

# PROCUREMENT POLICY

## Policy Statement

This document sets out the College's policy regarding the purchasing of goods and services including consultancy and professional services.

It also outlines the formal purchasing strategy that aims to benefit all areas of the College in the procurement of all equipment, consumables, services and capital items.

## Detail of Policy Procedure

### Application

Under this policy all goods and services should be acquired by a competitive process unless there are sound business reasons to avoid competition, as long as this does not go against compliance with relevant procurement directives. The reasons for an exception must be business critical.

All purchasing decisions should be based on good practice, a fair and unbiased approach and with the overall objective of obtaining best value for money for the College. All of this must be adhered to whilst ensuring compliance with relevant procurement directives and fit with the College's buy local commitment. All staff responsible for ordering College supplies or services should use this policy.

### Interpretation

Further guidance on the use or interpretation of this policy may be obtained from the Executive Director - Finance and Commercial Development.

## Legal Requirements/Issues

### Compliance with EU Procurement Rules & Regulations

The College observes the current EU directive (with effect from 1.1.18) regarding procurement regulations and understands that failure to comply with this legislation carries penalties which the College will be held accountable.

The threshold rate is reviewed by the European Community every two years.

- The Public Contracts Regulations 2015. Social & Other Services £615,278 (excl VAT)
- The Public Contracts Regulations 2015. Supply, services & design contracts £181,302 (excl VAT)

- The Public Contracts Regulations 2015. Threshold for Works Contracts £4,551,413 (excl VAT)

Contracts meeting the thresholds have to be advertised in the Supplement to the Official Journal of the European Union (OJEU). When sourcing goods/services above these thresholds a consortium should be used to eliminate the necessity for the College to have to go through the OJEU process.

## Links with Older Policies/Documents

- Financial Regulations
- Due Diligence Procedure
- Staff code of conduct
- Procurement Procedure

## Policy Objectives

This document sets out the policy regarding the purchasing of goods and services including consultancy and professional services.

It also outlines the formal purchasing strategy that aims to benefit all areas in the procurement of all equipment, consumables, services and capital items.

The purchasing of goods and services represents a significant proportion of the College's total expenditure. Efficient purchasing will provide the College with real opportunities of achieving value for money (vfm) and reducing operating costs through lower prices for goods and services.

The procurement process should take into account the administrative cost of raising orders and processing invoices.

The College aims to obtain best value by utilising purchasing consortia (frameworks) where possible and ensuring compliance with EC Procurement Directives and reducing commercial risk through having a fair and transparent process of evaluating and selecting suppliers.

The College believes that goods and services should be acquired by competition and that all purchasing should be based on good practice and is in accordance with the following objectives;

- to supply the College with the right goods and services, at the right time, at the most advantageous cost.
- to promote the delivery of value for money through good procurement practice, utilising the most cost efficient and effective methods for procuring goods and services throughout the organisation.
- to facilitate the development of an effective and co-ordinated purchasing effort within the College.

- to identify opportunities for working with others, in order to widen the scope for maximising purchasing power and identifying innovation.
- To develop lasting relationships with contractors and suppliers, whilst ensuring VfM and continuing high performance can be demonstrated.
- to give due consideration to good corporate governance, and to ensure transparency of arrangements.
- to give consideration to sustainable, ethical, social and environmental issues.
- to comply with all relevant UK legislation.
- To develop appropriate management information in order to measure the performance and VfM achieved in purchasing by the College.
- If, after assessment of quality, service and cost; the College will favour a local supplier, if comparable.