

Procurement Policy

February 2011

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Procurement Policy

1 Purpose

- 1.1 The key elements of the College's Procurement Policy are:
- 1.1.1 To maintain the highest ethical standards.
 - 1.1.2 To promote sustainable development.
 - 1.1.3 To act fairly towards suppliers.
 - 1.1.4 To achieve value for money.
 - 1.1.5 To promote equality and diversity throughout procurement matters.

2 Scope

- 2.1 The College must comply with its legal obligations concerning EU procurement directives. These regulations require the College to advertise large contracts for the supply of goods and services in the Official Journal of the European Community. The current aggregated compliance threshold is £139,893.
- 2.3 When the College uses a buying consortium to undertake competitive tendering the consortia will ensure that the proper regulations are followed, including sourcing of goods and/or services.
- 2.3 The Policy covers Procurement activity at all of the college locations including the main campus and Learning Centres. It applies to all areas of activity – teaching and non-teaching.

3 Definitions

- 3.1 Procurement Manager – Learning Resources Manager.
- 3.2 Procurement Office – team of senior staff responsible for developing and implementing policy and procedures.
- 3.3 OJEU – Official Journal of the European Union.
- 3.4 APUC – Advanced Procurement for Universities and Colleges. Procurement Centre of Expertise for all of Scotland's universities and colleges.

4 Key Principles

4.1 To Maintain the Highest Ethical Standards

If you are involved in the purchase of goods or services on behalf of the College, you must make your line manager aware of the nature and estimated value of the goods.

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You should not accept any gift, reward or hospitality from any organisation or individual with whom you have contact in the course of your work as an inducement either for doing something or not doing something in your official capacity.

4.2 To Promote Sustainable Development

Perth College is committed to securing the acquisition of goods and services ("products") in a way that ensures that there is the least impact on society and the environment throughout the full life cycle of the product.

Whilst a key element in public procurement is the achievement of value for money, purchasers and end-users can play an important part in meeting the College's sustainable development objectives through the development and use of goods and services, which are environmentally preferable. You should, wherever possible, take account of relevant sustainable development objectives when buying goods and services.

As part of your purchasing decision you should aim to reduce the amount of waste produced. Failing that, value should be recovered from the waste and only as a last resort should the waste be disposed of by means which minimise risk to the environment and to health.

Key considerations are:

- Doing business with organisations that demonstrate a commitment to sustainability and that report on their environmental and social performance.
- Conserving resources, particularly those which are scarce or non-renewable within the constraints of providing a safe and comfortable working environment.
- Reducing waste through re-use and recycling and by using refurbished and recycled products and materials where these are available.
- Minimising the release of greenhouse gases, volatile organic compounds, vehicle emissions and other substances damaging to health and the environment.
- Ensure that products are from sustainable sources and comply with EC and international trading rules.

Within our own accommodation we will:

- Select products used in the office environment with regard to their impact on the environment;
- Use energy as efficiently as possible;
- Re-use and recycle materials wherever possible.

4.3 To Act Fairly Towards Suppliers

If you are engaged in arranging a contract, this should be done in appropriate and professional manner, consistent with this policy and other associated College policies and procedures.

If you are responsible for the progress of a contract you should ensure adequate and appropriate publicity is given to contract opportunities. This should involve, as a minimum, placing details of the contract opportunity on the College website but preferably on the Public Contracts Portal.

If you are involved in tender negotiations for the supply of goods and/or services you must adhere to the College's Procedure for Tendering. If requested, you should provide feedback to those suppliers who were unsuccessful in a tender exercise.

The College aims to pay suppliers for goods and/or services within 28 days of receiving an invoice. To achieve this aim you are required to ensure related paperwork is processed promptly.

4.4 To Achieve Value for Money

There are 2 main aspects that impact on value for money in terms of purchasing goods and/or services:

- Product specification – quality and quantity.
- Source of supply – right time, right place, right price.

If you are involved in the purchase of goods and/or services you must be clear on how to develop a specification for a product. This usually includes:

- Purpose of goods or services.
- Necessary characteristics (size, finish etc).
- Performance.
- Life span.
- Equality/accessibility issues.
- Reliability.
- Installation arrangements.
- Technical concurrence.
- Maintenance arrangements.

In order to ensure technical concurrence, only ICT authorised staff may place an order for hardware, software and associated products.

4.5 Public Procurement and Equality of Opportunity

The College has a statutory duty to outlaw disability, race and gender discrimination in all of its functions. We will ensure that the purchase of

goods, services and facilities is undertaken in line with our equality and diversity commitments.

We will not use suppliers who do not share our values on equality of opportunity and diversity.

The College remains responsible for meeting its obligations under the various statutes even when an external contractor provides one or more of the College's functions.

Members of staff involved in procurement must ensure that:

- All contracts are delivered in a way which is non-discriminatory and promotes equality of opportunity for College staff, students, the general public and businesses.
- The goods, works and services provided by contractors cater for all users' needs.
- Contractors are representative of the local population or of the area from which the businesses are drawn.

4.6 Governance and Audit

The College is responsible for establishing arrangements for ensuring the proper conduct of our affairs, including conformance to standards of good governance and accountability with regard to procurement. This involves the Finance and General Purposes (F&GP) Committee in monitoring these arrangements.

Internal audit should provide an independent and continuing appraisal of an organisation's internal control system and continuing assurance that its internal control systems are adequate and effective.

The F&GP Committee should set the degree of assurance it requires concerning the management of procurement risk, and internal audit should plan its work accordingly. This should address the *Review of Public Procurement in Scotland* recommendation that organisations confirm annually that they comply with minimum standards of governance and accountability for procurement.

External audit may review and report on standards of risk management and governance with regard to procurement in any contracting authority. Additionally, Audit Scotland's programme of performance audits may scrutinise and report on the College's procurement systems and effectiveness.

5 Responsibilities

- 5.1 The Director of Resources is responsible for the implementation and development of this policy and its associated procedures.
- 5.2 The Learning Resources Manager is responsible for the effective and consistent operation of this policy.
- 5.3 The Procurement Office has the following responsibilities:
- Sourcing and selecting a range of approved suppliers of goods and services.
 - Through the offices of APUC, ensuring opt-in to and management links with appropriate consortia.
 - Consulting with service users to ensure product or service specification is best-fit.
 - Co-ordinating College's competitive tendering exercises.
 - Providing advice to budget holders.
 - Monitoring purchasing information to ensure cross-college compliance with Procurement Policy and Procedures.
- 5.4 Quality approval check of the policy is the responsibility of the Quality Manager who will arrange for the policy to be posted on the intranet.

6 Linked Policies/Related Documents

- 6.1 Perth College Procurement Strategy.
- 6.2 Perth College Procedures for Purchasing Goods and Services.
- 6.3 Perth College Procedure for Tendering.
- 6.4 Perth College Preferred Supplier Lists.
- 6.5 Nationally Approved agreements.
- 6.6 Official Journal of the European Union.

7 Relevant Legislation

- 7.1 Europe and UK Procurement Regulations.
- 7.2 Various regulations pertaining to equality and procurement.