

Procurement Policy

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1.0 Introduction:

Broadacres Housing Association (BHA) and its subsidiary organisations (the “Group”) have a commitment to high legal and ethical conduct and integrity in business activities. The Group are committed to achieving the highest standards of probity, transparency, and accountability in all its activities. All colleagues and Board Members are expected to demonstrate honesty and integrity and discharge their roles in line with the values of the Group to protect the reputation and good name of the organisation and safeguard resources.

This Policy sets out requirements in respect of procuring supplies, works, services including consultancy from external suppliers. The Policy demonstrates that Broadacres takes procurement activity seriously and aims to ensure all procurement is conducted fairly, objectively and with value for money in mind while maximising social and sustainability outcomes.

The Policy also aims to ensure that all procurement activity is carried out within the requirements of the Procurement Act and the Groups Governance Framework incorporating the Financial Regulations.

2.0 Purpose:

Broadacres is regulated by the Regulator of Social Housing, and as such, the Group is a “Contracting Authority” for the purpose of the Procurement Act. Therefore, Broadacres procurement must, always, show probity in the use of public funds, be open and transparent and comply with the Procurement Act.

By following the guidance set out in this Policy, Budget Holders will ensure contracts are entered in to with probity and the risk of non-compliance with the Governance Framework, Financial Regulations and the Procurement Act is mitigated.

3.0 Scope:

The Procurement Policy and Procedures apply to all procurement activity of the Group, that is all purchases and contracts for supplies, services and works, but with the exceptions set out in the Procurement Procedures.

In addition to the initial procurement process, the Procurement Policy and Procedures also contain requirements covering ongoing management of contracts to ensure they continue to deliver the best value to Broadacres.

4.0 Definitions:

The terms used in the Procurement Policy and Procurement Procedures have the following meanings:

Definition	Meaning
Above Threshold Procurement	Procurement with a total contract value above the relevant Procurement Act threshold. Current thresholds are set out in Annex 1.
Budget Holder	Colleagues with responsibility for holding and managing a budget as set out in the Governance Framework and Financial Regulations.
Contracts Register	The Groups contracts register held by the Resources Director and available within the Asset & Liabilities Register on Broadcast.
Delegated Authority	Colleagues who are authorised to commit to expenditure or enter in to contracts up to set financial thresholds on behalf of the Group to the value set out in the Governance Framework.
DMT	Directorate Management Team as defined in the Governance Framework.
Financial Regulations	Group Financial Regulations contained in the Governance Framework.
Find a Tender Service (FTS)	Government web portal for advertising all public contract opportunities
MAT	Most advantageous tender

OLT	Operational Leadership Team as defined in the Governance Framework
Purchasing Consortium	Central purchasing body that award contracts on behalf of other Public Sector Bodies.
Regulated Below Threshold Procurement	Procurement with a total contract value below the relevant Procurement Act threshold for which an open notice is placed on the Find a Tender Service to invite tenders.
Rules	The Governance Framework, this Procurement Policy and Procurement Procedures together setting out how suppliers will be appointed.
Supplier	A third-party organisation that provides supplies, services and or works to Broadacres in return for some form of consideration or commercial benefit.
The Policy	The Procurement Policy.
The Procurement Act	Procurement Act 2023 and the Procurement Regulations 2024 which were implemented in English Law on 24th February 2025.
The Procedures	The procurement procedures separate to this document.

5.0 Policy Principles:

The key principles underpinning this policy and Broadacres standards of behaviour are:

- To ensure probity through all procurement processes and management of contracts, ensuring adequate controls are in place to protect the Group and colleagues involved in procurement.
- To ensure openness, fairness, transparency and equal treatment of Suppliers throughout procurement processes.
- To ensure there are no conflicts of interest in supplier appointments i.e. between colleague and supplier interests. This includes mandatory conflicts of interest for evaluators and ongoing during contract delivery.
- To support the delivery of excellent services to customer.
- To maximise value for money and community benefits that can be delivered through procurement.

6.0 Procurement Objectives:

The Procurement Act contains several procurement objectives which must be considered when undertaking any Above Threshold Procurement or Below Threshold Regulated Procurement. However, it is the policy of the Group to consider how these objectives can be achieved through all procurement activity.

The objectives contained in the Procurement Act are:

Objective	Considerations
Delivering value for money	What value means to the Group and the community it serves, and how the best mix of economy, efficiency and effectiveness can achieve the intended outcome over the whole lifetime of the contract. This may include for example, achieving a cost reduction, delivering more for a similar cost, improving services to customers.
Maximising public benefit	The extent to which the contract can deliver greater benefit, for example by considering social value and environmental benefits that could be achieved by the contract, or by collaborating with other Contracting Authorities to maximise the use of resources.
Sharing information	Transparency is a key theme within the Procurement Act. The Group is required to share information for the purpose of allowing suppliers and others to understand the policies and decisions

	relating to procurements. For example, suppliers must be kept informed promptly of their progress in a tender exercise and must be provided with an evaluation summary explaining the reasons for their tender scores.
Integrity	Procurers must act and be seen to act with integrity. Being able to demonstrate this objective through good management, prevention of misconduct, and having full control over processes is key to strengthening trust with suppliers and the public. Demonstration of this objective will also help to guard against fraud and corruption.
Equal Treatment of Suppliers	Procurers are required to treat suppliers the same unless a difference between the suppliers justifies different treatment. If different treatment of suppliers is justified, you must take the appropriate steps to ensure you do not put a Supplier at an unfair advantage or disadvantage. For example, all Suppliers must be required to submit the same information, and all Suppliers must be assessed against transparent criteria.
Consider Barriers to Small and Medium Businesses	Procurers must specifically consider their requirements from a SME perspective and whether barriers to SME participation in the procurement process can be removed. For example, is sufficient time allowed for tender submission where businesses may not have a dedicated bid team.

It is Groups policy to also consider how corporate priorities can be achieved through our procured contracts. The priorities are.

- Continually improve business performance,
- Use modern and appropriate procurement methods,
- Reduce administrative waste in the procurement process,
- Actively pursue opportunities for savings through improved procurement to achieve excellent Value for Money,
- Promote the sharing of best practice and market knowledge across Broadacres,
- Ensure procurement activity supports and reflects the Groups position on sustainable communities, environmental issues, equal opportunities and diversity by maximising the social value opportunities that will contribute and improve the well-being for the local economy and our customers,
- Continually improve procurement knowledge and skills within the Group through learning, adaptation and innovation, and raise the profile of procurement and its vital role within the Group,
- Meet Regulatory Standards, and
- Ensure effective risk management of strategic procurement and contracts.

7.0 Value for Money:

Value for Money, which refers to the optimum balance of economy, efficiency and effectiveness, is an integral part of all our procurement actions and we consider both the cost effectiveness of future activities and the use of existing resources. The Group will ensure best value for money by seeking competitive tenders, negotiating contracts or entering partnership arrangements as appropriate.

All significant procurement exercises must be supported by a proportionate options appraisal, which should consider, where relevant:

- Doing nothing or extending existing arrangements
- In-house delivery
- Outsourced delivery

- Collaborative or shared procurement approaches

The selected option must be justified with reference to value for money, risk, quality, deliverability and alignment with Broadacres' strategic objectives.

Value for money considerations must be clearly evidenced and documented to provide assurance to the Board, regulator and customers.

8.0 Procurement Thresholds

It is the Group's policy to follow the procurement route set out in the table below for each contract value threshold. It is the responsibility of the Budget Holder to ensure the relevant procedure is complied with prior to raising any purchase order or entering a contract.

Before requesting quotations or tenders, the Budget Holder must ensure the contract requirements are clearly set out in a specification or scope of works which can be communicated to Suppliers.

The procurement thresholds are:

Contract Value	Procedure	Key Requirements
Below £1,000	No formal quotation required – Direct Award	Budget Holder must demonstrate value for money. Follow Purchase Order approval process. Procurement support: not required.
£1,000 up to £30,000	A minimum of two written quotations.	Evidence of quotes must be retained. Quotes may be via email, portal, or price lists. Approval in line with Financial Delegations. Procurement support : optional (on request)
£30,000 up to £75,000	A minimum of three written quotations via electronic tendering portal.	Clear specification required. Records of quotations and evaluation must be retained. If advertising externally, then Procurement must be informed. Procurement frameworks may be used. If it is not possible to obtain three quotations, the justification must be clearly documented. Normal onboarding supplier due diligence process to be followed. Procurement support: advisory
£75,000 up to Procurement Act Threshold*	Formal quotation or tender process via portal (minimum four bids, unless justified).	Full evaluation and audit trail required. Success and regret letters must be retained. Any terms and conditions must be reviewed by the legal team prior to award.

		Framework specified procedure must be followed. If it is not possible to obtain four quotations, the justification must be clearly documented. Normal onboarding supplier due diligence process and credit checks will be carried out prior to award of business. Procurement support: Mandatory Involvement.
Above Procurement Act Threshold*	Formal Procurement Act procedure; Open Procedure, or Competitive Flexible Procedure.	Full tender process using the electronic tendering portal. Procurement Act Tender Notice and Contract Award Notices requirements apply. Any terms and conditions must be reviewed by the legal team prior to award. Framework specified procedure must be followed. Use of an existing Purchasing Consortium Framework may be considered Normal onboarding supplier due diligence process and credit checks will be carried out prior to award of business. Procurement support: Procurement team to support the process, mandatory.

*See Annex 1

9.0 Evaluation:

It is the policy of the Group that quotations and tenders should be evaluated based on the most advantageous tender. This is a balance of cost and quality criteria. In developing the quality criteria, the risk of the contract to business continuity must be considered.

The contract owners must decide on the relative importance of the cost and quality elements and the percentage weightings to be applied before quotations or tenders are invited. The criteria used for evaluation must be communicated to Suppliers in the quotation or tender documents.

Submissions must be evaluated by a minimum of three people, one of which should be the budget holder. The score awarded to each submission, and the reasons for these scores must be recorded in writing.

Following evaluation of quotations or tenders, the supplier who attains the highest combined cost and quality score must be awarded the contract. Therefore, careful consideration must be given to the evaluation criteria before quotations or tenders are invited.

In limited circumstances, it may be appropriate to evaluate quotations or tenders based on the lowest price submitted. Evaluation on lowest price must be approved by the Resources Director.

10.0 Supplier Risk Management:

A proportionate, risk-based approach shall be applied to Supplier financial risk management throughout the procurement and contract lifecycle, including pre-award, contract award, and ongoing contract management. In assessing risk, consideration must be given to financial standing and capacity to deliver.

No contract shall be awarded without completion of proportionate due diligence and an assigned financial risk rating.

Risk Rating Application

For contracts valued at £75,000 or above, or where the Supplier is deemed critical to business continuity (e.g., compliance suppliers) must be assigned a financial risk rating based on the credit score as provided by an approved external credit rating agency, set out in the supplier credit check procedure.

Suppliers classified as High Risk or Very High Risk (defined as a credit score of less than 30) must not be awarded a contract, nor have an existing contract continued, without prior review and approval from the DMT. For all such high-risk Suppliers, the contract owner is required to:

- Undertake enhanced due diligence, including a detailed assessment of the Supplier's financial stability and risk factors.
- Implement ongoing financial monitoring throughout the contract term.
- Develop and maintain a documented mitigation plan addressing identified risks.
- Establish appropriate contingency arrangements to ensure continuity of supply or service in the event of Supplier failure.

All actions and approvals must be clearly documented and retained.

This rating will be applied:

Pre-award: to inform supplier selection and level of due diligence

At award: to establish contract controls and monitoring arrangements

During contract management: to reassess risk where indicators change or new risks emerge

Ongoing Monitoring and Red Flags

During contract delivery, colleagues must remain alert to indicators of increased risk ("red flags"), including:

- Unexplained cost increases
- Deteriorating performance
- Changes in ownership or subcontracting arrangements
- Unusual or urgent payment requests

Any such issues must be recorded, investigated, and escalated in line with governance requirements.

Financial Risk Monitoring

The Finance Team will undertake periodic financial assessments, as set out in supplier credit check procedure, which may include:

- Turnover compared to contract value
- Credit ratings from recognised agencies
- Financial ratio analysis

Where financial analysis identifies a risk of supplier failure:

- Appropriate action must be taken in accordance with contract provisions
- The risk rating must be reviewed and updated

11.0 Late Quotes and Tenders:

It is the policy of the Group that quotes or tenders submitted after the submission deadline are not accepted. Where the electronic portal is used to manage the quotation or tender process, late submissions will not be allowed by the portal.

12.0 Social Value:

The Public Services (Social Value) Act 2012 (amended 2021) (the Social Value Act) came into force in January 2013. The Social Value Act covers the procurement of service contracts and framework agreements which are above the Procurement Act threshold value. The Social Value Act requires the Group to consider, before a procurement process begins, how what is being procured could improve the economic, social and / or environmental well-being of our communities, and how that improvement could be secured through the procurement process itself.

However, it is the policy of the Group to consider the social value benefits which can be delivered through all relevant procured contracts. The Group will:

- Align procurement with sustainability objectives, decarbonisation targets and if applicable local employment and skills strategies,
- Incorporate economic, social and / or environmental criteria in-to the contract specification where it is proportionate and relevant to the main purpose of the contract,
- Allocate a proportion of the quality evaluation score to “social value” criteria, so long as this is relevant to the subject of the contract and does not inflate the cost of the contract.

13.0 Customer Engagement:

The Group will consult with customers and other stakeholders on procurement matters for relevant contracts. Generally, customers will be consulted on contracts where they are the direct recipients of the service for example, communal cleaning, grounds maintenance, planned works.

Consultation will take place prior to the procurement to ensure customer views on contract specifications and service levels are incorporated where appropriate.

For the procurement of some contracts, it may be appropriate to include customers in the supplier evaluation and selection process, and in contract monitoring to ensure customers views are considered throughout the contract.

Individual customers or user panels may represent customers in the consultation process. The Group will ensure that the representatives are provided with sufficient, accessible information and training, where necessary, to make informed decisions regarding quality, selection or monitoring. This will also help those customers to better understand the costs which contribute to their rent and / or service charges. The Groups customer involvement principles are set out below; customers have been consulted on this Policy.

- **Meaningful influence** – Customers will be involved in areas where their input can shape service outcomes, quality standards and contractor behaviours.
- **Transparency** – Decision-making processes, evaluation outcomes and performance monitoring will be communicated in accessible formats and language.

- **Inclusivity** – Opportunities will be open to all customers, ensuring representation across demographics, geographic areas and needs.
- **Support and empowerment** – Customers participating in procurement processes will receive appropriate training and support.
- **Proportionality** – Levels of involvement will be proportionate to contract value, risk and customer impact.

14.0 Supporting Local Businesses:

It is the policy of the Group to support local small and medium businesses through procurement where possible. For any procurement where it is not mandatory to advertise the contract, the contract owner should make efforts to invite local businesses to submit tenders wherever possible and have regard to the objective at section 6.0.

However, value for money principles must still apply to the evaluation process and the contract must be awarded according to the most advantageous tender principle.

15.0 Training:

It is the policy of the Group is that all colleagues involved in procurement or who are responsible for evaluating tenders and managing contracts, will receive appropriate training.

16.0 Contract Management:

It is the responsibility of contract owners to ensure effective contract management systems are in place. The contract management system should be proportionate to the value and risk of the contract. The contract owner is responsible for,

Contract implementation and change management: Overseeing the smooth transition and mobilisation of the Supplier and managing any variations, amendments, or extensions to the contract in line with the Delegated Authorities. Risk management and mitigation should be considered on an ongoing basis.

Performance monitoring and relationship management: Regularly monitoring and assessing the contractor's performance against agreed Key Performance Indicators (KPIs), service level agreements (SLAs), Social Value and the contract specification through regular review meetings.

Financial control and compliance: Ensure that contract costs are in accordance with the agreed budget and that contract terms comply with relevant legislation.

Oversight: Ensure the contracts register is maintained and a fully executed (signed) copy of each contract must be stored in the central repository.

17.0 Other Considerations:

The following areas should be considered for each procurement and, where relevant to the nature of the contract, supplier requirements and questions must be included within the procurement documents and contract specification:

- Prevention of Modern Slavery in supply chains.
- Real Living Wage employer.
- Data Protection legislation and whether there is a need for data processing or data sharing agreements.
- Safeguarding of vulnerable residents and whether Disclosure and Barring Service checks are required
- Information security requirements and whether suppliers need to hold information security accreditation

- Health and safety and whether specific H&S accreditation are required for the type of work to be delivered.
- Trade specific qualifications and / or accreditations e.g. gas safe.
- Economic Crime & Transparency Act legislation, including Anti-Fraud and Anti-Bribery.
- Leaseholder recharging and whether Section 20 consultation is required.

18.0 Desired Outcomes:

The implementation of this Policy and Procedures will provide:

- Greater visibility and improved forward planning of procurement activity,
- Better value for money,
- Improved Supplier performance,
- Compliance with Legislation,
- More structured controls to protect Broadacres, and
- A better service for customers.

19.0 Key Roles and Responsibilities:

Role	Responsibility
Director of Resources	Policy lead with overall responsibility for ensuring the Policy is effective and is reviewed and updated regularly.
Head of Financial Services	Responsible for day-to-day oversight of procurement activity, compliance, reporting, policy and procedures.
OLT	Responsible for providing oversight and scrutiny of procurement activity by ensuring the Procurement Policy, Procedures and legislation is followed.
Contract Managers	Responsible for ensuring the Procurement Policy and Procedures and complied with for all purchases within their service area. Contracts register is up to date and accurate. Executed contracts are stored within the central repository.
Finance Team	Ensure that contract costs are in accordance with the agreed budget and are monitored as part of budget holder meetings. Carry out appropriate financial checks on Suppliers which will be undertaken prior to contract award and throughout the contract terms.

20.0 Compliance:

Compliance with this Policy will be monitored by the OLT and DMT.

The success of this policy will be measured through:

- No procurement challenges,
- Fewer contractors with no contract and fewer “rolling” contracts,
- Improved contract management measured through individual contract performance,
- Demonstrable value for money, and
- Measurable delivery of community benefits.

21.0 Related Policies and Key Documents:

- Value for Money Strategy
- Governance Framework
- Customer Engagement Framework
- Counter-party risk Framework
- Declaration of Interests Policy
- Procurement Procedure

- Equality Impact Assessment
- Supplier credit check procedure

Annex 1

Procurement Act Thresholds

The following thresholds will be in force from 1st January 2026.

Type	Contract Value
Works contracts	£5,193,000
Services and Supplies contracts	£207,720
Light Touch contracts	£663,540

The above thresholds are the total contract value including VAT.