Other useful links

- Responsible Procurement Charter
- Code of Conduct
- Anti-bribery policy
- Anti-fraud policy
- Docusign User Guide
- Safeguarding policies and procedures
- Financial Regulations

23.0 Reference

- Public Contracts Regulations 2015
- Procurement 2023 / Procurement Regulations 2024
- Landlord & Tenant Act 1985, Section 20
- Public Services (Social Value) Act 2012
- Modern Slavery Act 2015
- General Data Protection Regulation

Document control

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23/04/21	Internal threshold Amendments/Removal of OJEU references	1.2
07/05/21	Adding ‘Procedure for flagging non-compliant contracts’	1.3
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24/02/25	Updating to reflect change to Procurement Regulations and Procurement engagement thresholds	1.6
12/12/25	Updating to reflect Procurement Act thresholds, added additional information related to fraud risks and assessing the economic & financial standing of suppliers	1.7