

1. Overview

Policy Title	Procurement Policy
Who does the policy apply to?	All employees involved in procurement activity undertaken by the College.
Aims	To set out the College's approach to procurement and identify the key principles which will apply to ensure transparency, compliance with regulatory frameworks and the achievement of value for money.
To be read in conjunction with	Financial Regulations Financial Procedures Manual Purchase Order Terms and Conditions
Further advice may be sought from	Head of Finance
Review arrangements	This policy will be reviewed every three years to ensure its continuing relevance and effectiveness. The College may review the policy prior to this date should operational and/or legislative/guidance matters require it. Further details regarding revisions and review cycle can be found at Section 12.

2. Introduction

- 2.1. Procurement is the process of acquiring goods and services, including those for capital and construction works. These goods and services form a significant element of College expenditure (approximately 40%) and it is therefore vital to achieve value for money in their acquisition.
- 2.2. This policy sets out the College's approach to procurement and identifies the key principles which the College will apply to ensure transparency, compliance with regulatory frameworks and the achievement of value for money.
- 2.3. The College also recognises its environmental and social responsibilities and will also seek to apply these throughout any procurement process.
- 2.4. This policy applies to all procurement activity undertaken by Northern College, and all individuals involved in that activity.

3. Principles

- 3.1. The key principles that the College will use in approaching procurement activities are as follows: -

4. Value for Money

- 4.1. The overarching principle to be employed is the achievement of value for money. Value for money to be defined as 'the optimum combination of whole life cost and quality (or fitness for purpose) to meet the user's requirement'. This is not necessarily the lowest price. Where an item / service is chosen that does not have the lowest whole life costs, then the additional value added benefits must be clear and justifiable.
- 4.2. This will be supported in a number of ways: -

Collaborative Procurement

4.2.1. The College will, wherever possible, use collaborative procurement in the sourcing of goods and services to achieve value for money. This may involve the use of framework agreements negotiated nationally, for the sector, or locally with other partners. The College is a member of Crescent Purchasing Consortia. Crescent are an 'FE' only consortia who are EU compliant.

e-Procurement

4.2.2. The College has recognised the benefits of e-Procurement in terms of efficiency by reduced administration and cost reduction. Purchasing cards are held by key College personnel and they will seek to employ such solutions wherever it is appropriate to do so.

Transparency and Competitive Tendering

4.2.3. Competitive tendering will be used wherever appropriate, in accordance with the College's Financial Regulations. This will include tendering within framework agreements, the use of competitive quotes from suppliers, and the use of sealed tender exercises where the value of the goods or services to be sourced is above £15,000. However, in exceptional circumstances, with approval from the Policy & Finance Committee, a choice of preferred suppliers may be used.

Rolling Contracts

4.2.4. A rolling contract is a contract that has no defined termination or cancellation date and 'rolls over' year on year, only ending upon the request of one of the involved parties. Rolling contracts should be always avoided. All contracts issued by the College should have a defined start and end date, to ensure the total contract value does not breach the financial thresholds which may constitute the application of a formal tender process.

Responsible and Sustainable Procurement

4.2.5. The College has committed to the "Investors in the Environment" award. As part of this, the College recognises that it needs a procurement process that meets its needs for goods and/or services, whilst minimising damage to the environment, society and the local economy.

4.2.6. Therefore, the College will promote sustainability within all its contract and tendering documentation.

4.2.7. Also, the College will continually review its purchasing of goods and/or services, with the intention of decreasing its environmental impact and increasing its positive impacts on society and the local economy.

Safeguarding

4.2.8. The College places the highest importance on safeguarding and the welfare and safety of learners is paramount in all its activities. Therefore, all members of staff, when engaging in procurement activity, must abide by the College Safeguarding Policy.

5. Procedures and Processes

5.1. The College will ensure that it has clear, concise procurement procedures in place, as part of its Financial Regulations and its Financial Procedures Manual. These will detail the roles and responsibilities of individuals, including authorisation levels and also the appropriate procurement route for types and levels of procurement.

6. Supplier Management

6.1. The College will actively manage its suppliers to ensure that details are up-to-date. It will periodically review the supplier database to update and remove suppliers as appropriate. Open dialogue will be maintained with suppliers to ensure that the College's specifications for ongoing supplies of goods and services are understood and complied with.

7. Preferred Suppliers/Partners Register

7.1. The College will maintain an up-to-date register of preferred suppliers to assist in sourcing goods and services. Where possible it is encouraged that purchasing is not restricted to one approved supplier in order to reduce dependence and to encourage competition.

8. Terms and Conditions

8.1. The College's Terms and Conditions for the supply of goods and services will be clearly laid out and the College will endeavour to ensure they are complied with.

9. Appropriate Skills and Expertise

9.1. The College does not have a specialist purchasing officer. However, all staff members involved in procurement will be appropriately supported throughout the process.

9.2. Where quotations or tenders are of a nature where specialist assistance is required to produce either a specification or the tender documents, the College may engage external companies to undertake the process on its behalf. However, as this is likely to require additional expenditure, the use of third party agents, must be agreed by the budget holder in advance. If agreed, the services of such a third party must be procured in accordance with the financial regulations. All quotations or tenders produced by third parties must be checked for accuracy.

10. Performance Monitoring and Review

10.1. The College will measure its procurement against agreed savings targets. Also, the College will set appropriate benchmarks or targets for performance against key risks associated with procurement e.g. procedural compliance, supplier performance and suitability.

11. Responsibilities

11.1. The Board of Governors are responsible for approving the policy.

11.2. The Executive Leadership Team and the Assistant Principal – Finance and Business Services are responsible for the implementation of the policy.

11.3. The Assistant Principal – Finance and Business Services is responsible for ensuring appropriate procedures are in place.

11.4. All College staff with a role which may involve procurement of goods or services are responsible for understanding and adhering to this policy and its associated procedures.

12. Policy sign off and ownership details

Document Name:	Procurement Policy
Version Number:	2.0
Effective from:	March 2020
Next scheduled review date:	March 2023
Policy owner:	Assistant Principal – Finance and Business Services

13. Revision History

Version No	Effective date	Revision description/summary of changes	Author
1.0	March 2014	New policy.	Head of Finance (Joy Whistlecraft)
2.0	March 2020	Rolling Contracts and Safeguarding paragraphs added. Appropriate Skills and Expertise section strengthened.	Assistant Principal – Finance and Business Services (Joy Whistlecraft)