



Working Together

Procurement Policy

January 2018

History of Changes

Version	Description of Change	Authored by	Date
1.1	Policy Created	P Smith	September 2011
1.2	Policy Updated	P Smith	September 2014
2.1	Update following implementation of Procurement Reform (Scotland) Act 2014 and revised Procurement Strategy	P Smith	March 2017
2.2	Updated to reflect SPPN 5/2017	P Smith	January 2018

1.0 Introduction

- 1.1 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 and it is therefore vital to achieve value for money in their acquisition. In addition, public procurement in Scotland is subject to stringent UK and European legislation, together with specific requirements of the Scottish Government and Scottish Funding Council.
- 1.2 This policy sets out the College's approach to procurement and identifies the key principles which the College will apply to ensure both compliance with regulatory frameworks and the achievement of value for money.

2.0 Scope

- 2.1 This Policy has been designed to ensure legislative compliance with the Procurement Reform (Scotland) Act 2014 and other relevant legislation and is aligned with the College's and the Scottish Funding Council's key strategic outcomes as detailed in our Regional Outcome Agreement, the College Strategic Plan and Procurement Strategy.
- 2.2 The College also recognises its environmental, equalities and social responsibilities and will also seek to apply these throughout any procurement process.
- 2.3 This policy applies to all procurement activity undertaken by Borders College, and any subsidiary undertakings, and all individuals involved in that activity.

3.0 Key Principles

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

3.1.1 Delivering Value for Money

The overarching principle to be employed is the achievement of value for money. This will be supported in a number of ways:

a) Collaborative Procurement

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.

b) Competitive Tendering

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.

c) Environmental Responsibility and Sustainability

The College recognises that procurement of goods and services has an environmental impact in addition to the direct contribution of the actual goods and services themselves. This may include the impact of transportation or manufacturing of those goods and services. It will therefore consider such impacts when appraising procurement options.

Particularly in large projects or procurement exercises, the College will consider the sustainability of solutions, taking into account the source of materials, use of natural resources, and stability of economic growth.

d) Corporate Social Responsibility

The College recognises its position in the community as a partner to businesses and voluntary organisations throughout the Scottish Borders and further afield. Its relationships are not simply as an education and training provider, but also as a supplier and consumer of goods and services. To develop and maintain such relationships, the College will also consider the local economy when appraising procurement options.

With regard to equalities, the College will ensure that conditions in accordance with the College's Equality Outcomes and Action Plan are included in service contracts with external providers, where appropriate.

3.1.2 Efficient and Effective Procedures and Processes

a) Procedures

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. A matrix of current approval levels is shown at **Appendix A**.

b) e-Procurement

The College recognises the benefits of e-Procurement solutions in terms of efficiency and cost reduction. It will seek to employ such solutions wherever it is appropriate to do so.

c) Contracts Register

The College will maintain an up-to-date contracts register to assist in sourcing goods and services.

d) Active Supplier Management

The College will actively manage its suppliers to ensure that details and catalogues 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.

e) Terms and Conditions

The College's Terms and Conditions for the supply of goods and services will be clearly laid out and the College will ensure they are complied with. They will be made available on the College web-site.

3.1.3 Appropriate Skills and Expertise

The College will ensure that staff members involved in procurement are appropriately supported throughout the process. In addition to clear processes and procedures, such support will include advice from appropriately qualified staff and will draw on support from Advanced Procurement for Universities and Colleges (APUC).

3.1.4 Performance and Practice Review

The College will measure its procurement function against agreed targets. Where national indicators of performance and practice, such as the Scottish Government's Best Practice Indicators, exist, then the College will participate in exercises to compile them and use any output data to inform future business decisions.

The College may also set appropriate local benchmarks or targets for performance.

4.0 Responsibilities

- 4.1 The Audit Committee is responsible for agreeing the Policy and overseeing compliance with its principles.
- 4.2 The Vice Principal – Finance and Corporate Services is responsible for the implementation of this Policy and for ensuring appropriate procedures are in place to facilitate this.
- 4.3 The Head of Finance and Procurement is responsible for the operational functions of procurement.
- 4.4 All College staff members with a role which may involve procurement of goods or services are responsible for understanding and adhering to this policy and its associated procedures.

5.0 Related Documents

- 5.1 Review of Public Procurement in Scotland (McClelland Report)
- 5.2 Scottish Procurement Policy Handbook (Scottish Government 2008)
- 5.3 Best Practice Indicators for Public Procurement in Scotland (Scottish Government 2008)
- 5.4 Improving Public Sector Purchasing (Audit Scotland 2009)
- 5.5 Sustainable Procurement Action Plan for Scotland (Scottish Government 2009)
- 5.6 EU Public Procurement Directives
- 5.7 Scheme of Administration
- 5.8 Finance Strategy
- 5.9 Procurement Strategy
- 5.10 Financial Regulations
- 5.11 Financial Procedures Manual
- 5.12 Equality Outcomes and Action Plan
- 5.13 Sustainability Policy
- 5.14 Procurement Reform (Scotland) Act 2014

6.0 Review

- 6.1 This policy will be reviewed every 3 years or earlier if required.

Evidence Retention Requirements

Procurement Thresholds

Route	Value	Method	Authorisation	Notes
Route 1A	<£3,000 (Goods and Services) <£5,000 (Works)	Single contracted supplier. Value for money must still be demonstrated.	<£1,000 Requisition authorised by Budget Holder. Order authorised by Head of Finance and Procurement. £1,000 - £4,999 Requisition authorised by Budget Holder and countersigned by SMT. Order authorised by Head of Finance and Procurement.	If no contracted supplier exists, contact Procurement Officer before sourcing.
Route 1B	£3,000 - £24,999 (Goods and Services) £5,000 - £24,999 (Works)	Minimum of 3 written quotations from contracted or non-contracted suppliers. Quotes may be supplied by email.	Requisition authorised by Budget Holder and countersigned by SMT. £3,000 - £4,999 Order authorised by Head of Finance and Procurement. £5,000 - £24,999 Order authorised by Vice Principal – Finance and Corporate Services.	
Route 2A	£25,000 - £49,999 (all spend)	Tender via PCS Quick Quote. Consult Procurement Officer.	Requisition authorised by Budget Holder and countersigned by SMT. Order authorised by Principal.	
Route 2B	£50,000 - £181,302 (Goods and Services) £50,000 £50,000 - £4,551,413 (Works)	Open tender process advertised via Public Contracts Scotland website. Consult Procurement Officer.	<£100,000 Principal £100,000 - £249,999 Finance and General Purposes Committee >£250,000 Regional Board	Above Scottish Government Procurement Threshold but below OJEU threshold. Note that thresholds cover a 4 year period i.e. £12,500 per annum.
Route 3	>£181,302 (Goods and Services) >£4,551,413 (Works)	Open tender process advertised via Public Contracts Scotland website and OJEU. Consult Procurement Officer.	£100,000 - £249,999 Finance and General Purposes Committee >£250,000 Regional Board	Above OJEU Threshold. Additionally, for contracts above £4M, community benefits must be considered. Contact Procurement Officer.

Equality Impact Assessment Tool

What Impacts may there be from this Proposal on any Group's ability to use the College services?

Policy: Procurement Policy

Positive Impacts (Groups affected)	Negative Impacts (Groups affected)
There will be positive impacts as a result of considering equalities as part of procurement exercises	n/a
Actions taken to alleviate any negative Impacts: n/a	
Recommendations: none	

From the outcome of the Equality Impact Assessment, have negative impacts been identified for race or other equality groups?

Has a full Equality Impact Assessment been recommended?

Yes

No

Reason for recommendation:

n/a

Status: Approved by Audit Committee
Dated: January 2018
Author: Vice Principal – Finance and Corporate Services
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Equality Impact Assessed: Yes