



Procurement Policy 2022-23

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Approved by - Trustees

1 INTRODUCTION

- 1.1 The purpose of this document is to guide and inform the procurement processes within the Step into Learning (SiL). This will ensure the achievement of value for money by operating best practice.
- 1.2 Roles and Responsibilities
 - Trustees have delegated authority for procurement to SiL management within clearly identified limits. The Appendix to this document gives the necessary detail.
 - The Executive Director has a responsibility to ensure that effective procurement decisions are made and effectively manage the resources at their disposal.
 - The Executive Director and/or delegated staff is required to research each procurement decision by comparing competing suppliers and selecting the best based on a number of factors which are identified in 2.2 below. Any procurement begins with the identification of a need which should be challenged to ensure it is really needed. A procurement decision may involve the one-off purchase of a piece of equipment, or a large number of repeat orders such as stationery or paper supplies. The requirement to test the market applies equally to both examples, though the process may vary.

2 PROCUREMENT OBJECTIVES

- 2.1 Effective procurement will enable SiL to obtain goods and services in an efficient and effective manner. To achieve this, SiL has identified clear objectives, and staff who purchase goods and services are required to meet these objectives.
- 2.2 Value for Money (VfM)

There is an inherent desire to obtain optimum value for money in terms of the goods and services procured. There is also a probity-based requirement to be able to demonstrate that reasonable steps have been taken to achieve this desired VfM. This can be shown through the use of appropriate levels of competition between potential suppliers of the required products.

Good practice requires that each purchasing decision is effectively researched. Likely sources of information are:

- Supplier catalogues
- Telephone enquiries
- The internet

The use of quotation and tender procedures serves two main purposes:

- the process should endeavour to identify potential suppliers that are capable of supplying the required product
 - to a quality that meets the needs of the user
 - at a price that represents value for money
 - at the time the goods/services are needed by the user
 - in a quantity that meets the needs of the user, and
 - to the location required by the user.
- To provide evidence of the use of fair, open, transparent and non-discriminatory methods of placing business with the supplier used. The procedures provide protection to the buyer carrying out the procurement process as well as to SiL.

A quotation is a simple process to investigate the availability of suppliers for a product needed and to identify the prices, delivery timescales etc. for them.

2.3 Accountability

SiL is accountable to the community it serves and those who fund its activities. It is not sufficient to merely achieve value for money, it must be demonstrated. SiL will adopt a professional approach by proactively seeking the best deal available on each occasion. Staff will deal fairly with suppliers and adhere to the procurement standards identified in this document. This will protect staff from allegations of prejudice or malpractice.

2.4 Fair and Open Competition

It is important to ensure the competitive process is a prominent element in all purchasing decisions.

2.5 Sustainable Procurement

The organisation recognises a responsibility to ensure that where possible the suppliers it deals with share its ambitions to increase resource efficiency, reduce social inequality and promote transparency in its supply chain.

Although the organisation is not a relevant authority for the purposes of the Public Contract Regulations 2015 (PCRs) and as such the Public Services (Social Value) Act 2012 does not apply to it, the organisation voluntarily wishes to adopt the principles contained therein and consider how procurement of goods or services might improve the economic, social and environmental wellbeing of the relevant geographical area and how, in the procurement, we might go about securing these improvements.

In addition, the organisation recognises the UN Sustainable Development Goals (SDG) Accord. The Accord recognises the critical role that education has in delivering the SDGs, in particular the goals around promoting decent work and economic growth, responsible consumption and production, taking action on climate change and fostering more resilient, inclusive and sustainable industrialization.

Specifically, consideration should be given to the following:

- Seek to ensure that procurements are carried out in accordance with the organisation's environmental policy relating to the installation of energy efficient lighting, motors and controls.
- Identify and prioritise high value, high volume and high environmental impact and social risk spend categories
- Use whole lifecycle costing in decision-making. As a minimum this should include an assessment of ongoing maintenance, running and disposal costs, in each case with consideration to the environmental impact beyond the initial purchase.
- How you might measure the sustainability impact of the purchase and be able to demonstrate how sustainability was considered.

In the case of ongoing purchasing partnerships with suppliers, the following considerations should also be made:

Work with suppliers to promote and embed initiatives to reduce environmental impact including:

- Minimising delivery frequency and distance
- Reducing single use packaging and increase recoverable / recyclable content

- Reducing carbon intensity of products
- Encouraging a cradle to cradle approach which considers the end-life of a product and recovery prior to manufacture.

Work with suppliers to promote and embed initiatives to increase social value including;

- Inclusion of small and medium sized enterprises (SME's) and local suppliers / partnerships in the supply chain
- Exploration of opportunities for student placements, work experience and collaborative research partnerships

Better understanding and auditing of supply chains, encouraging transparency Sustainability considerations in purchasing are to be promoted by:

- Educating, informing and encouraging staff and learners to understand the organisation's Procurement policy and how to deploy sustainable principles in all procurement activities;

- Providing training on sustainable procurement and monitor the sustainability impacts of their contracts

- Addressing any obstacles which could restrict SMEs and local suppliers to bid for any goods/services or works;

- Question the need for the purchase and the choice of product in support of the organisation's sustainability agenda. The challenge is; does the organisation need to buy this product or service at all?

3 PROCUREMENT ETHICS

3.1 The principles governing the conduct of SiL staff are incorporated in the staff handbook. This section guides staff on the proper conduct of business with existing or potential suppliers. The main areas that staff need to be alert to are discussed in the following paragraphs.

- 3.2 It is a criminal offence under the Bribery Act 2010 for any supplier to offer corrupt gifts or payment to induce business. Similarly, it is an offence to accept such an offer. Discretion in dealing with suppliers is required at all times. Incidents of this nature must be reported to the Executive Director immediately.
- 3.3 Gifts or gratuities are not acceptable for other than insignificant items such as pens, diaries or other publicity material. The occasional offer of hospitality is acceptable such as receptions, lunches or trade dinners, but if valued at £50 or more this must have the prior approval of the relevant line manager or be declined. The recipient (and line manager where relevant) must ask the following questions:
- Will it further Sil's aims?
 - Is the level of hospitality reasonable in the circumstances?
 - Has it been openly offered?
 - Could it be construed as any form of inducement, and is it likely to place an obligation on a staff member?
- 3.4 Gifts or gratuities valued at £50 or more must be reported to the Executive Director, who will maintain a register of such items for onward reporting to the Board of Trustees.
- 3.5 Conflicts of interests must be disclosed to the Executive Director who will make arrangements to include a potential supplier in the competitive process whilst addressing any potential conflict of interest.
- 3.6 In the course of procuring goods, staff have access to sensitive information. This information must be treated as strictly confidential and disclosed only on a need to know basis. However the Freedom of Information Act 2008 is applicable to quotations and tenders.
- 3.7 Staff must also refer to the Anti-Fraud Policy and Staff Handbook when considering procurement ethics.

4 TENDERING REQUIREMENTS

- 4.1 Tendering will be used for purchases with a value in excess of £20,000 where there is a realistic competitive choice. The following is a summary of the tendering process.
- 4.2 When drafting the specification for the goods or services required, the specification describes what it is that you wish to purchase. The separate elements of the specification form the basis of the tender submission and of the assessment process. It is important, therefore, that these

elements can be objectively assessed so that when carrying out the evaluation process, it can be completed in a fair and open manner. There are specific legislative requirements regarding the use of the initial selection criteria and when evaluating the bid submissions against the published award criteria. Both the selection and award criteria must be published in, where appropriate, the advertised contract notice, and in the quotation/tender documentation.

- 4.3 A record of how the selected tendering list is compiled must be carefully maintained to ensure fairness and objectivity can be demonstrated. The following must be ensured:
- Sufficient number of interested, competent, financially sound suppliers with adequate capacity to undertake the work are identified.
 - The possibility of disqualifying a supplier after receiving their tender for reasons which should have been identified is reduced.
 - The number of potential suppliers is kept to a manageable level.
 - Tenderers do not incur unnecessary costs in preparing their bids.
- 4.4 The tenderers must all be circulated with an invitation to tender simultaneously. The closing date and time for the receipt of tenders should be clearly stated and should not be extended, but if exceptionally it is, then this must be communicated to all tenderers.
- 4.5 All tenderers must be given the same opportunity and treatment on a like for like basis. If visits are permitted, then this must be extended to all parties. A record of information disclosed will be maintained, and the identity of tenderers must not be disclosed to others. Care must be taken to allow sufficient time for return of tenders and evaluation. Inadequate time may result in the failure to achieve best practice.
- 4.6 Instructions to tenderers must be unambiguous.
- All Tender submissions must be sent via email
 - If for any reason email cannot be used, return envelopes must be sealed, marked with the tender reference and the required date and time provided for returns.
 - The date and time of receipt of each submission must be recorded on the return envelope.
 - All returned bids must be held in a secure location until the stated closing date and time has passed.
 - Any submissions received after the stated closing date and time will not be opened and not be considered.

- 4.7 The following will be observed when opening and evaluating tenders:
- A summary schedule will be prepared on which the name of each supplier and its prices will be recorded. The members of staff will sign and date each submission and all pages therein containing pricing information.
 - The names of suppliers that have not replied, or replied after the stated closing time and date, will also be noted.
 - Each member of staff will then sign and date the summary schedule.
- 4.8 The evaluation procedure, which will be set at the start of the process, will consider all relevant factors which would generally include commercial, technical and financial issues.
- 4.9 The evaluation panel should include:
- The Executive Director
 - An end user of the product or service
- 4.10 The award criteria must be carried out using Most Economically Advantageous Tender (MEAT) which allows the organisation to take account of a criteria that reflects qualitative, technical and sustainable aspects of the tender submission as well as price when reaching an award decision. Awarding purely on the lowest price is not permissible but where the cheapest tender is not selected, the reasons for the decision should be noted with the tender file. It is not necessary to select the cheapest tender in all cases
- 4.11 Local suppliers will be prioritised if price, quality, product requirements and delivery timescales meet the organisation's requirements.
- 4.12 Suppliers who are unsuccessful should be informed and given the opportunity for feedback.
- 4.13 Single tenders may take place only with the express approval of the Executive Director. The circumstances in which this is acceptable are when:
- Following appropriate research, there is no evidence of alternative sources of supply.
 - Specialist attention is needed to extend, repair or refurbish proprietary or specialist equipment.

- The use of specialist professional services is indicated.
- Exceptionally, if an emergency arises. In such cases the duration of supply is likely to be limited such that an open tendering process can be conducted at the earliest possible opportunity.

The circumstances leading to a single tender action must be recorded. For every occasion when single tendering has been used, the Executive Director must report the event to the Board of Trustees.

4.14 SiL policy is to establish Preferred Suppliers for certain goods and services over periods of up to three years. In order for Preferred Supplier status to be conferred on a supplier they must be successful in a tender designed specifically for the purpose, or be the sole supplier under a suitable procurement framework. In return for favourable pricing or other terms, SiL will undertake to use that supplier wherever practicable within the timescale agreed.

5 QUOTATIONS

- 5.1 For purchasing decisions with a value between £2,000 and £20,000, quotations will be used. Three quotations will normally be obtained. Variations from this requirement are acceptable only on grounds of technical compatibility, or lack of alternative suppliers.
- 5.2 Telephone quotations are acceptable only if followed up in writing.
- 5.3 Scanned copies of the three quotations are to be maintained centrally

6 LOWER VALUE PURCHASES

- 6.1 Paragraph 2.4 states that the competitive process should be evidenced in all purchasing decisions. The Government's view is that competition should be appropriate to the value and complexity of the goods and services to be acquired.
- 6.2 For purchases with a value below £2,000, the requirement to obtain three written quotations is relaxed, though the requirement to obtain value for money, and be seen to act fairly and objectively remains.
- 6.3 In these circumstances, Executive Director is required to exercise their

judgement when assessing the number of suppliers to be researched. A quotation should always be obtained from a supplier before the order is placed.

APPENDIX

Summary of requirements for purchasing goods and services.

Purchases over £20,000.	<p>Full tendering, unless no realistic competitive choice. In this event, reasons must be documented.</p> <p>See: Section 4 of the Procurement Objectives & Procedure.</p>
Purchases with a value of between £2,000 and £19,999.99	<p>Requirement to obtain three quotations. Quotations in writing must be obtained prior to placing orders. Variations only acceptable on grounds of technical compatibility or lack of alternative suppliers.</p> <p>See: Section 6 of the Procurement Objectives & Procedure.</p>
Purchases with a value of less than £2,000.	<p>Requirement to obtain value for money and to act fairly and objectively.</p> <p>See: Section 7 of the Procurement Objectives & Procedure.</p>