GOULDEN HOUSE
CO-OPERATIVE
Estate Office
Entrance A
Bullen Street
Battersea
London SW11 3HF
T 020 7924 5213
F 020 7924 5441
E office@gouldenhouse.org
W www.gouldenhouse.org

Procurement Policy

Goulden House Co-Operative Ltd

Responsible Officers (Operational Management) - Estate Manager & Finance Officer

Responsible Officers (Governance): Chair & Treasurer

Author – Estate Manager/Finance Officer

Date effective from – February 2022

Date last amended – November 2025

Review date – November 2026

Introduction

Goulden House Co-Operative Ltd spends an average of £150,000 per annum on bought in goods, services and works.

Effective procurement is crucial to securing the products and services required to meet the needs of Goulden House residents, users of our services and the achievement of Best Value. One of the ways in which the Co-Operative can achieve Best Value is to ensure that everything is purchased effectively and efficiently having regard to the principles of sustainable development.

The Co-Operative recognises the positive contribution effective procurement can make to the achievement of its objectives and also recognises that it has a duty to obtain Best Value from all the money it spends. Effective procurement should allow resources to meet the Co-Operative's objectives and Officers should demonstrate how our procurement activity has positively contributed to these priorities.

Vision

The Co-Operative will strive for continuous improvement in procurement and through effective procurement will seek to optimise the value of the money it spends, deliver quality services and ensure Best Value from each and every purchasing decision having regard to: -

a. Price
b. Total cost
c. Quality of goods and services
d. Consideration of the available options
e. Supporting the Co-Operative's objectives
f. Legality, transparency and probity

The Co-Operative seeks to adopt a strategic approach to its procurement activity by streamlining processes for day-today procurement and releasing capacity to focus on areas of high expenditure and areas of high risk to the Co-Operative. In these strategic areas of procurement, the Co-Operative will follow robust procedures but procedures that are flexible and will accommodate innovation and creative innovation and creative procurement solutions to be explored and exploited where appropriate.

The procurement of goods and services touches the work of all the Co-Operative areas of work. Goulden House Co-Operative Ltd operates a devolved procurement environment i.e., where the Manager has the delegated authority to procure the goods and services, he/she needs to deliver services to all the residents. The Co-Operative believes that this delegated approach offers overall Best Value to the Co-Operative but also recognises that whilst the Manager should retain responsibility for spending the budget, more control over where business is placed needs to be introduced if all available economies of scale are to be realised.

The Co-Operative is committed to delivering Best Value in all of its services. The Co-Operative expects that all of its suppliers will be equally committed to supporting Best Value and will deliver goods and services at the right time and to the quality specified by the Co-Operative. In managing its suppliers, the Co-Operative will develop robust contract and supplier management arrangements which will allow the Co-Operative to continuously measure and manage its suppliers in these key areas.

The Co-Operative is seeking to maximise the amount of expenditure that is undertaken under a contractual arrangement and reduce off-contract expenditure to a minimum. The Co-Operative will therefore pursue a policy that encourages Managers to utilise existing contractual arrangements from within the Co-Operative and from other public sector organisations.

The Co-Operative is committed to improving the way it works and seeks to exploit technology to improve procurement processes and drive down costs.

The Co-Operative will continually look, both within the organisation and externally, for ways to improve procurement activity. A key aspect of this will be to improve the way the Co-Operative works, in collaboration with other similar organisations and with suppliers, to obtain added value both in terms of cost and quality.

Policy Objectives

The Procurement Policy seeks to establish the framework for delivering the procurement vision and satisfy a number of specific objectives:

a. To ensure that procurement decisions contribute to and support the objectives of the Co-Operative.
b. To ensure that procurement values, principles and good practice are integrated into the Co-Operative's strategic operational decision making.
c. To formalise and regularise the Co-Operative's approach to procurement in order to maximise the Co-Operative's procurement performance.
d. To provide a framework that will drive continuous improvement in procurement performance.

Scope of the Procurement Policy

The term "Procurement" is defined as:

"The process of acquiring goods, services and works from external providers to meet the needs of Goulden House residents and service users." The procurement process spans the whole life cycle of the product or service, from the initial identification of a need through to the end of the useful life and disposal of the asset or the end of the service"

The Co-Operative has been broken down the procurement process into five key stages which make up the "Procurement Cycle" and is implementing strategies to improve its procurement activity in all of these key stages.

The Framework for Procurement and Contracting Activity

Contract Standing Orders (CSOs), Financial Standing Orders (FSOs) and the "Procurement Code of Practice" are the framework against which Staff and the Manager will undertake procurement and contracting activity, thereby promoting standards, ensuring probity and guaranteeing a consistent approach. All staff members will be expected to observe the rules, regulations and guidance contained within the framework documents in any procurement or commissioning they undertake, and selective auditing of compliance will be undertaken to ensure this.

Best Value and Service Reviews

Best Value can be defined as "the optimum balance between quality and cost" and effective procurement is clearly linked to the achievement of Best Value. The Co-Operative is required to undertake Best Value and Service Reviews and as part of these processes, it is important to be able to demonstrate that good procurement practice has been adopted and all service options have been fully considered.

Collaboration

The Co-Operative strives to maximise its buying power by aggregating its requirements both internally and externally. The Co-Operative recognises the benefits of departments working in collaboration with each other, with other public, private and voluntary sector organisations and in developing procurement will seek to work in collaboration wherever it is beneficial and appropriate to do so.

Consortia and Other Similar Organizations

The Co-Operative is seeking to maximise the benefits available from consortium procurement. The Co-Operative will seek to influence the development of and exploit the opportunities that a consortium could offer to achieve economy of scale. (Utilities, bulk rubbish collection and other types of contracts).

The Supplier/Provider

The Co-Operative is determined that goods, works and services are provided by the organisation most able to deliver Best Value. These organisations could be from the public sector, private sector, voluntary sector or a combination depending on the most efficient and economically advantageous solution.

The Co-Operative adopts a challenging approach to its procurement and commissioning activity and encourages innovation in the design, construction and delivery of services. Evaluation of all the possible service delivery and/or procurement options form an integral part of each procurement process and are key to the consideration of whether and what new approaches could be adopted. All procurement and commissioning decisions will be evidence based, transparent and auditable.

Options for provision include:

a. In-house service
b. Joint commissioning of services with other agencies or bodies
c. Joint ventures with other Co-Operatives or organisations
d. Procurement of goods and services from external providers
e. Other methods of provision including charitable trust, not for profit companies
f. Partnering

Small and Medium Size Enterprises and Local Suppliers:

The Co-Operative is however committed to developing and maintaining a vibrant local economy in support of this commitment, strategies will be developed to ensure local businesses are aware of the trading opportunities available with the Co-Operative.

Equality and Diversity in Procurement and Contracting:

The Race Relations (Amendment) Act 2000 outlaws' discrimination in all local government functions. The Co-Operative will ensure that its procurement and contracting practices comply with this legislation by:

a. Ensuring that contractors, suppliers, volunteers, partners and staff are made aware of the Co-Operative's position on equality and understand their obligation to provide services that are free from discrimination, harassment or victimisation.
b. Adhering to the CRE guidelines on public procurement and race equality in line with the Co-Operative's procedures on race equality in contracting.
c. Making sure that our selection and tendering processes address and include equality considerations that are in line with the Co-Operative's procedures on race equality in contracting.
d. Providing guidance for relevant staff in equality issues for procurement

The Co-Operative recognises the new guidelines on Race Equality and Public Procurement that have been issued by the CRE/LGA and is working to promote their application across relevant contracts which the Co-Operative is involved in. The Co-Operative is also committed to outlawing other forms of discrimination and promoting other equalities, such as disability and gender and will seek to use its procurement and contracting activities to further this objective.

E-Commerce:

Targets for the introduction of 'E-Commerce' solutions have been set by Central Government and the Co-Operative is currently developing its strategy for achieving these targets. However, the Co-Operative is committed to implementing electronic solutions to support improved procurement performance and will increasingly seek to trade electronically with its suppliers and providers of goods and services. To achieve this, the Co-Operative will be considering the introduction of a range of solutions covering all aspects of the procurement cycle.

The Procurement Policy and Related Documents:

The Procurement Policy details the strategic principles and objectives for procurement within the Co-Operative. This is underpinned by a number of supporting documents, giving direction and guidance on the processes and procedures to be adopted when undertaking procurement or commissioning activities:

- Goulden House Code of Conduct
- Financial Standing Orders

Financial Management - Procedure/Process (pertaining to methods of payment) & Banking:

- Goulden House Co-Operative Ltd has the following payment methods
- Cheque payments – currently, Goulden House Co-Operative Ltd does not utilise this payment method
- Standing Orders & Direct Debits – these payment methods are pre-approved by the Goulden House Management Committee Officers (Chair & Treasurer), as per the Banking Mandate (HSBC), and are closely monitored via Monthly Management Report & Bank Reconciliations.
- Payment via Internet Banking (HSBC) – there is a limit set for authorisation of payments, utilising Online Banking (HSBC), by approved staff (Estate Manager & Finance Officer) and Governance (Chair & Treasurer).
- Payments of £750 (Excluding VAT) are authorised by the Estate Manager and payments over £750 (Excluding VAT), are authorised by the Chair and the Treasurer on behalf of the Goulden House Management Committee.
- Banking of cash received from the sale of communal security keys takes place on an adhoc basis, the latter is dependant on the number of keys sold.
- Interfund Transfers – Authorisation of any transfers between the HSBC designated accounts requires pre-approval from the Chair and the Treasurer, on behalf of the Goulden House Management Committee.
- All payments are pre-approved electronically (Signables) by each responsible person (Estate Manager, Finance Officer, Chair & Treasurer) and stored electronically for future reference and audit trail purposes.

Income:

- All chargeable income and allowances for which Goulden House Co-Operative Ltd is entitled too, are supported with system generated invoices and supporting documentation (if any). Invoices raised are in sequential order.
- Once the invoice is raised, they are sent to the appropriate parties for review/authorisation/payment.

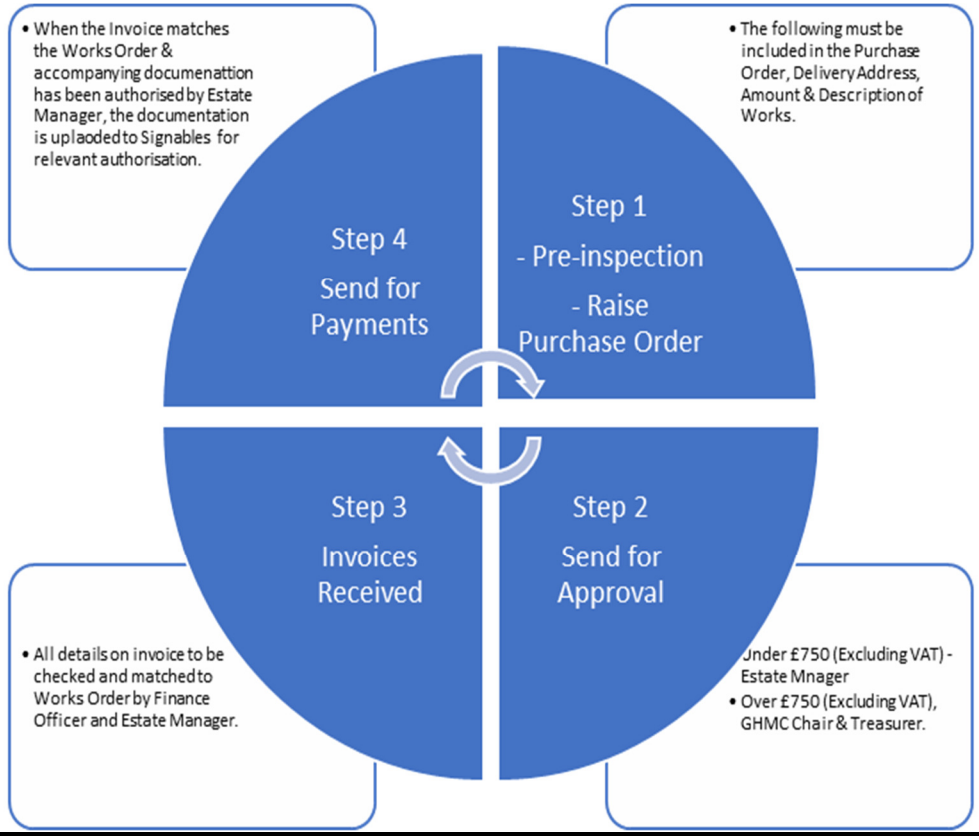
Petty Cash:

- There is no Petty Cash float maintained by Goulden House Co-Operative Ltd, as there is no requirement for this. Any miscellaneous purchases are subject to pre-approval and full compliance with supportive documentation and are reimbursed accordingly.

Payroll:

- Staff Payroll is prepared by Knox Cropper (Payroll Department) and in compliance with staff contractual obligations. Any variations are subject to pre-approval by Estate Manager, Chair & Treasurer. Staff net wages and statutory liabilities are reviewed, approved and processed within the agreed timeframes.

Flow chart detailing procurement & authorisation:



Goulden House Co-Operative Ltd – Tendering Thresholds in compliance with Wandsworth Borough Council's Shared Procurement Service & Procurement Regulations:

Type of procurement and total cost Threshold	Minimum number of invitations to tender or quote
Goods, Works and Services estimated to cost no more than £1,500	**No requirement** to seek any number of Quotes
Goods, Works and Services estimated to cost between £1,500 and £50,000	**3 written quotations** and submitted to the Goulden House Management Committee for review and approval.
Goods, Works and Services estimated to cost between £50,000 and the UKPCR Services limit (currently £189,330)	**5 written quotations** and submitted to the Head of Procurement at Wandsworth Borough Council.

Void Tendering & Process

All Voids are tendered at Goulden House Co-Operative Ltd, 3 quotes are obtained and issued to the Goulden House Management Committee for review and approval. If the tenders for Voids exceed the current £7,500 per void, provided by Wandsworth Borough Council annually, as part of their Maintenance Allowance, the chosen tender by the Goulden House Management Committee is emailed through to the Head of Leasehold Procurement at Wandsworth Borough Council, for his review and approval and prior to any Works Order being raised. Once the Head of Leasehold Procurement at Wandsworth Borough Council approves the Tender and Goulden House Co-Operative raises the Works Order for the respective Void Major Works to be undertaken, Post Inspection of the completed works is undertaken by the Head of Building Control at Wandsworth Borough Council

Important Note: Void provision which exceeds the £7,500 per void/unit provision in Wandsworth Borough Council's Annual Maintenance Allowance, must be authorised by the Head of Leasehold Procurement at Wandsworth Borough Council.

Important Note: Post Inspection of the completed works to a Void is undertaken by the Head of Building Control at Wandsworth Borough Council and the appointed Estate Manager for Goulden House Co-Operative Ltd, it is only when the Head of Building Control confirms that Wandsworth Borough Council have passed the works, can the contractor's invoice be processed for payment.

Important Note: Goulden House Co-Operative Ltd will pay the Void Major Works invoice in its entirety and will then request a Purchase Order from Wandsworth Borough Council to cover the costs which exceed the £7,500 provision within Wandsworth Annual Maintenance Allowance provision.