

PROCUREMENT POLICY

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Introduction

Procurement is the purchase of goods and services from another party. The over-riding procurement policy requirement is that all procurement must be based on value for money, defined as "the best mix of quality and effectiveness for the least outlay over the period of use of the goods or services bought". This should be achieved through competition, unless there are compelling reasons to the contrary. This policy is intended to enable budget holders to obtain goods and services in an efficient, effective and economical manner.

Aims and Objectives

The policy shall ensure:

- Promotion of excellent value for money and utilisation of resources efficiently and effectively whilst resourcing learning to the highest possible level and maintaining accommodation that meets the current and future needs of staff and students to leading edge standards.
- The achievement of value for money i.e. the optimum combination of cost and quality to meet the user's requirements.
- Accountability: as a publicly funded body, the College has a responsibility to secure and demonstrate value for money. In addition, all tenderers and suppliers must be treated equitably, and procurement must be free from corruption, bribery and any malpractice.
- All relevant legislation applicable to procurement is adhered to. This includes, but is not limited to EU Procurement Legislation, the Freedom of Information Act, Anti-Bribery Act, Modern Slavery Act and Environmental legislation.

Responsibilities

The Corporation approves the budget for the financial year, thus allocating funds and delegating authority to make purchases from these funds to the College Leadership Team and Budget Holders.

Staff responsible for purchasing must be familiar with the relevant sections of Financial Regulations and Financial Procedures and all orders must be made through the College's ordering system.

Budget Holders are not authorised to commit the College to any expenditure without ensuring that sufficient funds are available to meet the purchase cost of the goods or service. All purchases must conform to financial regulations and procedures at all times.

The budget holder is responsible for certifying the invoice for payment after checking that all goods on the invoice have been received in a satisfactory condition and have been correctly priced. Materials and items in common use are usually obtained on the most advantageous terms if College wide purchasing is employed.

Where available, goods will be obtained via approved purchasing consortium. Other supplies should be obtained from suppliers included on the College Approved Supplier List.

Contractual documents up to an annual contract value of £10,000 can be signed by the Head of Finance.

Contractual documents in excess of £10,000 per year must be signed by a member of the Executive Leadership Team.

Procurement Procedures

The Head of Finance is responsible for ensuring a standardised college wide approach to procurement. All purchases will be subject to the Colleges Official Terms and Conditions and must be made via the approved official college purchasing system.

The order must clearly indicate the nature of the goods or service, and if applicable refer to any agreed price, quotation or tender submitted. Where an item is not available from an approved supplier the department concerned will liaise with the Finance Department to facilitate this purchase. Where more than one department requires the identified item the Finance Department will co-ordinate the process.

Maintenance and IT agreements should be co-ordinated by the relevant department to take advantage of a supplier's ability to undertake work on all equipment of a similar nature with a view to reducing overall costs and to ensure compatibility with existing hardware and systems.

The ability of a supplier to meet the College's requirements should be assessed before any contract is awarded or order placed. The Finance Department, and where appropriate the purchasing consortium, will be responsible for examining a supplier's conditions of sale to ensure they do not materially prejudice the College. Where another College department can provide a service internally, this must be used in preference to external suppliers. This includes in-house printing, and repair and maintenance facilities.

Approved Suppliers

The Finance Department maintain a list of approved contractors and suppliers through its purchasing system.

All suppliers will be involved in an approval process prior to inclusion on the approved supplier list. Approved suppliers and contractors will be subject to regular appraisal, and those companies whose performance has been unsatisfactory will be removed.

The Finance Department is responsible for carrying out ongoing supplier reviews. Except in the case of specialist supplies where alternatives are not available (or in emergency situations for example storm damage or where there is an immediate Health and Safety risk) only approved suppliers may be used by departments for the supply of goods or services.

Quotes and Tenders

Purchases with a value of:	Process to be followed.
Under £3,000	VFM must be demonstrated
£3,000 - £49,999	3 written quotes obtained and copies sent to the Finance Department.
£50,000 +	Competitive tendering required

Contracts / agreements with a value in excess of £3,000 cannot be awarded without at least three suppliers being invited to quote. If it is not possible to obtain at least three quotes a reason must be given and VFM demonstrated by alternative means.

The Finance Department will retain quotations in excess of £3,000, together with copy purchase orders, for a period of 2 years for review by the auditors on request. Procurement with a value in excess of £50,000 must follow the College's tendering procedure as outlined below.

Tender and quotation evaluation must take account of all relevant costs, including acquisition, servicing, performance/maintenance and disposal. Wherever better value can be obtained,

purchasing contracts made available by the approved purchasing consortium must be used. Maintenance and lease agreements must conform to the tendering guidelines. When determining tender thresholds, the annual value and duration of the agreement must be considered the contract value must also include any extensions or amendments.

It is not acceptable under any circumstances for purchases or contracts to be split into several lower value orders to avoid a quotation or tender threshold.

The College is a member of several purchasing groups including the Crescent Purchasing Consortium and ESPO. These frameworks can be used to get quick quotes or run a full tendering exercise. The Finance Department will assist staff with the tender preparation and submission process.

Tendering Procedures

Under College Financial Regulations competitive tendering must occur for all procurement exceeding £50,000 in value except in the case of specialist supplies where alternatives are not available (or in emergency situations). Tenders will be invited from a list of approved contractors or suppliers. The Deputy Principal will be notified of all tenders.

Invitations to tender will be sent by letter or email by the Finance Department, in conjunction with the appropriate Budget Holder. Invitations will give particulars of the work or supply and will give a closing date and time for submission of the tender, including instructions for return. The budget holder must liaise with the Finance Department to ensure a consistent approach to tender documentation/procedure.

The closing date must be strictly adhered to. Tenders received after the closing date will not be considered. Tenders received prior to the closing date and time will be held, unopened by the Finance Department. Tenders will be opened by nominated individuals, who will ensure that on opening, tenders are date stamped with the date of opening and signed by the persons present at the opening. A record of tenders will also be completed and signed by the persons present at the opening. Tenders will be scored using an evaluation criteria and scoring methodology as described within the advertised tender document.

The decision to opt for a particular supplier must be taken with due consideration to both the tender price, quality of service and cost effectiveness and must be approved by the Executive Leadership Team. If the lowest tender price is not accepted a written record of the reason will be recorded on the record of tenders form.

Post tender negotiations may be conducted in limited circumstances to benefit the College, and only in such a manner as to be equitable to all tenderers. The reason for any post tender negotiation must be detailed in writing and retained on file. The Finance Department will assist departments in evaluating the tender and will be fully involved in all post tender negotiations. Successful tenderers will be informed in writing and standard documentation will be used to inform unsuccessful tenders. The Finance Department will co-ordinate this process.

Tender documentation will be retained for five years.

Sustainable Purchasing

The College will be mindful of environmental and social responsibility as a factor in its purchasing decisions and recognise its responsibility to carry out its purchasing activities in a sustainable manner.

Before buying any product or service the following questions should be considered.

- Is the product or service required?
- Can the need be met in any other way?
- Is a suitable product available elsewhere within the College?

- Can we meet this requirement by renting, leasing or sharing rather than buying?
- Is the specification right? Is it "fit for the purpose", the appropriate quality (not over or under specified) and the correct quantity?
- Can the product serve any useful purpose after its initial use?

Wherever possible the College will give preference, where items are of a similar cost, to those that are;

- Manufactured with a high-recycled content
- Biodegradable or able to be recycled or reused
- Energy, water and resource efficient
- Packaged appropriately, not excessively using packaging that is non-recyclable or non-re-usable.
- Non-polluting during production, working life and on disposal
- Durable, easily upgraded and repairable
- Not categorised as Special Wastes entailing additional disposal costs and procedures supplied by companies based in or contributing toward the local economy

Payments

It is our policy to pay all suppliers in accordance with agreed payment terms as set out in their contractual agreement or College purchase order.

Standard payment terms will be made within 30 days of receipt of a valid invoice by the College on the basis of:

- 1) Accurate & timely invoices
- 2) Valid Purchase Order number on each invoice
- 3) VAT on all invoices where applicable
- 4) Goods or services have been confirmed as received and of satisfactory quality by the budget holder.

Exemptions

The below list includes those services which do not require a purchase order:

- **Utilities**
- **Legal/Audit fees**
- **Examination and Registration fees**

Training

All staff members that have been given delegated purchasing authority will be given in-house training run by the Finance Department.

Further Information

For further information about the Procurement Policy, please contact the Finance Department.

Related Documents

Financial Regulations
Anti-Fraud Policy

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Policy Review History

Version	Review Date	Reviewer	Reason for Review
0062.1	15/2019	SLT	£25K to be increased to £50K Budget holders to attend training Include CPC Framework where possible.
0062.2	09/06/2021	LA/SLT	EU OJEU references removed/Signing of small contracts added
0062.3	07/03/2022	Dir. Finance	Tenders to be approved by ELT
0062.4	10/09/2022	Head of Finance	No Changes
0062.5	08/09/2023	Head of Finance	Title changes, director of Finance to Head of Finance in three places. List of purchase order exemptions added (in line with PO policy, audit request). Value of Quote threshold reduced to £3,000 in line with Finance Regulations.