Procurement Strategy

2025 - 2028

Executive Summary

whg spends approximately one hundred and fifty million pounds externally each year purchasing goods, services and works. This makes up a sizeable part of whg's expenditure. It is everyone's responsibility to use this money in the best possible way, maximising the value of every "£" spent, as well as demonstrating compliance with the Regulators VfM standard to enable achievement of whg's mission.

The aim of our procurement activity is to fully support and underpin the delivery of whg's 2030 plan through a professional and sustainable procurement service, growing in maturity, with a commercial focus, being core to our long-term financial stability. Keeping costs down, managing contracts effectively, whilst delivering high quality services is essential as it can have a material impact upon our customers and their satisfaction linked to the Tenant Satisfaction Measures (TSM's) both directly and indirectly.

This strategy is structured around four aims which are as follows:

1. **Best practice procurement**
2. **Procurement compliance**
3. **Sustainable procurement**
4. **Value for money**

Each of the aims are focused upon ensuring that our use of suppliers to help deliver our service offerings reflect our values.

Strategic Context

The scope of this strategy concerns the acquisition of all goods, services and works purchased in the course of our operations across the business which are covered by Procurement Regulations.

Our strategic approach to procurement, is aligned to compliment and enable successful delivery of whg's wider business strategies.

It provides a direction for transformational change focused upon:

- optimising buying decisions, translating business needs into specific procurement requirements (such as quality, lead times and supplier capabilities), whilst effectively managing risks and market dynamics;
- a proactive data-driven approach that goes beyond simply putting a contract in place, but encompasses efficiency, sustainability, innovation, delivery of value for money and supply chain resilience, through an entire lifecycle approach focused on supporting our local communities;
- holistic spend analysis to demonstrate compliance and support identifying areas where cost reduction improvements can be made;
- effective collaboration and communication, streamlining procurement processes and improving data visibility.

Fundamentally, it's about understanding whg's needs, identifying opportunities for cost reduction and risk mitigation, and fostering strong colleague and supplier relationships.

Our Aims

Best practice procurement

We will strive to provide a professional procurement service using best practice tools, techniques and methodology that enable the best outcomes for our customers.

Our procurement activity will grow in maturity, foster a unified approach, and embrace transformation.

Procurement Compliance

We will ensure that our processes and operations are managed in accordance with internal policies and external regulations incorporating a proportionate risk based approach.

Sustainable procurement

Environmental, social and governance (ESG) together with Equality, Diversity and Inclusion (EDI) factors shall be considered and given due regard in our procurement processes.

Customer engagement will shape our major customer impact procurements

Value for Money

We will support whg's long-term financial strength and viability through the delivery of contracts that represent good value for money with regards to economy, efficiency, effectiveness, ethics and equity.

Our focus will be on creating value maximisation on every pound spent, generating social value outcomes aligned with our social justice strategy

Success Measures

Best practice procurement

By 2025:
A live forward looking procurement pipeline is published, with progress reporting.

By 2026:
Completed category and supplier profiling.

A Business Partner approach with a commercial focus is embedded.

We will have in place standard operating procedures and supporting templates aligned with latest government guidance.

By 2028:
Contract management software is in place, providing a unified system for contract management activity with enhanced reporting and dashboards facilitating data driven decisions and supplier performance management.

Procurement Compliance

By 2026:

Maintain continued compliance with procurement legislation. Aim for no legal challenges or regulatory notices being received by whg.

By 2027:
A contract management framework is developed, implemented with regular monitoring of suppliers.

Effective training is delivered to ensure that colleagues undertake the core procurement and contract management areas competently, efficiently, in a compliant manner and with commercial awareness.

By 2028:
Achieve good third party audit / assurance on compliance.

Sustainable procurement

By 2026:
Report on the positive social impact and creation of social value outcomes from our contracts in line with our social value framework themes and outcomes.

There is evidence of customer engagement shaping our procurement activity ensuring that the outputs meet the needs of customers.

By 2027:
For above threshold tenders, to have implemented and applied minimum standards for ESG covering EDI, modern slavery, environmental and corporate social responsibility.

By 2028:
Report on contracts by supplier classification including SMEs and Voluntary Community and Social Enterprises linked to the communities we serve.

Value for Money

By 2026:
Achieve each financial year the value for money gains budget set for procurement.

Undertake satisfaction surveys of internal stakeholders following major procurement activity

By 2027:
We will have tested our processes to identify any inefficiencies or ineffectiveness and remedy as required.

By 2028:
We will have identified where we are not making proper use of available technology to reduce labour intensive and non-value add processes in the Procurement Team.

Thank you