

Procedures

Chilternrailways

Chiltern Railways Procurement Policy

Synopsis

Chiltern Railways shall have safe, effective, and comprehensive arrangements in place for purchasing goods, works and services from external suppliers.

This Policy is aligned to Chiltern Railways corporate strategy and business goals, and the alignment is considered annually as part of the ICS (Internal Control Systems) & CSA (Control Self- Assessment) process.

We seek;

- To be a Good and Efficient Operator, to ensure that the railway is operated efficiently and is affordable for the taxpayer;
- To achieve the best available cost, quality, and service from our suppliers;
- To manage expenditure using appropriate controls;
- To treat our suppliers equally and fairly, without discrimination;
- To work with the Arriva Group to achieve economies of scale and cost synergies where possible.
-

Endorsed by Head of Procurement

Approved by Finance Director

Effective date October 2023

Review period 24 months

Ref. PQO -01108c

Revision 1

Table of Contents

- 1. About this document 3
 - 1.1 Purpose 3
- 2. Introduction 3
 - 2.1 Vision..... 3
- 3. Principles 3
 - 3.1 Guiding Principles 3
 - 3.2 Professional Procurement Support..... 4
- 4. Conduct 4
 - 4.1 Arriva Code of Conduct for Business Partners 4
 - 4.2 Competition Compliance 4
- 5. Corporate and Social Responsibility 5
 - 5.1 Sustainable Procurement..... 5
 - 5.2 Responsible Procurement..... 5
 - 5.3 Small and Medium sized Enterprises (SME's) 5

1. About this document

1.1 Purpose

The purpose of this document is to outline Chiltern Railway's approach to Procurement of goods, works, and services. It has been produced for adherence by all those involved in any aspect of the procurement process and the principles contained in the policy should be applied to all procurement activity.

2. Introduction

2.1 Vision

Our vision is to ensure that Chiltern Railways obtains best value for money in its procurement activities.

Our policy addresses every aspect of procurement activity from defining a need, evaluation options, procuring the appropriate goods, works or services, contract award through to effective supplier and contract management.

The processes and procedures in this document enable Chiltern Railways to do this in a fair, transparent, and consistent way.

3. Principles

3.1 Guiding Principles

In order to deliver our vision, Chiltern Railways has a defined list of guiding principles that underpin everything we do. These are outlined below:

- Value – Delivering value to our stakeholders
- Delivery – Strategic supply chain management
- Risk – Effective Risk Management
- Performance – Improving business performance
- Sustainability – Operating a safe, socially, and environmentally responsible businesses

3.2 Professional Procurement Support

The Procurement function has a pivotal role to play in delivering the Chiltern Railway business objectives. Chiltern Railway's Procurement Team will provide a high quality, professional and timely service to support the business running the railway in accordance with its obligations under the National Rail Contract (NRC). The following services are provided by the Procurement Team:

Share best practice	Contract Control Process
Support with delivery of MTP (Mid-term plan)	Supplier Negotiation
Provide commercial information	Contract Formulation
Formulate Governance Controls	Dispute Resolution
Business Case Support	Supplier Management
Project Support	Continuous Improvement
Risk & Vulnerability Management	Tender Management
Stakeholder Engagement	Supplier Assessment
Provide Benchmarking support	Contract Data Management
Strategy Development	Supplier Contract Management

4 Conduct

4.1 Arriva Code of Conduct for Business Partners

Chiltern Railways has adopted and adheres to the Arriva Code of Conduct for Business Partners in particular those relating to compliance with ethical standards, applicable laws as well as integrity. Business partners are all non-Deutsche Bahn Group companies that supply goods and services to the Arriva Group.

4.2 Competition Compliance

Chiltern Railways takes its responsibilities to comply with competition legislation very seriously. All Procurement Professionals are expected to comply with the Arriva Competition Compliance Programme copy available on One Stop Shop.

5. Corporate and Social Responsibility

5.1 *Sustainable Procurement*

Chiltern Railways Procurement shares Arriva's vision of becoming an eco-pioneer by supporting our stakeholders in the sensible use of natural resources as part of our day-to-day business, demonstrating excellent resource efficiency.

We are committed to buying more sustainable fuel and energy and procuring other sustainable goods and services wherever this is practical. We're also committed to using more renewable electricity and reducing the amount of waste that goes to landfill. Through our contracts we will look to ensure payment of a living wage and where possible avoid the use of '0 hour' contracts.

5.2 *Responsible Procurement*

At Chiltern Railways, responsible procurement is the management of environmental, social, and economic impacts, and the encouragement of good governance practices, throughout the lifecycle of goods and services. This includes health, safety, environmental and ethical issues, as well as labour practices, all of which are included in the Arriva Code of Conduct under which Chiltern Railways operates.

5.3 *Small and Medium sized Enterprises (SME's)*

As a responsible business, Chiltern Railways is proud to work with and support a number of Small and Medium-sized Enterprises (SMEs), and such organisations are encouraged to engage with us in supplying goods and services.