Procurement Policy and Principles

Formal Review Cycle	ANNUALLY		
Latest Formal Review (date)	July 2025	Next Formal Review Due (date)	July 2026
Policy Owner	Katrina Foster, Director of Procurement		
Policy Author	Katrina Foster, Director of Procurement		

Approvals

Board of Corp Y/N	N	Committee		Date Board approved	
SLT Y/N	Y	SLT date approved	05/12/2019	Additional committee	

Publication

Website Y/N	Y	Intranet Y/N	Y	Student VLE Y/N	N	Other	

Change History

Version	Date Reviewed/ Revised	Description of Change	Reviewed by	Approved by
1.0	27/08/2021	Updated to reflect the Financial Regulations 2021	Katrina Foster	
1.1	15/09/2022	5.3 updated to include (or equivalent)	Katrina Foster	
	15/09/2022	Appendix 1 updated to include link to Sharepoint, and link to Procurement Thresholds	Katrina Foster	
1.2	19/02/2024	Roles updated – Chief Finance Officer replacing Chief Operating Officer	Katrina Foster	
1.3	19/02/2024	Inclusion of WARP-IT	Katrina Foster	
1.4	19/02/2024	Update to Reprographics process to include Outsourced Document Service	Katrina Foster	

Procurement Policy and Principles

1. Policy Statement

1.1. This policy is a policy of City of Sunderland College, trading as Education Partnership NorthEast (which includes Sunderland College, Hartlepool Sixth Form College, and Northumberland College). These colleges will be referred to as "EPNE" throughout this document.

1.2. It is the policy of EPNE to embed a tactical approach to procurement practices whilst maintaining the excellent delivery of services. It is our policy to adopt innovative, commercially focused practices in the management of our spend and to do so in an effective, efficient, ethical and sustainable way that delivers local economic, environmental and social benefits.

1.3. It is the policy of EPNE to treat all suppliers fairly and equally in any competitive process.

2. Scope

This policy applies to all purchases of EPNE and those associated with purchasing on behalf of EPNE. This policy encompasses all non-pay expenditure, to support the corporate objectives of EPNE.

3. Aims of the Policy/Underpinning Principles

3.1. The purpose of this policy is to make clear EPNE principles of procurement to assist colleagues in carrying out procurement activity on behalf of EPNE and has been developed to support the organisation's commercial objectives, and to align suppliers with the organisation's longer-term business plan.

3.2. The policy is a proactive approach based upon sustaining long-term relationships with key stakeholders and suppliers.

3.3. It should be read in conjunction with EPNE Financial Regulations - the overriding principles which must be followed in order to ensure good financial control throughout EPNE.

3.4. This document reflects and supports EPNE aims by working with staff and suppliers to optimise Value for Money in the procurement of goods, services and works. It aims to balance efficiency against risk factors in achieving Value for Money, whilst promoting sustainable procurement.

3.5. The aim of the policy is to implement a sourcing approach across all categories to deliver compliant and effective procurement as well as delivering value for money and identifying opportunities for added value to prospective and current further education students.

3.6. EPNE supports collaborative procurement at sector and national level where this provides demonstrable benefit to EPNE. To that end, EPNE is a member of various procurement consortia, for example NEPO (North East Purchasing Organisation) and CPC (Crescent Purchasing Consortium).

3.7. Early involvement in planning and decision making is necessary to influence business plans and define any procurement process. It is also important for procurement to manage any current expenditure or short-term goals in line with the organisations Financial Regulations and processes.

3.8. EPNE recognises that the delivery of further education at its sites may have adverse impacts on the environment and it is essential that these are minimised and maintained as such through continuous monitoring. It is acknowledged that the right procurement choices can reduce harmful environmental impacts.

4. Responsibilities

The Chief Finance Officer is the Senior Post Holder with overall responsibility for implementation of this policy.

The Director of Procurement holds responsibility to report to the Executive Leadership Team (ELT), obstacles in applying this policy

The Director of Procurement is responsible for the delivery of this policy and the overall performance of procurement.

The Procurement Department is responsible for the acquisition of goods, services and works through a compliant process in order to obtain best value, by evidencing value for money to meet the needs of EPNE in terms of product, quality, people, time, performance, location and price and to ensure it benefits from collaborative procurement and related services.

Budget Holders are responsible for the implementation and adherence, by staff to this policy.

All EPNE staff with authority to order goods and services are responsible for implementing and aligning all expenditure to this policy.

5. Implementation

5.1. All procurement within EPNE shall be carried out in accordance with legal requirements, Financial Regulations and the Procurement principles. Where the value of the procurement is in excess of £50,000 (including VAT), the process should be led by Procurement Services. This includes funding obtained by grants, although it is also necessary to ensure project expenditure also meets any requirements of the funding body. No tender exercises should be undertaken by Departments and Services in isolation.

5.2. Goods, services and works should be acquired by effective competition, including adequate publication of the contract opportunity, unless there are convincing and justifiable reasons to the contrary. Competition promotes efficiency and effectiveness in expenditure. Awarding contracts on the basis of value for money following competition contributes to the competitiveness of suppliers. It is essential that a clear description of needs is approved before the procurement process is commenced in order to allow the writing and scoring of tenders received.

5.3. It is the responsibility of Directors (or equivalent) of Departments and Services to ensure that these requirements are complied with. Requests for departure from this Policy require the prior approval in accordance with the financial regulations requests for such departure from competitive processes must be submitted within an adequate time (three months in advance of the renewal date) so as to allow sufficient time for an internal review to be conducted prior to the event.

5.4. Breaches of this Policy and the Financial Regulations are to be challenged by the Director of Procurement and reported to the ELT on a quarterly basis.

5.5. EPNE staff involved in tendering activity are required to sign conflicts of interests and non-disclosure forms at the commencement of each procurement process and a central register is held within the Procurement department.

5.6. As part of the standard tendering procedures suppliers are required to submit a signed certification of non-collusion and non-canvassing and a declaration of interest.

5.7. The confidentiality of information received in the course of duty must be respected and should never be used for personal gain.

5.8. Where possible, within procurement activities, we should look to forge links with the local community to encourage positive participation and address barriers to entry to encourage local, regional, SME and ethnic minority suppliers to bid for EPNE contracts.

5.9. Within any procurement activity, consideration should be made as to how the student experience can be enhanced. This could take the form of a commitment to student intern positions, an enhanced student offer etc. This added value should be considered as part of the tender evaluation process

Key Definitions

5.10. **Procurement** is defined as `the whole process of acquisition of goods, works and services and assets spanning the whole life cycle from the identification of the business needs through to the end of the useful life of an asset, contract or of the need for an activity’. It is more than simply `purchasing’ and it covers provision from internal and external providers.

5.11. **Value for Money** is defined as 'the optimum combination of whole life cost and quality (or fitness for purpose) to meet the user's requirement. This is rarely synonymous with the lowest price alone. To ensure that large value purchases obtain optimum Value for Money, the early involvement of professionally trained procurement staff should be utilised, it should be noted that all purchases (non-works) in excess of £50,000 (including VAT) will require pre-approval from Procurement.

5.12. **Sustainable development** is about meeting society’s needs today without compromising the ability of future generations to meet their needs – often referred to as good corporate citizenship or corporate social responsibility. With the climate emergency clearly the most serious global environmental threat, sustainability and carbon reduction are becoming key corporate responsibilities for all organisations. The key areas for action are:

5.12.1. Energy and Carbon Management (Utilities)
5.12.2. IT Infrastructure and Resources
5.12.3. Travel and Transport

5.12.4. Water Reduction
5.12.5. Waste Management (Reduction in Landfill)
5.12.6. Building Design and Functionality (Rationalisation)
5.12.7. Organisation and Workforce Development (Education)
5.12.8. Governance and Finance

<u>Sustainable Ethical Procurement</u>

5.13. EPNE has identified the need for a proactive approach to transform the way we buy, use and dispose of single use materials generated from the organisation's service delivery. We will undertake a cross site audit and review practices of both staff and students.

5.14. EPNE recognises the risks associated with ethical procurement and fraud and is committed to reducing this to a minimum.

5.15. To ensure procurement is conducted in an ethically sound manner Procurement will consider the Ethical Procurement Guidelines published by CIPS (Chartered Institute of Procurement and Supply) when procuring on behalf of the EPNE.

5.16. EPNE will work with suppliers to identify and minimise ethical issues in supply chains, including but not limited to:

5.16.1. Modern slavery (College statement)
5.16.2. Corruption
5.16.3. Bribery
5.16.4. Human trafficking

5.17. EPNE's Procurement Department will strive to:

5.17.1. Ensure, where appropriate, suppliers understand the key sustainability issues so that they can tailor their products accordingly;
5.17.2. Sustainability questions are asked for any tender process as a matter of routine;
5.17.3. Support suppliers who have a culture of sustainability where it is shown to deliver value for money or delivers Environmental/socio economic benefits, or preferably both of these;
5.17.4. Monitor and review the response to sustainable questions within tender documents and seek to use the more appropriate ones within future tendering documents;
5.17.5. Ensure that Local and Regional Businesses, particularly Small and Medium Sized Enterprises, can bid for the business by advertising contracts valued over £20,000;
5.17.6. Assist businesses that wish to work for EPNE through supplier engagement events;
5.17.7. Look to minimise the use of energy in all processes and evaluate whole life cost thus reducing emissions and water waste, in line with Sector targets;
5.17.8. Help in the development of sustainable products where our supply chain can deliver benefits;
5.17.9. Purchase products with recognised labelling schemes such as FSC, MSC or EU Eco label, where appropriate;
5.17.10. Promote the use of fairly traded products where appropriate;
5.17.11. Ensure goods are disposed of in an environmentally responsible way;
5.17.12. Minimise waste where possible by implementing process efficiencies and utilising re-cycling opportunities;

5.17.13. Items with a high recycled content are used where there is little difference in cost; and

5.17.14. Promote employment opportunities by including, when relevant, scored questions in the tender process concerning the availability of apprenticeship opportunities, recruitment schemes.

Compliance

5.18. All tendering activity is carried out by the Procurement team to ensure compliance with EPNE Financial Regulations and the Procurement Act 2023. EPNE staff involved in tendering activity are required to sign conflicts of interests and non-disclosure forms at the commencement of each procurement process and a central register is held within the Procurement department.

5.19. As part of the standard tendering procedures suppliers are required to submit a signed certification of non-collusion and non-canvassing and a declaration of interest.

5.20. Breaches of the Financial Regulations are to be challenged by the Director of Procurement and reported to the ELT on a quarterly basis.

Procurement Procedures

5.21. Procurement Procedures are detailed in the Procedures attached to this Policy as Appendix 1.

6. Associated Documents

Public Contract Regulations 2015
Procurement Thresholds
Financial Regulations
Anti-Bribery and Anti-Fraud, whistleblowing
Gifts and Hospitality
Disclosure and Conflict of Interest
Modern Slavery Statement
Travel and Subsistence Policy
Print Policy – new
PurchaseCard Policy – new

7. Policy Monitoring and Review

7.1. This Policy will be monitored on an annual basis.

7.2. Procurement will carry out checks on a regular basis of who EPNE is paying to ensure that Value for Money is achieved, existing contracts are utilised and legal obligations are met.

7.3. As an organisation in receipt of public funds EPNE is subject to scrutiny by DfE, OfS, and the National Audit Office, as well as regular reviews by our internal auditors. These bodies require the Procurement Principles to be carried out effectively.

7.4. It is the responsibility of Procurement to show that adequate policies, procedures and checks are in place to enable this and to demonstrate its effectiveness.

7.5. The Freedom of Information Act 2000 (FOIA) gives public access rights to certain information which would previously have been deemed confidential. External requests for information relating to EPNE's purchasing activities, including information about EPNE's suppliers, must be referred to the Finance Director in the first instance. If they are formal requests under the Freedom of Information they should be directed to Head of Governance and Policy.

8. Equality Impact Assessment

It is a legal requirement that all suppliers are treated equally in any competitive process, either above the EU tender levels, or below. They should have the same availability of access to specifications, plans, EPNE staff time, facilities etc. Evaluation criteria should be decided in advance and where possible be made available to suppliers to show they will be treated fairly.

Have you sought consultation on this policy? **Details:**				
Could a particular group be affected (negatively or positively)?	**Impact N**	**Description of Impact**	**Evidence**	**Mitigation/ Justification**
Protected characteristics under the Equality Act 2010				
Age	N			
Disability	N			
Gender Reassignment	N			
Marriage and Civil Partnership	N			
Pregnancy and maternity	N			
Race	N			
Religion or belief	N			
Sex	N			
Sexual Orientation	N			
Additional characteristics to consider				

Young Persons in Care & Care Leavers	N			
Young Carers & Care Givers	N			
Young Parents	N			
Youth Offenders	N			
Those Receiving Free School Meals	N			
If there is no impact, please explain:	The Policy will provide for all vendors to be treated equitably and fairly.			

Procurement Policy and Principles
Appendix 1
Procedures for Implementation

HOW TO BUY

Financial Authority to commit expenditure

EPNE operates a system of devolved financial authority under which Directors (or equivalent) of Departments and Services are responsible for the planning and decision-making process and the management of their financial resources.

Anyone placing a purchase order on behalf of EPNE should ensure they have the correct levels of authorisation to purchase as authorised by Directors (or equivalent) of Departments or Service. Different members of staff will have authority to purchase and authority to approve invoices, and so maintaining a separation of these duties is essential.

The Financial Regulations covering Authority limits are available on the Finance Sharepoint Page here: Financial Regulations

The Finance Department maintains a secure electronic record of all staff who have delegated authority to approve expenditure. The record details the budgets against which the employee is authorised to approve purchases and their transaction limits. This record is checked when invoices are paid to ensure staff with correct levels of financial authority have been included during the process.

It should be noted:

- No employee can approve purchases if they have not been given delegated authority to do so. EPNE is not legally bound by a purchase order signed by a member of staff who does not have the authority to act on its behalf;
- No employee is authorised to commit EPNE without first ensuring that budgets are available to meet the commitment;
- It is not permissible to raise two or more lower value purchase orders or to phase the issue of purchase orders in order to circumvent authorisation levels.

Failure to comply with these requirements may result in withdrawal of authority and disciplinary action. If you are unsure of your personal authorisation levels, please check with Procurement.

Purchasing regulations & thresholds

The current thresholds that apply to all EPNE procurement activity are set out below.

There are a number of roles involved in the purchase of goods and services for EPNE that commits it to pay a third party, and these are listed as below. For these purposes, a "**Commitment**" means: "a contractual obligation for EPNE to pay a supplier that is created by an approved purchase order including those made electronically or online and those using a procurement card or created by any other purchasing commitment (including a verbal agreement).

The financial limits up to which individual employees can make a Commitment are those set by the

Board of Governors, which apply to all financial transactions carried out on behalf of EPNE. The current financial limits can be referred to in the Financial Regulations.

Plans to acquire equipment, goods or services must be aggregated across EPNE and over the life of the contract.

Authorisation for staff to make Commitments must be approved in advance. Directors/Curriculum Managers may delegate this responsibility and in order to do so should seek approval from the Chief Finance Officer. In order to do this, a request to make an adjustment to the Approved Authoriser List should be made to the Finance Department.

Finance maintains a secure electronic record of all staff who have delegated authority to approve expenditure. The record details the budgets against which the employee is authorised to approve purchases and their transaction limits.

E-purchase

All procurement within EPNE should be carried out, where available, using the electronic ordering system, e-purchase.

The only exceptions will be where it has been agreed that for practical reasons other systems need to be utilised, such as where the e-purchase system has not yet been set up, or for low value orders when Purchasing Cards can be used.

E-purchase has a workflow functionality that ensures that the correct approval process is carried out prior to purchase by budget holders. In the case of orders in excess of £1,500 an additional level of approval via the Finance Department will be required in order to verify due diligence is completed; over £3,000, an additional level of approval by Procurement will be required in order to verify that the buyer has obtained value for money. The workflow will also ensure that budget holders have approved any expenditure in advance and are aware of all commitments made from their budgets, rather than at the end of the process when an invoice is received.

Purchase Orders

All purchase orders should, where possible, be placed via e-purchase. Departments should be aware that it is when a purchase order is placed with a supplier that a commitment is made on behalf of EPNE, not when an invoice is received, so approvals should be achieved prior to commitment stage. All purchase orders have attached EPNE *Standard Terms and Conditions of Purchase*; the latest version of these is available on the web pages.

Purchasing Cards

EPNE recognises the need in some cases to use Purchasing Cards as an alternative means of paying for goods and services. There are some advantages including the potential to reduce paperwork, time in administration and subsequently reduce costs, however the reduced level of security, consistency and potential for misuse need to be considered. Purchasing Cards are suitable for low value, one-off purchases and for purchases from abroad – they should only be used for transactions up to £1,000 (including VAT).

Consideration should be given to the aggregation of requirements as it can also be time consuming registering card details on a regular basis.

These cards can be approved and issued through Procurement by the Director of Service.

Further information, should be obtained from Procurement.

New suppliers

Suppliers that EPNE **need** to use will need to be set up on EPNE finance system to enable payment to be made. You must complete a new supplier form and send to Procurement who will then carry out the necessary checks before agreeing to a new supplier being set up. Forms are available on the shared folder. All potential new suppliers and any existing ones will have financial assurance checks carried out. This is particularly relevant if the payment terms dictate that some payment in advance of receipt of goods or service is required – such a payment must be approved in advance by the Group Finance Director.

Procurement has access to a credit reference agency, and requests to use this facility should be made through Procurement. It is suggested that a credit check is undertaken for all new suppliers.

Competition

The form of competition should be appropriate to the value and complexity of the goods, services or works to be acquired. We should also seek to keep bidding costs to the minimum necessary for effective competition and should remove barriers to participation by, for example small firms, the self-employed and the third sector without discriminating against others. Any minimum standards required should be proportionate to the contract in question, other than where legally required.

Quotations and tenders

The quotation and tender processes are both used to obtain written offers from suppliers for the supply of goods, works and services. The quotation process is normally used for relatively low value and low risk purchases. For higher value purchases, which require greater accountability, the more formal tendering process should be adopted.

Both processes are described in more detail below.

Quotation Process

In accordance with EPNE Financial Regulations, **a minimum of three written quotations are required for any purchases between £5,000 and £25,000 (inclusive of Vat) refer to Financial Regulations for all thresholds.**

Requests for quotations, where the value is **below £5,000 (inclusive of VAT)** can be made verbally or in writing, but written confirmation of the quotation is required, and must be attached to the Purchase Order Requisition.

Requests for quotations, where the value is between **£25,001 and £50,000 (inclusive of VAT)**, should be facilitated by the Procurement Department to ensure compliance to Public Contract Regulations.

In seeking written quotations, the supplier should be asked to submit details of price, time required for delivery, trade or early payment discounts, any other costs associated with delivery and carriage and, where appropriate, the cost of maintenance for the whole life of the contract. Suppliers should be given a reasonable period of time to respond to enquiries and should return their offers as instructed, marked with the appropriate quotation reference. All responses should be opened at the same time after the closing date.

In requesting quotations, care should be taken to ensure that any purchase is subject to EPNE own terms and conditions. All exceptions must be highlighted to Procurement.

The Request for Quotation Template is available at Sharepoint

Tender Process

Any requests to purchase above £50,000 (inclusive of VAT) are subject to EPNE competitive tendering procedures. The tender process is more formal than that required for quotations and a standard 'Invitation to Tender' comprising of a Form of Tender, Specification, Schedule of Prices, Terms and Conditions and other documents. These are issued to tenderers to complete and return by an agreed closing date via EPNE e-Tendering Portal.

Any requirements exceeding £50,000 must be submitted on a Tender Request Form available here and submitting to Procurement.

Opening of Tenders

All tender responses are verified by the Procurement Team prior to commencing evaluation. All tenders responses are opened on the specified return date and time - there are no exceptions. Members of staff must not be involved in opening, evaluating or awarding tenders from any individual or organisation with whom they have a family, personal or financial relationship.

Evaluation of Tenders

The award criteria will aim to secure a contract that is the most advantageous tender (MAT) to EPNE (i.e. overall best value for money based not solely on consideration of cost).

All other tenders, except those where lowest price is predetermined to be the appropriate criteria, will be evaluated using the agreed benefit criteria that will include consideration of service quality, sustainability and student added value as well as price. The competitive tendering process will aim to secure a contract that is the most economically advantageous to EPNE.

Award criteria must be clearly set out in the invitation to tender or equivalent documentation, together with weighted scoring methodology.

Any discussions and or correspondence prior to the conclusion of procurements should be on a "without commitment" basis and this phrase should be clearly stated on any such correspondence. The contract offer or purchase order should be the only point at which commitment is made.

Post Tender Negotiations

Post-tender negotiations (i.e. after the receipt of formal tenders but before the signing of contracts) are only permissible when it is considered that the recommended tender cannot reasonably be accepted in view of market price or budgetary provision. Post-tender negotiations may only be undertaken by the Procurement Service, to ensure:

- it will not distort competition or put other tenderers at a disadvantage; and
- it will not affect the tenderer's confidence and trust in the transparency of EPNE's tendering process.

All post-tender negotiations will be recorded by the Procurement Manager.

Tender Report and Award

Upon completion of the tender, Procurement will complete a Tender Report which records the outcome of the tender and provides a record of the process undertaken to reach that outcome. The Tender Report must be approved by the Authorised Budget Holder, prior to approval by the Group Finance Director, who will then advise on further authorisation based on value and other risk factors.

A minimum of ten days' Mandatory Standstill Period must be observed if the procurement is aligned to the Public Contract Regulations 2015.

The standstill period should be:

- extended if necessary e.g. around public holidays or to comply with individual requirements of the project;
- the 10-day countdown commences the day after the award decision is issued to all tenderers;
- the Mandatory Standstill Period must end on a working day.

This would not prevent continuing discussions with the preferred supplier (e.g. to ensure prompt mobilisation of the supplier's resources once a contract was concluded).

Contract Checklist (or similar)

To facilitate approval by senior stakeholders, all contracts (supply and periodical) in excess of £50,000 (inclusive of VAT) require a Contract Checklist to be completed and approved prior to entering into a contract. The Contract Checklist requires input from Procurement and Legal Services, however it is the responsibility of the Department or Service to seek the requisite approvals.

Tendering Thresholds

Thresholds are subject to revision, on a two year cycle. To see the most current thresholds visit Public Procurement Thresholds

Exceptions and Exemptions

Annex A to EPNE Financial Regulations set out agreed exceptions to the requirement to undertake formal procurement procedures. This list has been approved by the Chief Finance Officer and will be reviewed on an annual basis.

On other occasions, a single supplier waiver may be granted. Examples of such occasions may include:

- for goods, works or services which are obtainable only from one supplier, based on manufacture, location or knowledge and full justification and evidence must be provided by the Budget Holder to demonstrate this;
- there is an unforeseeable emergency involving immediate risk to person, property or serious disruption to College services.
- the repairs of, parts for or additions to existing hardware, machinery or plant or where comparable costs for repairs, parts or additions would not be compatible with the existing kit;
- purchase or repair of articles sold at fixed price, where no variance of price would be obtained

by tendering;

The Chief Finance Officer will determine whether, EPNE is at risk of either breaching legislation, or likely to breach Funding Body requirements. Budget Holders **must not make any commitment to suppliers** before an Exemption Application has been authorised and must plan sufficient time for a procurement process to be completed in the event that the Exemption Application is not authorised.

Urgency, where the need has been identified but not progressed will not be accepted as justification for a single supplier being selected. Expenditure will be monitored and disciplinary action taken where it is found that a commitment has been made without first obtaining authorisation.

This must be considered as the exception to the rule and you may only apply for an exemption from the requirement to obtain quotations or tenders under specific circumstances via a Tender Exemption Application available here

Use of standard Terms and Conditions

All Procurement should be carried out using the relevant EPNE terms and conditions of contract that are available on the Finance web pages.

Any agreement or contract with a supplier in consideration of goods, works or services that requires a signature on behalf of EPNE should be sent to Procurement for review prior to signature. This does not include individual purchase orders.

Staff should bear in mind that a signature on an agreement or contract indicates EPNE's acceptance of and inescapable commitment to it, often including the supplier's terms and conditions which may not be favourable to EPNE.

Framework agreements

EPNE encourages the use of approved Frameworks as an efficient and effective route to procurement.

Frameworks agreements have been set up by EPNE and those bodies with which it collaborates for particular categories of spend. A framework agreement is an agreement with one or more suppliers that sets out the terms and conditions under which specific purchases (call-offs) can be made throughout the term of the agreement. There are two main types of framework agreements to which EPNE is a party:

(a) multi-supplier frameworks, from which EPNE can place call-off contracts either directly with specific framework providers or following a mini-competition between framework providers; and

(b) single supplier frameworks which allow EPNE to purchase on a call-off basis directly from the single supplier appointed, without the need for a further competition.

Where a framework agreement is in place for a particular category of spend, it should be considered as the first option for all requirements which fall within the scope of that Framework. Procurement Services will conduct benchmarking of the framework against the existing contract (if applicable) and against alternative sources of supply. If the framework represents the most optimal procurement route, it should be used. However, where the requirement cannot be met via an existing framework agreement, where EPNE believes that better value for money can be obtained via an alternative procurement route, or where the requirement is outside the scope of the framework then it should not be used. Advice should be obtained from the Procurement Office before any decision is taken not to use a Framework

Agreement.

Where a contract is to be operated on a framework agreement, the contract must be approved in advance of the execution of the contract by Board of Governors, if there is the reasonable expectation that **the aggregate expenditure through the life of the contract will exceed £500,000 (inclusive of VAT).**

If buying goods, services or works from framework agreements, please refer to the buyers' guide attached to that framework or seek advice from Procurement Services.

Payment Terms

All payments to suppliers will be made through the e-Finance System by BACS, following receipt of a correct invoice. EPNE payment terms are 30 days following receipt of invoice unless payment is made via the agreed purchasing card methodology or another pre-agreed method. Where it is prudent to deviate from these payment terms, for example where a prompt payment discount is offered, this will require advance approval from the Chief Finance Officer or Group Finance Director.

It is not usual to pay in advance for **services** to be carried out, unless a supplier has some prior expenditure, payment should be agreed on a monthly basis to reflect the services carried out in that month.

Payment for **goods** should be made only on receipt of the goods, unless some work is being carried out in advance of the goods being shipped to us. You should not pay more than 10% in advance of receiving goods to reduce the risks to EPNE and any agreement to pay a supplier in advance should only be made following a financial check of the supplier by Procurement.

Any payment milestones or schedule agreed with a supplier should be proportionate with their actual costs incurred in advance, if in any doubt, contact Procurement for further advice. Such stage payments must only be authorised if evidence of adequate compliance with the contract is seen.

Contract Management

All contracts should generally be for no more than five years. This allows for further competition in future and technological changes that occur to be utilised. Some IT contracts may require a longer period, to take advantage of better terms in advance, but this should only happen if we are clearly going to have the same requirement in the future, generally for high value, strategically important requirements. Where a contract is proposed for a period of greater than five years, this should be approved in advance by the Chief Finance Officer or Group Finance Director.

It is the responsibility of Procurement to manage all centrally let contracts and assist external consortia in managing suppliers that have been procured on our behalf. To enable this to be done, Departments should always notify Procurement of any issues that arise during a contract, to allow us to deal with the issues, or pass them on to someone who can.

The working relationship with the supplier is the responsibility of the end user, if a contract has more than one Department involved, the wider supplier relationship will be the responsibility of Procurement (or Estates Services / IT Services where they are the contracting Service) who will:

- act as a focal point for EPNE-wide issues with the supplier;
- escalate issues that cannot be resolved at the local level;
- act as a point of contact for all supplier-produced management information; and

- hold regular review meetings with a supplier to monitor performance.

A Service Level Agreement (SLA) should always be considered when awarding a service contract. This should be tailored to suit the needs of the contract and should be a core part of our ongoing evaluation of the performance of EPNE's suppliers.

Supplier reviews should take place for all contracted suppliers on a regular basis.

Receiving Goods

All goods must be "goods receipted" (GRN) before an invoice payment can be made.

All goods require a GRN attached to the requisite Purchase Order to enable payment.

It is important when signing for goods that a check is made to ensure the correct goods are received and they are of satisfactory quality. It is also important that electrical goods are tested as soon as possible to see if they are working correctly so any issues can be communicated to a supplier as soon as possible.

Disposal of Redundant Equipment

Where there is no longer a requirement, or there is a surplus, of equipment then these goods should be uploaded to WARP-IT, the internal reuse, recycle portal for

Where possible, we should always look to sell on equipment after it has reached the end of its use. It may be that the best value could be achieved by selling back to the original supplier, or to the supplier we are buying new equipment from, if a replacement is being sought, they will often accept redundant equipment as a trade in against a new purchase.

When selling on electrical equipment, we have obligations to ensure the safety of anyone we sell equipment to, so we MUST first of all carry out full electrical testing and give certificates with the delivery note to any purchaser.

We also have obligations under the WEEE Directives on electrical waste disposal; this means that as a seller of this equipment, we are ultimately liable for its disposal when it reaches the end of its life, unless we are selling on to someone who has their own waste disposal certificate.

When disposing of IT equipment we also have obligations under the Data Protection Act 1998 to remove all information contained concerning individuals; we are also required to remove all operating software.

Furniture – All requests for disposal irrespective of the value must be approved by the Director/Curriculum Manager.

Charitable donations and staff sales of redundant equipment

Because of the above mentioned legal constraints, the charitable donation or selling of equipment to staff of redundant IT equipment is not considered suitable without significant cost and logistical issues which need to be factored into any decision. Staff sales or charitable donations should not be undertaken without the express approval of the Director of Finance, to ensure our legal obligations are met and all costs are factored in.

Retention of Documents

Tender or quote documents from a successful supplier are required to be kept for the full period of the contract plus one year as a minimum and for substantially longer in the case of PCR threshold tenders. Unsuccessful tender or quote documents should be retained for six months.

Successful quotes or tenders should also be attached to the Notes section of the subsequent purchase order when possible.

Further information is accessible in the Financial Regulations – Asset Disposal

WHERE TO BUY

Internal sources of supply

You should consider internal sources of supply as the goods or service you require may be available internally, perhaps in stores, or may be services available from an internal source. Other Faculties or Services of EPNE may have excess stock or capacity that could meet your needs, a contractual arrangement you could utilise or be interested in running a joint procurement to increase the overall buying power.

External sources of supply

EPNE has a large number of contracts available to use, these are contracts either put in place by EPNE or on our behalf by purchasing consortia. These contracts cover a wide range of Goods and Services, both specialist and routine requirements. It is important these are used when available to prevent EPNE being in breach of a contract and to achieve Value for Money. Existing contracts should always be the first option when considering a purchase.

EPNE believes in the benefits of collaborative procurement and in addition to being a member of the Crescent Purchasing Consortium (CPC) EPNE works with other public sector bodies on collaborative projects to deliver Value for Money to EPNE where it can.

Staff have a responsibility to ensure that where an appropriate contract is available, purchase orders are placed with that supplier. If there is any doubt regarding the correct source of supply, advice should be sought from Procurement in advance of the requirement.

If a non-contracted supplier is offering lower pricing than our contracted suppliers, this should be brought to the attention of Procurement.

Specialist knowledge and assistance

This can sometimes mean the use of external consultants for highly complex and high value procurements, but internal assistance, such as from Estates or IT Services should be preferred where available. IT Services should always be consulted when hardware or software purchases are required, to ensure the equipment is compatible with our existing IT infrastructure and that all software licensing rules are complied with.

College Reprographics

For all print requirements, you should use College reprographics. All jobs will be reviewed for need and submitted to our Outsourced Document Service.

Where it is identified that there is a print requirement, consideration should be given in the first instance for a more environmentally friendly solution, reflecting and evaluating the impact/benefits to the environment.

Travel

The details of how we should travel are contained within EPNE Sustainable Travel and Subsistence Policy which can be found on Sharepoint.