



Procurement Team

Procurement Policy

Regulation and Legislation	This policy links to Bribery Act 2010, Building Safety Act 2022, Criminal Finances Act 2017, Equality Act 2010, Landlord & Tenant Act 1985, Modern Slavery Act 2015, PPN 06/20 - Social Value, PPN 06/21 - Net Zero, PPN 11/23 - Public Procurement Thresholds, Proceeds of Crime Act 2002, Procurement Act 2023, Public Contracts Regulations 2015, Regulator for Social Value for Money Standard 2018 (updated 2021), The Money Laundering (Amendment) Regulations 2012, The Timber & Timber Products Placing the Market Regulations (UKTR) 2013
Supporting documents	Procurement procedure, Value for Money strategy, Business Conduct and Professional Standards document and Sustainability Strategy, Sustainable Supplier Charter, Supplier Social Value Framework, Record Management Policy and Procedure, Orbit's data retention schedule
Scope	This Policy covers the sourcing, selection, monitoring, and management of Orbit's supply chain, including contractors, consultants, other service providers and suppliers of goods.
Reference to "Orbit" means Orbit Group which consists of Orbit Group Limited, Orbit Housing Association Limited, Orbit Homes (2020) Limited, Orbit Treasury Limited and Orbit Capital Plc.	

1. Introduction

Due to the use of public funds to support Orbit as defined within the Public Contract Regulations 2015 and Procurement Act 2023, Orbit is subject to public procurement laws and regulations, specifically the Procurement Act 2023 (and its predecessor Public Contract Regulations 2015). This policy sets out our purpose and is supported by Orbit's future procurement strategy and Procurement Procedures. All procurement activities will support Orbit's 2030 Strategy and Sustainability Strategy.

2. Policy Statement

Orbit's purpose is "providing good quality, affordable and safe homes and creating inclusive and sustainable neighbourhoods that prioritise the wellbeing and aspirations of customers. It also means helping our customers to sustain their tenancies and providing them with access to services and support to help them improve their opportunities and navigate the challenges that may throw them off course." This is supported by Orbit's vision to provide amongst the best customer experience of any housing association in the country by building and maintaining safe, quality homes that our customers love, both sustainably and at scale, supported by excellent customer service. Our values are:

- Respect and value our customers;

- Support and care about each other;
- Grow and achieve together.

Procurement will be undertaken in a way that creates a contractual obligation that ensures that suppliers actively assist in the achievement of our 2030 strategy and are rewarded accordingly.

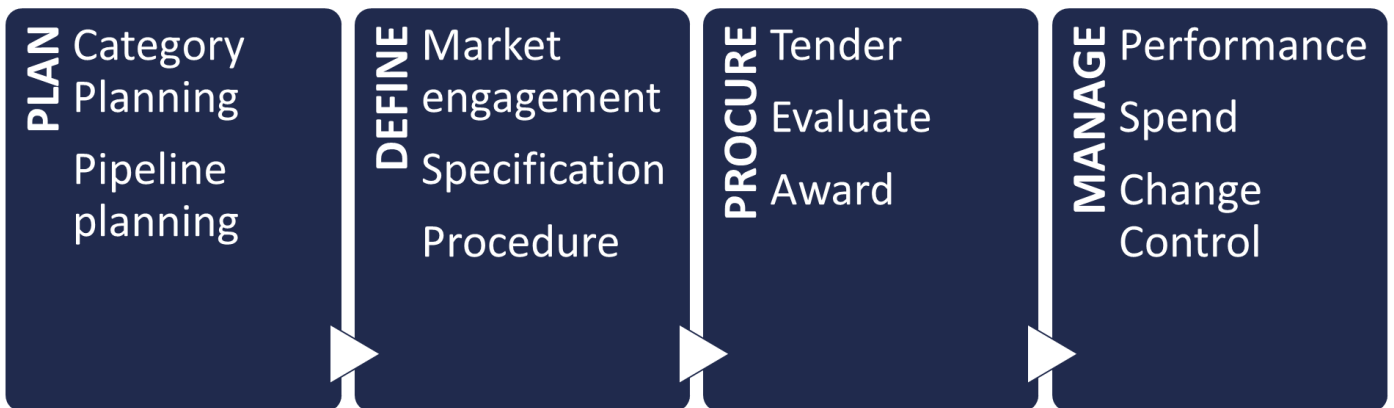
To support this, in conjunction with our suppliers, Orbit will:

- Comply with this policy to ensure that we achieve best value when investing Orbit's resources;
- Comply with applicable legislation;
- Support Orbit's 2030 Strategy and deliver value to our customers;
- Support Orbit's Sustainability Strategy and our Sustainable Supplier Charter when undertaking procurement decisions;
- Ensure that only colleagues with the right level of competency and skills undertake procurement and contract management activity, in accordance with Procurement procedures;
- Ensure that all procurement and payment activity is transacted through the purchase to pay (P2P) system.

3. Procurement Act 2023

The Procurement Act 2023 has broadened the scope of Procurement from purely focusing on the tender process to the end-to-end contract lifecycle.

This contract lifecycle covers:



The new legislation provides greater focus on transparency throughout the full contract lifecycle requiring more data sharing via notices. The New notices are outlined in *red italics* below.

We have started changing our processes as we get ready to comply with these requirements. (These are set out in more detail in the Procurement Procedure).

The New notices will require us to collate the following data during the contract term:

New notice	Required data	Source of data
<i>Pipeline notice</i>	Minimum 18 months forward plan of tenders and contract extensions.	All service areas
<i>Procurement termination notice</i>	Details of why a tender can't be awarded	Procurement
<i>Contract detail notice</i>	Details of evaluation outcome with complete feedback and the KPIs that will be measured	Procurement/ Project lead
<i>Contract performance notice</i>	3 KPIs to be reported for contracts over £5m incl. VAT at least once per year	Project lead/ meeting minutes
<i>Contract change notice</i>	Details of any change over £30k (including VAT) for a Services' contract or over £625,000 for a Works' contract	Project lead

Failure to comply with the legislation could lead to legal challenge damages being awarded against Orbit amongst other repercussions.

These provisions will apply to **all** Capital contracts over £5,372,609 for the duration (including 20% or applicable VAT) and **all** contracts for supply of goods and/ or services over £214,904 (including 20% or applicable VAT). These values are assessed against the full duration of the contract term (Total Contract Value). For example, a contract for services with an estimated annual value of £37,000 (excluding VAT) for 3 years with an option to renew for up to 2 years would be subject to these provisions (£37,000 pa x 5 years + 20% VAT = Total Contract Value £222,000 (£185,000 plus £37,000)).

Procurement will work with all teams to create a pipeline of activities for publication and to provide appropriate guidance and support.

4. Roles and Responsibilities

Executive and Leadership Teams

- Ensure that every part of the business complies with the policy and addresses any issues where non-compliance is identified.

Procurement Teams

Procurement is a centralised function under the Finance Directorate. Commercial & Property, Corporate and Homes' Procurement teams have been combined into one function. Accountability for this Procurement Policy has transferred from Business Assurance to Procurement accordingly.

The primary roles of the Procurement team are to:

- Understand and comply with Group Standing Orders, procurement procedures and related legislation and policies.
- Comply with the provisions of the Procurement Act 2023.
- Initiate appropriate checks based on risk – Data Protection, Cyber Security, Modern Slavery 2015, Environmental protection, materials as necessary.
- Provide strategic procurement advice to the business and lead on procurement activity within agreed categories.
- Facilitate ownership of procurement categories across the business and embed category management across the business.
- Maintain records to ensure that suppliers are onboarded in accordance with Orbit policies and procedures
- Ensure that suppliers and Orbit operate in accordance with contractual obligations
- Ensure that business needs are met through its procurement of goods, services, and works.
- Ensure that value for money is achieved, including through implementation of group-wide contracts – to be reported quarterly.
- Ensure we meet our obligations under Orbit's Sustainable Supplier Charter
- Advise, guide, and support the development of and adherence to procurement policy, best practice, and law.
- Assess procurement and contract management competencies across the Group and implementation of appropriate training.
- Comply with and, where appropriate, promote equalities legislation and policy.
- Comply with and, where appropriate, promote environmental legislation and our environmental policy.
- Implement relevant technology solution, including e-procurement, to minimise purchase to pay costs and support our digital aspirations.
- Manage contracts in line with agreed category management responsibilities as applicable.
- Manage contract data, supplier information and spend profiling.
- Fully understand costs, negotiate when costs change, or new costs arise and at contract extensions/ break points.
- Maintain resilience among the supply chain and identify and mitigate vulnerabilities.

Employees

- Understand and comply with Group Standing Orders, Document signing process, procurement procedures and related legislation and policies.

- Identify Community Investment, Social Value and Social Enterprise opportunities.
- Build capability and capacity by completing all procurement and contract management training offered.
- Ensure contractors meet their obligations under the Sustainable Supplier Charter
- Strengthen supplier relationships and reduce contract failures.
- Make sure contracts are managed effectively.
- Maximise value for money.

5. Cybersecurity

For Orbit's IT and Security teams to protect the organisation from cyber-attacks and data breaches and to comply with Orbit's level of risk as set by the Board, all IT solutions must adhere to the 5 core security principles detailed in the box below. Any exceptions to these, must be risk assessed on a case-by-case basis and the outcome documented. The technology solutions are those:

- Hosted by Orbit or third parties
- Accessed by Orbit staff during the course of normal business
- That contain Orbit data – staff, customer, business

1. Information security engagement

Orbit's IT and Security teams must be engaged at the inception stage before procuring and/or contracting any service that involves sharing/transferring/storing of Orbit's data on third party technology or systems.

2. Align with data protection principles

Any sharing/transfer/storage of Orbit data must align with Orbit's Information Governance and Data Protection Principles.

3. Access automation and least privilege

Access to the system must only be limited to what the user requires to process the data and approval for this must be provided through Orbit's authorised directory. E.g SSO via Active Directory or Azure AD.

4. Data classification and encryption

All personal and commercial sensitive data at rest and transit must be encrypted.

5. Policy compliance

Colleagues must always comply with Orbit's Information Security and Acceptable Use Policies.

6. Data retention

All data will be retained in accordance with Orbit's Data Protection Policy Orbit's Record Management Policy and Orbit's Data Retention Schedule.

7. Performance Controls and Business Risk

7.1 Compliance with this policy will be monitored by the Procurement team with support from the internal audit service.

Outcomes from the compliance activities will be reported to individual SMT's, the Executive Team (ET) and Audit and Risk Assurance Committee (ARAC) through the internal control environment (ICE) framework.

The Procurement Team will monitor these KPIs, monthly auditing and reporting performance details in line with the internal control environment.

- Supplier Assurance (Supplier compliance with regulatory H&S / Insurance etc)
- Contracts in place with all suppliers
- Supplier monitoring
- Risk assessment (Data Protection, cybersecurity, Modern Slavery 2015)
- Procurement Act 2023 compliance.

The key risks to Orbit in the delivery of this policy include the following:

- Regulatory risk due to non-compliance with public procurement obligations
- Non-compliance with statute and associated penalties
- Business and supply chain continuity
- Reputational damage in the event of poor supplier performance
- Reputational damage in the event of failure to mitigate modern slavery risks
- Reputational damage in the event of environmental incident or failure to align with Orbit's sustainability objectives
- Legal sanction in the event of data protection or cyber security breaches
- Orbit not having new contracts in place before existing contracts come to an end
- Challenge from suppliers leading to potential financial and reputational damage for Orbit
- Failure to maximise potential of efficiency and costs savings arising from consistent and co-ordinated procurement action
- Failure to deliver on contractual obligations including KPI's, which could include social value, waste management and carbon reduction.

Reports will be developed and shared with ET and Leadership team and will inform our position with respect to the above.

7.2 Orbit will carry out a fundamental review of this policy every three years subject to legal, regulatory changes or in accordance with the agreed Policy Review programme.

8. Essential information

- 8.1 All Orbit policies and procedures are developed in line with our approach to the following, data protection statement, equality diversity and inclusion (EDI) approach, complaints and customer care policy and our regulatory and legal obligations to ensure we deliver services in a lawful manner and treat people equally and fairly. Orbit's privacy policy can be accessed on our website www.orbitcustomerhub.org.uk/publications/policies/

EA	Equality Analysis was reviewed in January 2025 and is available to view.
DPIA	A DPIA was reviewed in January 2025 and is available to view.
Consultation	Internal: Regional Managing Directors (Homes) Commercial & Property Data Protection Business Assurance Finance
	External: N/A
Applies to	All employees

Document control

Status

Approved

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Feb 2025

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Date

Approved by	ET	February 2025
Next review		Qtr 4 2027/28

Extension date	Extension reason	Approved by

Revision History

Version Number	Date	Comments / Reason for revision
V1.0	May 2022	New template and new policy to reflect current organisational changes and processes
V1.1	Feb 2023	Addition of section 5 Security
V2.0	Jan 2025	Updates for Procurement Act 2023 and to include Orbit Homes.