



procurement strategy

2021-2024

1.0: Introduction

1.1 Irwell Valley Homes (IVH) is committed to making the best use of our available resources and being transparent and fair in the way we procure goods, services or works from external suppliers and contractors.

1.2 Our mission is to support people to reach their potential, providing great homes in good neighbourhoods and helping customers to live successfully in them.

1.3 The objectives underpinning the Procurement Strategy ("the Strategy") are:

- To think strategically about what we buy - in line with the priorities set out in our Corporate Plan 5.3.1
- To be consistent and compliant in how we buy - to comply with procurement legislation and our own procurement rules and ethical standards
- To deliver Value for Money (VfM) when we buy – to make sure we spend the income we receive from customers and other stakeholders wisely. This includes social, environmental and quality considerations as well as economic
- To manage our supply chain effectively after we buy – by ensuring we have a good understanding of the market, products and direct and indirect suppliers.

1.4 The implementation of the Strategy is facilitated by the IVH Procurement Team who work to a three-year Procurement Plan (appendix one), to ensure that goods and services are procured in line with business and customer requirements.

2.0: How does the Procurement Strategy link into our Corporate Plan 5.3.1

2.1 The Strategy supports Plan 5.3.1 as we procure goods, services and works that help to deliver our objectives under the four key themes of:

- Sustain
- Improve
- Secure
- Create More

2.2 We set targets for the delivery of procurement efficiencies under the cross-cutting supporting theme of **Lean**. The annual target that we set is based on the three-year Procurement Plan.

2.3 In 2021/22 we will start to collate information on the carbon footprint of our suppliers as well as measuring carbon reduction based on the procurement of new fleet. This is linked to another cross-cutting supporting theme of Plan 5.3.1, **Green**.

3.0: What we look for from our suppliers

3.1 IVH looks for the following from its suppliers and contractors:

- Financial, commercial and technical capability to meet our business requirements
- Compliance with relevant legislation and standards, particularly with regards to health & safety standards
- Commitment to meeting agreed performance standards as set out in the contract
- Commitment to Living Wage standards
- Commitment to supporting the delivery of Social Value
- Commitment to supporting the delivery of our Environmental Strategy.



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3.2 In return, IVH will:

- Set clear performance expectations for all suppliers and contractors
- Establish and maintain good working relationships with suppliers and contractors
- Keep suppliers and contractors abreast of changing business priorities and requirements to enable workforce and resource planning
- Pay our suppliers on time and treat them with courtesy and respect.

4.0: How we procure goods, services and works

4.1 Our approach is set out below:

1. Understanding how we spend money – we have adopted a category management approach to analyse the suppliers we use across different categories of spend, how much we spend with each and how regularly we use them. The output of the category management model serves as a knowledge base and enables us to make decisions about how to drive the most value from each category. We will aim to keep the number of suppliers in each category to an optimum level, whilst ensuring Value for Money

2. Determining business and customer requirements – the Procurement Team will work with contract managers across the business to develop a tactical plan for how this Strategy will be implemented, in a way that aligns and prioritises different business and customer requirements, in the context of the resources available and whether or not the service can be delivered in-house. The timeline of requirements is set out in the rolling three-year Procurement Plan.

3. Assessing market conditions – the Procurement Team will work with contract managers to establish and maintain a deep understanding of the market, products, suppliers and supply chain. This will include:

- An assessment of the availability and suitability of procurement frameworks
- Consideration of innovative products and services
- Alternative options in the case of supplier failure or market disruption
- Market testing and benchmarking of the supplier base for competitiveness
- Consideration of improvements in the supply chain and the impact of the supply chain on our ability to deliver services.

This assessment of the market will be continuous throughout the contract timeframe and for significant contracts, will be linked to the contract risk register.

4. Determining the optimum balance between cost and quality – each time we procure goods and services we will consider the appropriate balance between cost and quality, depending on the nature of the supply. We will monitor and track the VfM delivered for each tender. For contracts where the service is being provided directly to customers, we will involve and consult with customers to establish their requirements.

5. Complying with legislation, regulations and standards – the Procurement Team will ensure that tender and evaluation processes from contract advertising or request for quotation, through to award stage, complies with all legal requirements and external and internal regulations. These requirements are set out in our Financial Regulations. We will maintain a contract register that includes up to date relevant contractual documentation for each contract and an up to date assessment of financial standing of suppliers. This will help to protect our customers and the business against risk.



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5. Delivering social value – We will procure goods, services and works in a way that secures additional benefits from our supply chain to generate social value opportunities that directly benefit the residents and communities of IVH.

We will set expectations for the delivery of social value as part of the tender process for new contracts, involving customers in this process for relevant contracts. Contractors and suppliers will be requested to pledge what they will deliver each year of the contract term. Social value pledges will form part of their contractual obligations to deliver outcomes in line with submitted tenders. We will track the delivery of social value as part of the performance management processes for the contract.

Our procurement activities sustain and maintain a significant number of jobs within Greater Manchester and we are committed to working with suppliers who pay the Living wage and operate within Greater Manchester creating opportunities for local people.

6. Reducing our environmental impact – IVH has pledged to become a zero-carbon organisation by 2038 in line with many other Greater Manchester Housing Providers (GMHP). We have set out our medium-term priorities to reduce our carbon emissions over 2020-25 in our Environmental Strategy Action Plan. We want to work with like-minded partners to enhance our contribution to overall carbon reduction and will choose companies to work with based on their commitment to environmental sustainability.

We will set expectations for suppliers with regards to carbon reduction measures as part of the tender process and will track the delivery of this through the contract.

7. Exploring partnering opportunities – we will work with colleagues across Greater Manchester to explore opportunities for partnering and joint procurement, with a view to increasing purchasing power, reducing costs, and maximising investment and impact. We will also consider long-term partnership opportunities with suppliers, where this is beneficial to customers and IVH.

8. Embedding equality, diversity and inclusion – We will embed equality, diversity and inclusion through all our procurement activities from initial engagement through to contract by actively promoting the importance of this in our tendering process, and ensuring suppliers and contractors meet mandatory commitments and comply with their legal obligations.

Our aim is to create a diverse and integrated workforce within IVH and the supply chain. We will also ensure that contracts directly affecting our customers take their diverse needs and requirements into account.

5.0: How will success be measured

5.1 Success will be measured through:

- Achievement of the three-year Procurement Plan and annual efficiencies target, as set out in the VfM Strategy and agreed annual VfM metrics
- The delivery of social value through procurement, including for example the proportion of spend with businesses with an operating base within Greater Manchester, the number of suppliers that pay the Living Wage and the number of apprentices employed by contractors
- The contribution of procurement to carbon reduction and the Environmental Strategy, through direct reduction of carbon emissions or reductions in the supply chain.





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6.0: Responsibilities and monitoring

6.1 The Executive Director of Finance & Governance is ultimately responsible for this Strategy and the Head of Supply Chain is responsible for its effective implementation.

6.2 The Audit Committee is responsible for approving this Strategy. The Committee is also responsible for monitoring the delivery of the three-year Procurement Plan and scrutinising the achievement of the target efficiencies. This is reported via a quarterly update report on VfM and procurement activities.

6.3 Board is ultimately responsible for ensuring we are achieving VfM in all operations across our organisation. One of the VfM metrics they monitor is in relation to the procurement efficiencies delivered as well as the social value delivered by suppliers.

6.4 The delivery of the three-year Procurement Plan is the responsibility of the Procurement Team, working with contract managers across the business.

7.0: Links to other strategies and policies

7.1 This Strategy is linked to:

- Value for Money Strategy 2021-24
- Three-year Procurement Plan
- Financial Regulations
- Contract Management Policy
- Social and Community Impact Strategy 2020-23
- Environmental Strategy
- Equality Diversity and Inclusion Framework and EDI action plan



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2021-2022	2022-2023	2023 -2024
Property Investment		
Commercial gas maintenance and service	Fire service and Maintenance	Fire risk remedial works
Internal & External painting programme	Roof replacements	Fire service and Maintenance
Lifts service and Maintenance	Asbestos surveys	Planned Roofing
C365 Compliance software	3rd party audits Gas and Electrical	Domestic boiler installation
Prepayment meters in HG high rises		Fire risk assessor
PAT testing		Asbestos removal
FWT Domestics		
Door Access upgrades		
Planned Fencing programme		
Planned Window and Door programme		
Storage heater programme		
EICR communal testing		
Communal lighting upgrades		
Lift Refurbishments		
Sprinkler servicing		
Green Homes refurbishment		
Surfacing planned programme		
Boiler Manufacturer		
Fire Service and Maintenance		
Finance		
Treasury Services	Property valuations	Insurance
Tax retainer		
External Auditors		
Internal Auditors		
Leasehold service charge statements		
Cash in transit collection		
IT		
IT Support contract and DR	Telecommunications	
Mobile Phone sims	Photocopiers	

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Agile Phone systems		
E – Learning platform		
M3 Sor and Diagnostics		
Neighbourhoods		
Out of hours call services	Housing management services	
Utilities Contract Elec & Gas	Warden equipment upgrading of cabling	
Leasehold and general let cleaning and windows services		
Mobile Warden and call monitoring		
Fuel supply for leased Vehicles		
Renewal of fleet and vehicle telematics		
Governance & Assurance		
Risk Management		
Central Services		
Perkbox - colleague benefit		
Recruitment and agency PSL		
Lone worker devices		
Occupational Health		
EDI training		
Communications and Marketing		
Media Access	PR Monitoring	
Sunshine Café food supplier	Print Portal	
Homes		
Fuel supply for leased Vehicles	Waste management	
Materials contract (2-year break clause)	Materials contract	
Development		
Green Homes refurbishment		
Sale West Phase 2		
Clerk of works		
Passivhaus Developments		
Facilities Management		
Stationery	Hybrid Mail	



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Procurement Strategy targets	Target for 2021/22
Achievement of the annual efficiencies target and to sustain the low financial costs already achieved and retain the high quality	£260k
The proportion of spend with businesses with an operating base within Greater Manchester (£'000)	40%
Number of suppliers that pay the Living Wage	30
Number of weeks delivered by apprentices that are employed by contractors	52
Reductions in carbon emissions through procurement and or from within our supply chain	600k kg reduction of Carbon emissions

