

PROCUREMENT POLICY

Philosophy

The College requires that procurement decisions are based on the most advantageous tender. Lowest cost does not necessarily equate with 'cheapest'; whole life costs and sustainability will be considered in procurement making decisions.

The College has a devolved procurement policy which aims to put control and responsibility as near as possible to the point of need, devolving procurement to its budget holders, supported centrally by the provision of centralised accounting and procurement support. All colleague's responsible for procurement are required to act in accordance with the other relevant policies.

1. Introduction

1.1. The procurement of goods, services and works is a key process within the College. The aim of the Procurement Policy is to ensure that the College achieves value for money in the purchase of all goods and services. This should be undertaken in a transparent, efficient and effective manner to support the College's strategic priorities and objectives.

As a publicly funded organisation, the College is required to comply with public sector procurement regulation. This is enshrined in the Procurement Act 2023. The College, however, benefits from the Schools Exemption, which relieves the College of some elements of procurement regulation across the wider public sector and its Financial Regulations and this Policy reflect the exemptions permitted.

This procurement policy sets out the principles to be followed when procuring third party supplies, services and works contracts by the College. This Policy should be read in conjunction with the College's Financial Regulations.

2. Procurement Principles

The Procurement Act 2023, which came into force on 24 February 2025, mandates that the purchase of all goods, services and works whose value exceed specific thresholds (see Appendix 1) must be advertised in the Central Digital Platform.

Outcomes for students/learners are at the focus of the College's operations and these outcomes, together with sustained financial security are core to both its financial regulation and procurement procedures.

The College focusses on the following procurement principles:

2.1. **Procurement Act.** Purchases must be compliant with the Procurement Act 2023.

- 2.2. **Simplicity.** Procurement should be as simple and efficient as possible to ensure that the College and its suppliers are engaged in the procurement process. This includes E-procurement.
- 2.3. **Value for Money.** Procurement should both demonstrate and achieve value for money when outsourcing to third party suppliers and contractors. Partnership opportunities, internal/external collaboration and use of education sector framework agreements provide routes to market which will assist the College to achieve value in its third-party expenditure.
- 2.4. **Sustainability.** The College will include its Sustainability Policy in its procurement decision making processes. Whole life costing and end of life disposal will be taken into account when determining specifications and award of contracts.
- 2.5. **Modern Slavery Act.** The College will try to ensure that suppliers comply with the Modern Slavery Act.
- 2.6. **Supply Base.** The College will support businesses local to its areas of operation to participate in its procurement activity and will structure appropriate contract opportunities to enable local and smaller businesses to compete.
- 2.7. **Supplier Relationships.** The College will manage its third-party contracts in such a way that supplier relationships are strengthened. Strategic and higher value contracts will be actively managed to deliver value for money outcomes for the College.
- 2.8. **Conduct.** The College will have regard to the procurement principles of transparency and equal treatment in its conduct of procurement activities.
- 2.9. **Procurement 'Five Rs'.** The College will apply the 'Five Rs' of procurement, seeking to obtain the right **quality**, in the right **quantity**, for the right **price**, at the right **place** and at the right **time**.

3. Responsibilities

- 3.1. The Chief Financial Officer is responsible for:
 - ensuring that the College's purchasing policy is known and observed by all involved in purchasing for the College
 - advising on matters of the College's purchasing policy and practice
 - all college tenders
 - developing appropriate standing supply arrangements on behalf of the College
 - vetting all orders above £10,000 before they leave the College
 - engaging in the finalisation of all large-scale purchase contracts (generally in excess of £10,000) undertaken by the College, in collaboration with the responsible department
 - ensuring that the College complies with all regulations on public purchasing policy
 - providing an Annual Procurement Report to Corporation.
- 3.2. The Head of Finance is responsible for:

- supervising the role of the Procurement Officer
- supporting the Chief Financial Officer develop the procurement policy and ensure compliance with all regulatory requirements
- advising and assisting curriculum areas and support departments where required on departmental purchases.

3.3. The College Procurement Officer is responsible for:

- the negotiating RFQs, tendering exercises and contracting with suppliers in support of the relevant budget holder
- establishing and maintaining a preferred supplier base where appropriate.
- ensuring all College procedures are followed when ordering goods and services
- advising on purchasing frameworks available and their suitability
- to provide an annual procurement report to the Chief Financial Officer.

3.4. Budget holders are responsible for:

- maximising value for money for their area of budget responsibility
- ensures compliance with this Procurement Policy and supporting procedures
- liaising with the Finance Team to ensure procurement activities in their area are conducted effectively and efficiently
- ensure suppliers are performance managed against contracts for areas of their budget responsibility.

4. Authority to Purchase

- 4.1. All expenditure must be authorised in advance by the budget holder, or any person authorised by a budget holder who has been provided with a mandate to act on their behalf. Any person with such authority must be included on the approved list of signatories, held by the Finance Team. Budget holders are responsible for ensuring that all staff nominated as buyers are fully aware of all procurement procedures and the College's Financial Regulations.
- 4.2. There must be sufficient VAT-inclusive funds in the budget to cover the total cost of the supplies, services or works procured, including any delivery charges, carriage, expenses, etc.
- 4.3. Budget holders and other delegated persons are not authorised to enter into any form of contract commitment, whether written or oral, in excess of their authorised limits. All contracts shall be signed only by authorised officers of the College.
- 4.4. Budget holders will be held accountable for any expenditure where the College's processes and procedures have not been followed.
- 4.5. A summary of the tenders and quotations limits included in the Financial Regulations is summarised in Appendix 2.

5. Value for Money

Purchasing decisions made by the College will aim to achieve value for money and strive to determine in each instance, the most advantageous tender/quotation. In achieving value for money, the College will not simply consider initial price, but also take account of the following non-exhaustive elements:

- a. Delivery, installation and design requirements
- b. Servicing, maintenance, operation and reliability
- c. Depreciation
- d. End of life / disposal
- e. Staff training
- f. Mobilisation costs / changes to practice & procedure
- g. Commercial and legal risk
- h. Cost of the procurement process itself, which should not be disproportionate to the value, importance or risk of the supplies, services or works procured.

The College will also consider routes to market as part of a wider value for money consideration, including:

- a. **Collaboration.** The College will seek to collaborate with other local educational and wider public sector establishments to achieve value for money through economy of scale.
- b. **Frameworks.** The College will seek to procure its third-party contracts through frameworks established for use by and which are focussed on the education sector. The College recognises the value of procuring through existing routes to market which reduces the cost of procurement to the College whilst achieving value for money which education-focussed frameworks set out to deliver.

6. One-off Purchases and Ongoing Requirements

The College will not disaggregate requirements to avoid procurement regulation.

As per the Procurement Act, ongoing requirements will be reviewed on a minimum four-yearly basis and contracts with no defined termination date, which simply roll-over from year to year will not be entered into.

7. Process and Procedures

- 7.1. **College Financial Regulations.** This Procurement Policy shall be read in conjunction with its Financial Regulations. For avoidance of doubt, the Financial Regulations shall take precedence, if there is a conflict of wording.
- 7.2. **Transparency.** Requests for quotation and formal tenders will be sought on a competitive basis where appropriate and in accordance with its Financial Regulations. All tender processes will be managed electronically. The College will access frameworks established for the education and wider public sector when it is appropriate to do so, and when value for

money is demonstrated. All tender processes will ensure equal treatment of suppliers in the tender process.

7.3. **Social Value.** The College will endeavour to obtain additional social value through its third-party spend.

7.4. **Sustainability and Modern Slavery.** The College will source supplies, services and works in accordance with its Sustainability Policy, seeking to minimise negative impacts and maximise positive impacts on its community and the environment in which it operates.

The College is committed to procuring goods, services and works that meet sustainable procurement objectives, achieving value for money on a whole life basis, whilst minimising damage to the environment supporting environmental obligations, seeking to reduce poverty, inequality and ensure fair working practices.

In support of this commitment and complying with relevant legislation and regulations in procuring goods, services and works, the College will, wherever possible and reasonably practicable:

- Consider sustainable alternatives by assessing options such as cutting down on waste and repairing or re-using Goods, following the ethos of Reduce, Reuse, Recycle before considering replacement.
- Ensure Contract documentation reflects relevant sustainability criteria to be considered in the award of contracts.
- Allow potential suppliers to price for sustainable and environmental alternatives.
- Ensure that appropriate consideration is given to suppliers' environmental credentials in the supplier appraisal process.
- Ensure that suppliers' compliance with the Modern Slavery Act is considered as part of the supplier appraisal process.

Budget holders must balance environmental and social factors alongside economic consideration to achieve Value for Money on a whole-life basis.

7.5. **Plan.** The College will maintain a register of its contracts. This will enable the College to plan and coordinate its procurement activity effectively.

7.6. **Define.** The College will consider the following when defining its requirements:

- i The overall objectives of each requirement
- ii In-house technical knowledge and any requirement to source external technical advice
- iii The lifecycle of any product purchase, including after-sales services, in-life servicing & maintenance and end of use disposal
- iv Supplier/contractor conditions of contract/licensing over and above College agreed contract terms.

7.7. **Procure.** The College will ensure that its requirements are fully detailed, to secure the most advantageous tender or quotation for each requirement. This includes:

- i Allowing a realistic timetable for the procurement activity
- ii Setting out technical, qualitative and quantitative requirements in its documentation and ensuring that all three elements are given consideration in the evaluation of tenders.

- iii Setting out the terms and conditions of contract which the College will expect suppliers/contractors to agree to.

7.8. **Manage.** The College will manage its awarded contracts to ensure that it receives the supplies, services and works that have been contracted. Higher value contracts will include key performance indicators, which will be actively managed and reported upon. Any modifications and variations of awarded contracts will be recorded and agreed with the supplier/contractor.

8. **Contract Terms and Conditions**

The College will establish an agreed set of contract terms and conditions for supplies/services, which will be used when awarding third party contracts. When procuring works, the College will take advice from its specialist consultants and use their expertise to award and manage, using appropriate standard form construction contracts.

9. **Safeguarding**

The College considers paramount, the safety and welfare of its students and this will be reflected in its relationships with third party suppliers providing supplies, services and works on and within its sites. All colleagues involved in the procurement of third-party contracts shall abide by, the College's Safeguarding Policy in the contracts it awards. Any person entering or working on college premises will either be subject to DBS checks at the expense of their employer or always accompanied by a staff member.

10. **Conflicts of Interest**

10.1. A conflict of interest arises where an individual has the ability to influence the decision-making process. It is everyone's responsibility to identify any actual, potential or perceived instances of conflicts of interest in the procurement process. All interests must be declared, in all circumstances, in writing, at the earliest possible time, to the Principal or Chief Financial Officer of the College. Any interest declared will be maintained in a register of interest held by the Director of Governance. The aim is to manage, mitigate or remove the interest from the decision-making process in a way which is fair and transparent.

10.2. In the event that an employee has an interest in an organisation providing goods or services to the College that interest must be declared in writing at the earliest possible time and maintained in a Register of Interest held by the Director of Governance.

11. **Bribery Act**

All staff involved in procurement activities must comply with the Bribery Act.

12. **Method of Monitoring**

12.1. **Authorship:** Chief Financial Officer

12.2. **Date:** July 2025

12.3. **Next Review Date:** July 2026

12.4.Reviewing Officers: Chief Financial Officer

Policy Approval

Approval By: Corporation	<u>Date:</u> 8 July 2025
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Appendix 1 – Threshold Values

The threshold values at which public procurement opportunities are subject to the full suite of regulations governing public contracts are due to be updated.

They are revised every two years to take account of currency fluctuations, and to ensure the UK complies with its obligations under the World Trade Organisation’s Agreement on Government Procurement (GPA).

Contract Type	Summary of Threshold Levels from 1 January 2024 to 31 December 2025 (incl VAT)
Public Works Contract	£5,372,609
Supplies and Services* (Sub-Central Contracting Authorities)	£214,904
‘Light Touch’ Contracts	£663,540

* The supplies and services threshold is an aggregated value over four years.

Appendix 2 – Tenders and Quotations

Budget holders must comply with the College's quotations and tendering thresholds shown below:

£0 to £10,000	Budget Holder has discretion whether to request Quotations, although Value for Money must be obtained at all times and use of Framework Agreements are encouraged.
£10,001 to £50,000	The Budget Holder must arrange for at least three Quotations or use a Framework Agreement. <i>Note: the Budget Holder is responsible for retaining sufficient evidence of the quotations and decision.</i>
£50,001 to Procurement Act 2023 Threshold	The Budget Holder, with support from the Finance Team, must carry out a formal Tender in compliance with the College Tendering Procedures, or use a Framework Agreement in accordance with framework guidelines and College policy. Any agreement/contract made should be provided to the College's Procurement Officer for advertisement on Contracts Finder. Please speak to the Finance Team.
Above Procurement Act 2023 Threshold	The Budget Holder must contact the CFO. All applicable purchases must be made in compliance with the current and relevant Procurement Act 2023. The Procurement Act 2023 threshold applies to the aggregate value of the contract.