



The Hullavington Community Benefit Society Limited

Procurement Policy

INTRODUCTION, SCOPE AND LEGAL FRAMEWORK

This document provides guidance on the procurement policies that apply to HCBS procurement activity. The document also highlights some key obligations and considerations.

The guidance set out both in this document and in The Green Book issued by HM Treasury Managing Public Money are designed to ensure that procurement activity is:

- focused on the delivery of Value for Money (VfM)
- conducted to high professional standards and to the relevant legal requirements
- conducted by appropriately authorised personnel

In addition, to help HCBS achieve social aims procurement activities will be conducted in a manner which is:

- good for businesses and their employees
- good for society
- good for the local community

PROCUREMENT POLICY

Definitions of procurement and Contract and Supplier Management (CSM)

HCBS Procurement is the process of buying goods, services and works from external suppliers. The procurement process will typically include:

- awarding and managing contracts
- determining the procurement procedure, selection and award criteria
- evaluating bids or quotes
- issuing Invitations to Tender
- obtaining and paying for purchases / orders
- understanding customer requirements and preparing Specifications

Procurement thresholds

The estimated value of a contract determines which procurement procedures apply. These thresholds are to be reviewed every two years. Wherever VAT may be payable under a contract, an allowance for VAT must be included in the calculation of the estimated value of the contract for the purposes of determining whether the contract equals or exceeds the threshold values.

Procurement Thresholds for estimated values:

- Expenditure up to £999 – one verbal quotation
- Expenditure £1000 to £2,999 - one written quotation
- Expenditure £3,000 to £4,999 - two written quotations
- Expenditure £5,000 to £24,999 – three written quotations
- Expenditure over £25,000 tender procedure applies

Procurement roles, responsibilities and compliance

Delegated Purchasing Authority (DPA)

All contracts must be awarded by an individual with the appropriate level of DPA.

DPA is an internal control whereby authority is granted to personnel to enter into a contract on behalf of HCBS.

A DPA can only be authorised in writing by two of the following: Chair, Vice-Chair, Treasurer or Secretary.

The DPA will specify the upper limit of contract value which the individual is authorised to award.

Separation of duties

Proper separation of duties is essential in order to protect HCBS personnel from accusations of impropriety and to reduce any risk of fraud. The person who approves the purchase of goods or services should not be the person who authorises payment. The person who maintains and reconciles the accounting records should not be able to authorise payments. The person who specifies the goods or services should not be the (only) person who selects the bidders.

Value for Money (VfM)

Significant Contracts must not be awarded on the basis of lowest price only, contract award criteria must be specifically designed to assess and award on the basis of VfM. The bid evaluation stage will identify which of the eligible tenders will deliver best VfM.

Prompt payment

HCBS will endeavour to ensure all payments made to suppliers, contractors and sub-contractors are paid within 30 days of receipt of a valid invoice.

Sustainable procurement

HCBS is committed to buying goods, services and works in a sustainable manner and ensuring sustainability is embedded and proportionately applied to all its procurement decisions. Sustainable procurement aims to make better use of public money, helping HCBS to achieve its overarching purpose and objectives.

HCBS will consider how its procurement process can facilitate the involvement of Small and Medium enterprises (SMEs) third sector bodies and supported businesses, and how the procurement can be used to promote innovation.

Ethical standards and gifts and hospitality

HCBS personnel are required to undertake their role with integrity, honesty, objectivity and impartiality.

All procurement activity must be conducted with propriety and to the highest professional standards at all times, ensuring that suppliers and potential suppliers are treated fairly at all stages of the procurement process.

All personnel must exercise care if offered gifts or hospitality and any accepted gift or hospitality is to be recorded within the Gifts and Hospitality Register.

Conflicts of interest in procurement

Personnel are required to act with honesty and integrity, and must not abuse their position for personal gain, to further their own personal interests or the interests of others (e.g. family and friends). All procurement activities will be undertaken in accordance with the HCBS Conflict of Interest policy.

Any actual, potential, or perceived conflicts of interest (e.g. owning shares in a supplier, or family / friends being employed by a supplier) which arise in the course of procurement must be declared in accordance with the HCBS Conflict of Interest policy.

POLICY & PROCEDURE VERSION CONTROL:

The Policy and Procedures will be reviewed following the appointment of the Tenant and thereafter regularly, at least every two years.

Version	Management Committee Review and approval date	Next Review Date	Summary of changes
1.0	27/05/2024	May 2026	New policy and procedures prepared & approved