ST ANNE'S COMMUNITY SERVICES

POLICY

6.02 Procurement Policy

Policy Category	**Category 1 – Managers & Deputies, ELT- Urgent** **Category 3 – All Ops Staff, Central, Housing**
Policy Cross Ref	1.37 Anti Bribery Policy 4.01 Health & Safety Policy 7.03 Data Protection Policy 1.02 Code of Conduct 6.00 Financial Authorisation, Financial Regulation & Standing Orders Policy
Summary of Policy Changes	**V1.0 July 2024 –** To replace 6B.A2 / 6.02 Procurement, Purchasing and Cash Policy v1.1. **V1.1 June 2025** - Revised policy to reflect latest best practice. Updated template
Policy Owner	Chief Finance Officer
Published Date	**July 2025**
Expiry Date	**July 2028**

1.0 Policy Summary

- **Purpose:** To ensure compliance with procurement laws, standing orders, financial regulations, and approved procedures when buying goods and services.
- **Public Procurement Legislation:** St Anne's is classified as a body governed by public law and must comply with the Public Contract Regulations 2015, The Public Procurement (EU Exit) Regulations 2020, and The Procurement Act 2023.
- **Procurement Controls:** There are two tiers of control - internal and regulatory, based on Total Contract Value (TCV).
- **Delegated Authority:** Specific authority limits apply for different positions, ranging from £250 to over £200,000
- **Data Protection:** All procurements involving personal data must comply with the Data Protection Act 2018 and undergo a Data Privacy Impact Assessment.
- **Statutory and Legislative Framework:** Compliance with various acts including The Fraud Act 2006, The Bribery Act 2010, and The Modern Slavery Act 2015.
- **Procurement Governance:** The Executive Leadership Team (ELT) acts as the primary governance mechanism, ensuring compliance, value for money, and alignment with strategic vision and values.
- **Supplier Management:** Suppliers are classified as contracted or uncontracted, with due diligence criteria and compliance requirements.
- **Values and Procurement:** Our culture sets the tone for all procurement, leveraging spend for social and environmental good, ethical standards, and client involvement in service design.

For the full details of this policy, please read the entire document, not just the summary.

2.0 Scope

This policy applies to all employees, Trustees, consultants, contractors, agency workers, and any other individuals acting on behalf of St Anne's Community Services, including subsidiaries and partnerships.

3.0 Main Policy Content

St Anne's will take a collaborative and innovative approach to procurement, ensuring we meet our Clients' needs in line with our Strategy, and with full compliance as a given. The purpose of this document is to set out in an accessible, straightforward way, the rules, both internal and external, that govern how St Anne's Community Services (St Anne's) buys goods, services or a combination of the two, and how to comply with them whilst achieving value for money (VFM).

For the purposes of UK public procurement legislation, St Anne’s is classified as “a body governed by public law”, which means that all of its procurement activity must comply with the Public Contract Regulations 2015 (PCR 2015) as amended by The Public Procurement (EU Exit) Regulations 2020 and from 24 February 2025, The Procurement Act 2023. St Anne’s obligations under UK public procurement legislation place procedural constraints upon us which, if not observed in full, can result in a procurement being challenged in the High Court by an unsuccessful supplier (subject to certain time limits).

In the event of successful challenge, the Court will award damages equivalent to the plaintiff’s anticipated profit on the procurement. In addition to the financial impact, the reputational consequences of a successful challenge are significant and could include Regulatory censure up to and including downgrade.

St Anne’s objective in every procurement must be to ensure both full regulatory compliance and the very best commercial outcome available in the market at the time of procurement.

3.01 The Controls and when they apply at St Anne’s.

Procurement at St Anne’s is subject to two tiers of control: internal and Regulatory. At St Anne’s all spend is subject to a degree of governance and oversight based upon the Total Contract Value (TCV):

£0 - £10,000	Light touch internal controls
>£10,000 - £30,000	Moderate internal controls
>£30,000 – 90% of the PCR 2015 threshold	Substantial internal control
>90% of the PCR 2015 threshold	Full Regulatory control

For a detailed explanation on the controls in place for each of the above expenditure ranges please refer to St Anne’s Procurement Procedure

(i) Delegated Authority
All procurement activity must be conducted in accordance with St Anne's Financial Regulations for which the following authority limits apply:

Position	Delegated Authority
Maintenance Administrator, Deputy Managers	Up to £250
First Line Managers, Housing Manager, IT Manager, Technical Officer, Payroll Manager	Up to £750
Compliance & Maintenance Manager, Finance Manager - Income, Finance Manager, Finance Manager - Management Accounting	Up to £7,500
Area Managers and Heads of Departments	Up to £10,000
Any member of ELT	Up to £25,000
Deputy CEO / CFO	Up to £75,000
CEO	Up to £100,000
CEO and 1 trustee (Chair/Vice Chair/Audit Chair or	Up to £200,000
Board of Trustees (with quoracy minimum of 3) **Emergency approval may be given by a quoracy of trustees (to include at least one of: the Chair, Vice Chair, Chair of ARA, Chair of F&B), with notification to the next full board meeting**	Over £200,000

When determining the level of Delegated Authority that applies, the TCV must be used.

(ii) The Data Protection Act 2018

Regardless of contract TCV, St Anne's will always assess procurements in the context of the Data Protection Act 2018, often referred to as the General Data Protection legislation (GDPR). Any contract which processes either Tenant or Colleague personal data will be subject to a full Data Privacy Impact Assessment (DPIA) prior to contract award and a valid Data Sharing Agreement must be in place for the duration of any contract, including informal extensions. Following the conclusion of a contract which processes personal data, the manager responsible for a contract must ensure formal assurance is gained from the supplier, and passed to St Anne's Data Protection Officer, that adequate processes have been followed for the destruction or anonymisation of all St Anne's data held.

For more detailed information please consult St Anne's Data Protection and Information Sharing Policies.

(iii) The Statutory and Legislative Framework

In addition to the controls detailed above, the Statutory and Legislative Framework for Procurement extends to the following regulations:

- The Fraud Act 2006
- The Bribery Act 2010
- The Criminal Finances Act 2017
- The Consumer Protection Act 1987
- The Environmental Protection Act 1990
- Health and Safety at Work Act 1974
- Social value Public Services (Social Value) Act 2012
- The Modern Slavery Act 2015

(iv) Associated St Anne's Internal Controls

For more information on St Anne's internal controls please refer to the following policies available on the Intranet.

Anti Bribery Policy
Health & Safety Policy
Data Protection Policy
Code of Conduct
Financial Authorisation, Financial Regulation & Standing Orders Policy

3.02 Public Procurement Legislation.

As a Registered provider of Social Housing, St Anne's is classified as a body governed by public law and thus subject to the least restrictive regulatory framework under UK public procurement legislation. The Financial Thresholds applicable to St Annes which apply from 1 January 2025 to 31 December 2025 are:

Goods and/or Services	£ 213,477.00
Schedule 3[2]	£ 663,540.00
Major Works[3]	£ 5,336.937.00

The thresholds above refer to TCV. This is the maximum spend permitted under a contract if it were to run to full term, not the annual contract value.

Unlike the Public Contracts Regulations 2015, under the Procurement Act 2023, where a contract doesn't have a fixed term, it is automatically deemed to be above threshold and therefore subject to full compliance with the legislation.

The intentional breaking up of a large contract or purchase order into multiple smaller lots for the purpose of circumventing either St Anne's internal or the UK public procurement legislation thresholds is often referred to as "Penny Packeting". It is specifically prohibited for above threshold spend and below that, St Anne's treats it as a disciplinary matter.

2 Schedule 3 covers Legal Services, Social Care Recruitment & Residential Catering

3 only capitalised assets qualify.

The Procurement Act contains over 200 separate provisions, many with multiple sub-sections. Many of the provisions are not relevant to a Registered Provider of Social Housing (RP). In simple terms, in order to achieve compliance, St Anne’s must ensure that whenever procuring:

(i) St Anne’s observes the fundamental statutory obligation to conduct all commercial activity in an open, fair, and transparent manner in all commercial
activity, regardless of TCV.
This obligation encompasses a statutory requirement to ensure that all procurement is free of bias and influence. In St Anne’s this is managed through “1.03 Managing Conflicts of Interest” policy. In the context of Procurement, this matter is also dealt with in detail in the St Anne’s Procurement Procedure (Appendix 1).

(ii) anything with a TCV in excess of £30,000, where the opportunity has been publicised elsewhere (no matter how informally) it must be advertised on HM Contracts Finder website (CF) within ONE day. If St Anne’s does not want to advertise on CF, we must be absolutely certain that every supplier who is aware (regardless of how) of the opportunity, has been given a fair opportunity to submit pricing. For this reason, care should be taken not to mention an upcoming opportunity on social media, or there will be no option other than to advertise on CF.

(iii) any contract which is above or can reasonably be expected to exceed during its lifetime, the relevant threshold, UK public procurement legislation is observed in full. This will include:

a. advertising the opportunity on both CF and HM Find a Tender Service website (FTS)
b. using a route to market and one of the forms of competition laid down in UK public procurement legislation. NB the requirements of the competition selected, as defined in the legislation, must be observed in full.
c. observing the standstill period where relevant
d. publishing a Contract Award notice on CF and FTS.
e. Keeping full records of each qualifying procurement for an appropriate period.

For a detailed explanation of how to run a competition compliant with UK public procurement legislation, please refer to St Anne’s Procurement Procedure.

In addition to governing conduct when carrying out individual procurement competitions, the legislation also places two administrative obligations on all Contracting Authorities (CA's):

(i) To maintain an accurate, up to date contract register.
All CA's are required to maintain an up-to-date electronic contract register, which meets certain criteria, of all qualifying contracts let. This includes an obligation to record material changes, variations and / or extensions in the register and to publish them on both CF & FTS where appropriate.

(ii) To publish payment performance.
Under Regulation 113, of the PCR 2015, all CA's are required to publish an annual notice which contains the following information:

Invoice Paid	% of Total Invoices	Interest Due	Interest paid
30 Days and under		**Not Applicable**	
31 Days – 60 Days		£	£
Over 60 Days		£	£

The notice must be published on a CA's website within the same timeframes applicable when making HMRC returns for any given Financial Year, so within 9 months of the end of the relevant financial year.

St Anne's will comply in full with its obligations under the applicable UK public procurement legislation regarding to contract record keeping and the publication of payment performance data.

3.04 Our Values and Procurement

Whilst the controls and Regulations listed at Sections 3 and 4 above determine the hard boundaries for procurement activity at St Anne's, within those constraints our culture sets the tone for all procurement activity and allow us to leverage our spend for social and environmental good.

(i) Benefiting Our Communities
Wherever permitted and practical, St Anne's will leverage its spend to increase local economic impact. St Anne's will use compliant evaluation mechanisms to give preference to small and medium enterprises in general and to suppliers based in the communities where we have homes in particular.

(ii) St Anne's Ethical Standards
St Anne's will only do business with suppliers who conduct themselves in an ethical manner and specifically exclude suppliers proven to have committed acts of Grave Misconduct. Where permitted under the terms of the contract, and at the discretion of the ELT, existing suppliers found to have committed Grave Misconduct are subject to termination.

(iii) Client Involvement

Where relevant, St Anne's will involve tenants in service design prior to procurements. If practical a tenant representative should also be involved in the evaluation process, however this will typically focus on quality responses and exclude pricing information.

3.05 Procurement Governance

St Anne's has determined that ELT will act as the primary governance and decision-making mechanism for all procurement. ELT will evaluate all procurements that fall within its remit in the context of The Five Rights of Procurement:

- At the **right** price
- Delivered at the **right** time
- Of the **right** quality
- From the **right** source
- Of the **right** quantity

Moreover, ELT will consider whether the proposed route to market for all cases presented can demonstrate that:

The procurement and any subsequent award are fully compliant with all relevant laws.

- Where applicable, we have given due regard to the views of the people who will ultimately use the goods or services to be procured.
- The procurement is aligned to our strategic vision and values.
- Represents VfM for St Anne's and our clients.
- Sufficient controls are in place to ensure that any supplier selected will meet our values and Environmental, Social and Governance (ESG) obligations.
- The form of contract proposed will not unduly disadvantage St Anne's or our clients.

The ELT will manage procurement by means of three key instruments; the Contract Register, The procurement pipeline and the decision log:

(i) The Contract Register

The contracts register is a statutory obligation under Public Procurement Law however it is also an invaluable tool for the management of procurement information within an organisation. It contains information not just on a contract, but also on the supplier associated with that contract together with important due diligence information such as supplier insurance and specialist accreditations where appropriate.

(ii) The Procurement Pipeline

The procurement pipeline is a living project plan which details all upcoming procurements by date together with estimated project length for each procurement. It will allow St Anne's to identify resourcing conflicts and plan accordingly.

(iii) The Decision Log

The decision log records all procurement decisions made by the ELT and is available for inspection by any authorised party. All single tender waivers are clearly identified in the Decision Log. The Log is also presented to the Audit & Risk Committee for their consideration at the first meeting of every financial year.

ELT will consider all procurement activity which falls into the following categories:

- single tender waivers
- procurements with a TCV >£10,000
- contract extensions where the *original* TCV was >£30,000
- uncontracted spend which poses a risk to St Anne's

Without approval from ELT, no procurement which falls within its remit can proceed.

For more information on procurement decision making please refer to the following documents:

- St Anne's Procurement Procedure Appendix 1
- Procurement Case Template Appendix 2

3.06 Supplier Management

For St Anne's supplier management is classified as either contracted and uncontracted. Contracted suppliers are those with whom, as the name suggests, St Anne's has a formal contract in place and consequently holds a reasonable amount of information about the supplier. Uncontracted suppliers are those from whom we procure goods and / or services on an ad-hoc basis and we hold little or no supplier information beyond Name, address, VAT / CIS registration and payment details.

Regardless of a supplier's contracted status, both our internal controls and Public Law place a series of responsibilities on St Anne's to ensure that all suppliers we do business with can evidence their compliance with:

- Our own due diligence criteria.
- Professional accreditations relevant to the services delivered.
- The Modern Slavery Act 2015
- The UK Corporate Governance Code 2018
- The Companies Act 2006
- The Health & Safety at Work Act 1974.
- Regular Disclosure & Barring Service checks for all supplier colleagues who have face-to-face contact with our colleagues and clients.

Proof of compliance for each of the above criteria will be held against the Supplier Record within St Anne's Contract Register.

The majority of St Anne’s spend will be with contracted suppliers, however even at modest spend levels, because of the limited visibility of uncontracted spend, and the potential for lesser levels of due diligence, uncontracted presents a risk to St Anne’s. To mitigate this risk, quarterly finance system spend analysis will be compared against the Contract Register to identify spend which risks breaching a UK public procurement legislation threshold or delivers a critical service below threshold. Where this is the case, the matter will be referred to ELT who can require a formal contract to be procured.

For more information, please see the Supplier on-boarding Procedure and accompanying document set.

4.0 Effects

A well-defined Procurement policy promotes:

- **Compliance with Laws and Regulations**: A well-defined procurement policy ensures that all procurement activities comply with relevant laws and regulations. This helps avoid legal challenges and potential penalties.
- **Enhanced Governance and Oversight:** The policy establishes clear governance structures and oversight mechanisms. This ensures that procurement activities align with the organisation's strategic vision and values, and that value for money is achieved.
- **Cost control and efficiency:** By establishing clear guidelines, the policy helps identify the most cost-effective suppliers and products. This ensures that the organisation gets the best value for money, reducing overall expenditure.
- **Risk Management:** By setting out specific controls and procedures, the policy helps manage risks associated with procurement, such as fraud, bribery, and data protection.
- **Supplier Management:** The policy defines criteria for managing suppliers, both contracted and uncontracted, ensuring that all suppliers meet due diligence requirements and comply with relevant standards. This helps maintain high ethical standards and reduces the risk of working with non-compliant suppliers. This also helps to build strong and reliable relationships with suppliers, leading to better terms and conditions, and ultimately, cost savings.
- **Improved Supplier Relationships:** The policy defines criteria for managing suppliers, ensuring that all suppliers meet due diligence requirements and comply with relevant standards. This helps build strong and reliable relationships with suppliers, leading to better terms and conditions, and ultimately, cost savings
- **Social and Environmental Impact:** The policy leverages procurement activities to achieve social and environmental benefits. This includes giving preference to local suppliers and SMEs and ensuring that procurement practices align with the organisation's ethical standards and value.

Appendices can be found on the printable forms in the staff manual page on the intranet.

Appendix 1 – Procurement Procedure.

Appendix 2 – Procurement Proposal Template.