

# Procurement Policy

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<b>Legislation or regulation:</b>	Financial Regulations & Public Contracts Regulations

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<sup>1</sup> The Review Period and the Target Review Date refer to our internal policy review process. The published policy is current and is the most recent approved version

## Version Control Document

<b>Date</b>	<b>Version No.</b>	<b>Reason for Change</b>	<b>Author</b>
04/09/14	1.1	Paragraph 7.36 augmented and given its own heading to emphasize 'conflict of interest' responsibilities	MW
January 2018	1.1	Text added to front of policy clarifying Review and Target review dates.	P.Beacock
November 2018	2.0	Review	Allison Parkinson-White
January 2020	2.1	Update of procurement thresholds	P.Beacock
December 2020	2.2	Update regarding changes of legislation.	J.Mitchell
March 2021	2.3	Removal of TEN Group references	P.Beacock

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## 1. POLICY STATEMENT

The purpose of this Policy is to offer clear guidance to Stakeholders and individuals directly employed by the City College Norwich (CCN) and Norfolk Educational Services (NES) as well as companies from whom we procure goods, services and works.

This document will ensure a transparent and consistent approach to procurement incorporating “Best Practice” in the way we formulate our business relationships, procurement activities, combined with our corporate social responsibilities as well as engagement, utilisation and authority of key Stakeholders during all stages of the procurement cycle.

This document sets out our Procurement Policy relating to goods and services which is mandated for all elements of CCN and NES. This is intended as a “live” document and will be updated every 3 years to reflect changes in internal and statutory policy.

- Efficient procurement enables Value-for-Money (VfM) purchasing and a reduction in operating costs.
- Procurement will enable the aggregation of requirements, a reduction in the number of Suppliers used and a reduction in the number of orders placed.
- We aim for a centrally co-ordinated but distributed system of purchasing, utilising negotiated Pricing Agreements, Purchasing Consortia Frameworks and tendering whilst ensuring compliance with applicable legislation.

## 2. POLICY AIMS & OBJECTIVES

The Policy Objective is to procure goods, services and works that deliver Value for Money for CCN and NES whilst complying with all statutory and public-sector procurement policies.

All those involved with procurement have important responsibilities irrespective of the source of funding and must seek to obtain goods and services which are cost effective. The aim of this document is to help staff manage purchases effectively, correctly and confidently.

The principles contained within this document detail activities from simple purchases to complex procurement procedures. It details the Procurement Thresholds, the varying tendering procedures undertaken, adherence to both UK legislation as well as our Financial Regulations.

Goods, works and services will be purchased from Suppliers in the Public and Private Sectors, according to which Supplier offers Best Value. As part of its commitment to sustainability in the supply chain and recognising its commitment to providing employment opportunities for its students, we will seek to actively encourage local Suppliers to bid for its business.

CCN/NES are committed to the Living Wage. Suppliers must be required to pay a minimum of the real Living Wage to its staff operating under CCN/NES Service Contracts.

## 3. SCOPE

This Policy applies to all elements of CCN/NES, its educational establishments, support services, permanent and temporary employees and includes any agency, or visiting professionals employed to provide services on their behalf.

## 4. LEGAL REQUIREMENTS

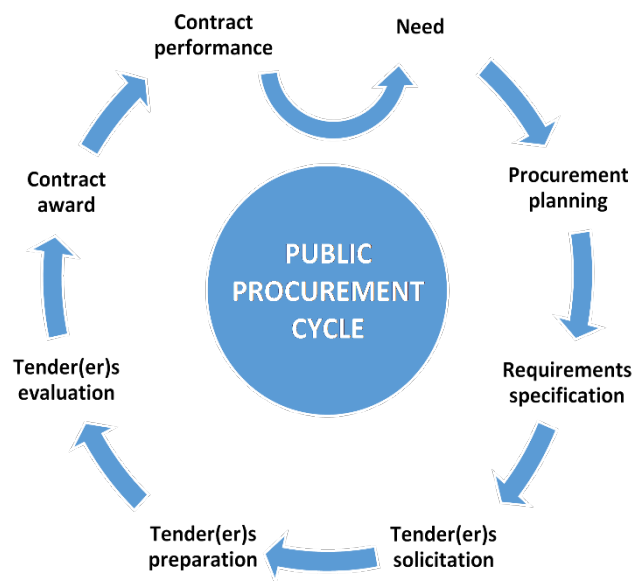
Adherence to the following Regulations:

- The Public Contracts Regulations 2015 (revised 1<sup>st</sup> January 2018)
- The Public Procurement (Amendment Etc.) (EU Exit) Regulations 2020

## 5. PROCESS

“Procurement” refers to the whole process of acquisition from third parties and includes goods, services and works’ projects. The process spans the whole life cycle from the initial concept/idea through to the end of the useful life of an asset or end of a service Contract.

All procurement will typically involve stages listed below: -



## 5.1 STAKEHOLDER RELATIONSHIPS



The commencement of any stakeholder engagement process is Stakeholder Mapping. Stakeholder Mapping identifies the target groups and pulls together as much information and detail as possible about them. “Stakeholders” are the people who have a “stake” in the procurement outcome. There are “internal” stakeholders representing CCN/NES whilst the “external” stakeholders are the Suppliers/Contractors.

The attached Appendices set out further information and references to the following which make up the Procurement Process:

1. Appendix A – Stakeholder Relationships;
2. Appendix B – VfM;
3. Appendix C – Innovation;
4. Appendix D – Rules and Regulations;
5. Appendix E – Supplier Relationships;
6. Appendix F – Team; and
7. Appendix G – Adherence

Appendix D sets out the thresholds, in accordance with the Public Contracts Regulations 2015 (as amended) as follows (the figures below are net of VAT):

<b>Works Contracts</b>	<b>£4,733,252</b>
<b>Social and Other Specific Services</b>	<b>£663,540</b>
<b>Supply and Service Contracts (sub-central authorities)</b>	<b>£189,330</b>

The thresholds are net of VAT as before and apply to the value of the contract throughout its duration (not the annual value) including any possible extensions.

Our Financial Regulations set out the following which should be adhered to:

<b>Value</b>	<b>Procedure</b>	<b>Authorisation</b>
<i>All amounts are inclusive of VAT</i> Under £1,000	VfM must always be obtained and a record added to the Finance System	Head of Dept

£1,001 - £24,999	<p>The Budget Holder shall either obtain 3 written Quotations where practical or, ensure VfM is demonstrated through use of a Preferred Supplier, sole Supplier or Framework Agreement.</p> <p>A record must be added to the Finance System. Instances of where it is not practical to obtain 3 Quotations would be: emergency orders, the exceptions listed in 20.4 of the Financial Regulations and where it can be reasonably demonstrated that the market place cannot provide 3 Quotations. Central Procurement Team notified and engaged where necessary.</p>	<p>Head of Dept to £25K</p> <p>Finance Director over £25K</p>
£25,000 –Public Contracts Regulations 2015Threshold	<p>The Central Procurement Team shall arrange for either</p> <p>a</p> <p>i) Formal Single Stage Competitive tendering process or</p> <p>ii) a Framework Competition</p>	Finance Director
Public Contracts Regulations 2015Threshold	<p>The Central Procurement Team shall arrange for either</p> <p>a</p> <p>i) Formal Competitive Tendering process following one of the procedures defined within the Public Contracts Regulations or</p> <p>ii) a Framework Competition</p>	Finance Director

The Central Procurement Team, based within the NES Professional Services Department, are committed to improving the efficiency and effectiveness of all its activities. All procurement of goods, works and services will be based on Best Value principles, having due regard to priority and legal obligations. Appendix F sets out the role and responsibilities of the Central Procurement Team.

The following table illustrates the procurement role of the Central Procurement Team, Local Procurement Team and departments within CCN/NES:

	Central Procurement Team	Local Procurement Team	Department/ School
<b>Identify Need</b>			✓
<b>Stakeholder Meetings: Identify all requirements</b>		✓	✓
<b>Create: Specification, Evaluation Matrix (for SSQ &amp; ITT if appropriate), Contract &amp; any attachments</b>		✓	✓
<b>Verify Specification</b>	✓	✓	✓
<b>Agree Timeline</b>	✓	✓	✓
<b>Develop SSQ/ITT</b>	✓		
<b>Publish Find a Tender Service and/or Contracts Finder</b>	✓		
<b>Publish SSQ</b>	✓		
<b>Evaluation of SSQ</b>		✓	
<b>Successful/Unsuccessful letters</b>	✓		
<b>Publish ITT</b>	✓		

<b>Clarifications</b>	✓	✓	
<b>Site Visits</b>		✓	
<b>Presentations</b>	✓	✓	✓
<b>Evaluation of ITT</b>		✓	✓
<b>Selection of Preferred Supplier</b>	✓	✓	
<b>Obtain References</b>	✓		
<b>Board Approval</b>	✓		
<b>Notification of Contract Notice &amp; Unsuccessful Letters</b>	✓	✓	
<b>Standstill Period</b>	✓		
<b>Contract Award</b>	✓		
<b>Mobilisation Meeting</b>		✓	✓
<b>Find a Service Award Notice and/or Contracts Finder Award Notice</b>	✓		

## 6. REFERENCES TO RELATED POLICIES

- Financial Regulations
- Equality & Diversity Policy
- Data Protection Policy
- Safeguarding Policy

## 7. CONTACT

Please contact the Head of Professional Services for advice on any aspect of this policy and procedure.

Contact details:  
Head of Professional Services,  
Norfolk Educational Services,  
Thetford Building  
City College Norwich  
Ipswich Road  
Norwich  
NR2 2LJ

## 8. EQUAL OPPORTUNITIES STATEMENT

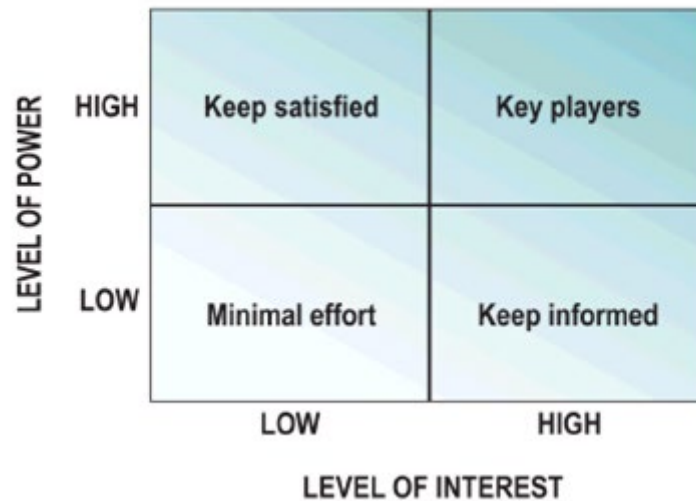
This policy and procedure has been assessed against the nine protected characteristics outlined in the Equality Act 2010 and no apparent disadvantage to equal opportunities has been determined.

If you have any comments or suggestions in relation to equal opportunities of this policy or procedure please contact the policy holder.



## 9. Appendix A – Stakeholder Management and Mapping

This Stakeholder Matrix below details how stakeholders should be managed effectively.



### Introduction

To provide a plan of when, what, how, and with whom the information flows will be established and maintained throughout the Programme/Project. Stakeholder management is a key part of the success of the overarching Procurement Plan, as detailed in this Policy.

To give an overview of why the stakeholder activity is taking place, what Policy or Campaign it is supporting and what this document contains.

### Objectives

- What is the primary reason you need a stakeholder campaign?
- What do you hope to achieve by engaging with stakeholders?
- What is the goal or hoped-for outcome of working with stakeholders?

### Key Messages

What do you need to communicate? If messages can be tiered then ensure there are primary and secondary messages.

Ensure you have all messages for all stakeholders – these could be different depending on the different stakeholders you are approaching.

### Stakeholder Mapping

Each stakeholder's position on the matrix shows the actions you must take with them:

**High influence, interested people:** these are the people you must fully engage and make the greatest efforts to communicate with and ensure their views are considered.

**High influence, less interested people:** keep these people engaged enough so they do not become disinterested with your message.

**Low influence, interested people:** keep these people adequately informed, and talk to them to ensure that no major issues are arising. These people can often be very helpful with the detail of your project.

**Low influence, less interested people:** keep these people adequately informed but do not communicate with them excessively.



## Stakeholders:

### Examples of Buyers of Key/Strategic Procurement within CCN/NES: -

- Central Procurement Team
- Local Procurement Team
- Estates and Facilities Services
- IT Services
- Human Resources
- Library & Information Store
- Hospitality School

### Examples of Buyers of Routine Procurement within CCN/NES: -

- Crescent Purchasing Consortium (CPC)
- Eastern Shires Purchasing Organisation (ESPO)
- Crown Commercial Services (CCS)
- Southern Universities Purchasing Consortia (SUPC)
- Yorkshire Purchasing Consortia (YPO)
- National Desktop & Notebooks Framework (NDNA)
- Other Colleges & Universities
- Suppliers & Contractors
- The Energy Consortium for Utilities (TEC)

## **Objectives & Deliverables of the Central Procurement Team**

- Target the appropriate people with the correct information at the right time
- Raise the Central Procurement Team's profile both internally within the CCN/NES and externally and to build relationships with key Stakeholders through regular and targeted communications.
- Provide mechanisms for the Procurement Team to listen, understand stakeholder needs and implement improvement.
- Produce information updates to the stakeholders through the Procurement Intranet and other channels as appropriate.
- Achieve consistency in communications by focusing on the Procurement Team's key messages.
- Be an efficient and customer-focussed team.

## 10. Appendix B – Value for Money (VFM)

All public procurement of goods and services, including works, must be based on value for money, having due regard to propriety and regularity. Value for money is not about achieving the lowest initial price: it is defined as the optimum combination of whole life costs and quality. Therefore, Value for Money, is central to the CCN/NES Procurement Policy.

Value for Money consists of Economy, Efficiency and Effectiveness and is attained by: -

- Maximising influential spend.
- Ensuring that appropriate procurement routes are available for all spend.
- Ensuring the procurement process delivers the most economically advantageous results in terms of costs, quality and student benefits.
- Ensuring that Contracts for common use items are easily accessible whilst avoiding duplication of effort and gaining maximum benefit from CCN/NES's purchasing power.
- Ensuring all high value and strategic procurement projects involve timely consultation between the stakeholders and the Central Procurement Team.

### **FRAMEWORK AGREEMENTS**

Purchasing Consortia working within the Higher Education and the wider Public Sector conducts tender exercises to establish Framework Agreements for goods and services. Many Frameworks can be accessed by CCN/NES, but not all, therefore it is essential to check with the Central Procurement Team before proceeding.

A Framework Agreement is made up of a list containing one or more Suppliers using common Terms & Conditions for procuring goods or services.

There are many benefits for utilising a Framework Agreement as follows:

- The provision of goods and services have already been tendered so the selection of compliant and capable Suppliers have already been completed. Also, an indicative pricing structure has been established.
- Time needed to conduct the tendering process is reduced significantly as there is no requirement to undertake a 2-stage process as the Standard Selection Questionnaire (SSQ) Stage has been completed by the Framework.
- Economies of scale achieved by using a Framework can improve Vfm.


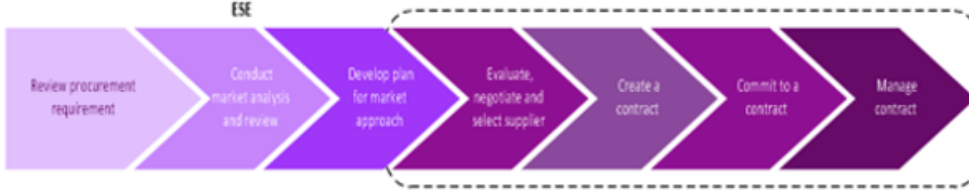
## 11. Appendix C – Innovation

CCN/NES encourage innovation within the procurement process to implement improvements to internal procurement processes and by using competitive markets to research procurement innovation. Encouraging innovation also provides a catalyst for Suppliers to improve their products and services resulting in the Supplier being more dynamic than their competitors.

The Central Procurement Team will lead on this and it will generally apply to larger, higher value contracts with a longer term which allows both the Customer and the Supplier to be innovative.

Embedding innovation in the procurement process is formulated within the following three areas:

- **Organisational Alignment**
- **Early Market Engagement (EME)**
- **Early Supplier Engagement (ESE)**

Organisational Alignment	Innovation is considered throughout a procurement process from program development and project definition through to contract management
Early Market Engagement (EME)	<p>CCN/NES interacts with the market to obtain an understanding of the market dynamics and to establish if there is potential to improve the delivery of our desired outcomes.</p>  <pre> graph LR     A[Create procurement activity plan] --&gt; B[Identify category]     B --&gt; C[Gather market intelligence]     C --&gt; D[Conduct complexity assessment for each category]     D --&gt; E[Conduct capability assessment to match complexity of procurement]     E --&gt; F[Develop category contract pricing strategy]     </pre>
Early Supplier Engagement (ESE)	<p>ESE occurs at the sourcing stage of the procurement process and builds on information gained from early market engagement activity.</p>  <pre> graph LR     A[Review procurement requirement] --&gt; B[Conduct market analysis and review]     B --&gt; C[Develop plan for market approach]     C --&gt; D[Evaluate, negotiate and select supplier]     D --&gt; E[Create a contract]     E --&gt; F[Commit to a contract]     F --&gt; G[Manage contract]     subgraph ESE_Box [ESE]         D         E         F     end     </pre>

## 12. Appendix D – Rules & Regulations – Operational Boundaries

### THE PUBLIC CONTRACTS REGULATIONS 2015 THRESHOLDS

The Public Contracts Regulations 2015 (revised on 1<sup>st</sup> January 2018) (as amended), in England and Wales, applies. Some of the key aspects of the Regulations are as follows: -

Public Sector organisations are required by law to publish high value tenders on Find A Tender Service from 1 January 2021 (FTS) <http://www.find-tender.service.gov.uk/> over the above Thresholds: -

<b>Works Contracts</b>	<b>£4,733,252</b>
<b>Social and Other Specific Services</b>	<b>£663,540</b>
<b>Supply and Service Contracts (sub-central authorities)</b>	<b>£189,330</b>

The thresholds are net of VAT and apply to the value of the contract throughout its duration (not the annual value) including any possible extensions.

### ESTIMATING THE CONTRACT VALUE

The estimated value of a Contract must include whole life costs. This is the total value of the likely Contract considering both capital and revenue costs over the life of the Contract, including incidental costs such as travel, transport, maintenance and other related charges.

A large proportion of the CCN/NES expenditures on goods occur in small quantities and the value of that spend at service level may be low. However, the cumulative spend on low value goods could be significant.

It is the aggregated value of spend that determines whether the Contract should be subjected to the procurement process. The calculation of the aggregated value should also include the duration of the proposed Contract.

### CONTRACTS BELOW THRESHOLD

If the Contract Value does not exceed the relevant threshold, the principles of non-discrimination, mutual recognition, equal treatment, transparency and proportionality shall still apply.

A certain degree of advertising which is appropriate for the size of the Contract may be necessary to ensure transparency as detailed below. As detailed in the Policy, the Financial Regulations should be considered in respect of contracts below the threshold.

### USE OF CONTRACTS FINDER

There is a legal requirement under the 2015 Public Contracts Regulations that requires Contract opportunities above certain financial thresholds (minimum of £25k) to be published on the 'Contracts Finder's web-site: <https://www.gov.uk/contracts-finder> (UK government e-tender portal). As these requirements can be complicated, please consult with the Central Procurement Team.

### 13. Appendix E – Supplier Relationships

CCN/NES has a defined risk management process which our Supplier base is measured against. Using this approach, Supplier assessments and audits are conducted to ensure Suppliers meet both industry and our own standards for safety, quality and ethical business practices.

We work closely with our Suppliers which extends beyond managing risk to help establish solid working relationships. Initiatives with our Suppliers include collaboration, co-operation and innovation to help procure ambitious, well-led and effective relationship development. CCN/NES continually aim to increase the number of apprenticeships and employment opportunities with our Suppliers for the students.

## 14. Appendix F – Team - Resources

### CENTRAL PROCUREMENT TEAM

The Procurement Team is a centralised procurement function to promote an integrated, specialised and strategic approach to CCN and NES procurement needs. It relies upon departments taking devolved responsibility for delivery of all aspects of their procurement requirements.

The Team have responsibility for co-ordinating procurement including advice, Contract negotiations, tendering, maintaining supplier lists and ensuring compliance with all relevant procurement legislation. They also identify all relevant Stakeholders as part of any major procurement activity impacting or involving CCN or NES. Identified groups of stakeholders will partake in the requirements and project governance, whilst others will be kept informed of progress. The outcome of any procurement activity will be communicated to all stakeholders involved.

Day to day responsibility for procurement lies with the NES' Head of Professional Services. It is the responsibility of the NES' Head of Professional Services to ensure that staff who are required to undertake procurement activities have read and understood this Policy.

The Central Procurement Team supports CCN/NES staff in engaging with Suppliers to ensure that the procurement process is appropriate and effective. The Team encourages innovation, sustainability and delivery of VfM. Local Procurement Teams sit within CCN/NES departments and will have regular (annual) procurement training. The Local Procurement Teams will engage early with the Central Procurement Team before engaging on a project.

<b>Roles and responsibilities</b>	
<b>Professional Services – Central Procurement Team</b>	<b>Local Procurement Team, Departments &amp; Schools</b>
<ul style="list-style-type: none"> <li>• Strategic Procurement Strategy &amp; Policy</li> <li>• Procurement advice, guidance &amp; training</li> <li>• Procurement research</li> <li>• Establishing e-procurement solutions</li> <li>• Overseeing the tendering process, including FTS</li> <li>• Point of contact for procurement enquires</li> <li>• Support to the implementation of the Procurement Strategy &amp; Policy</li> <li>• Reporting on organisation-wide procurement performance</li> </ul>	<ul style="list-style-type: none"> <li>• Agreeing the Stakeholders for the Tendering project.</li> <li>• Completing the Procurement Initiation Document (PID).</li> <li>• Developing the Specification for Works, services and goods that need procuring</li> <li>• Developing Selection &amp; Award evaluation criteria</li> <li>• Tender scoring using “Most Economical Advantageous Tender” (MEAT) principals</li> <li>• Contract management &amp; performance measurement</li> <li>• Requisitioning and ordering</li> <li>• Invoice receipting</li> </ul>

The Central Procurement Team aims to:

- Support departmental procurement
- Improve VfM
- Manage risk
- Ensure regulatory compliance
- Advise on how to improve specifications from a procurement perspective
- Analyse spend data and advise on areas needing re-tendering



The Central Procurement Team should be contacted for all complex projects or where budget holders are unsure which correct procedure they should follow. Low value Contracts can still involve an element of risk.

The Team provides tailored advice and supports staff to ensure that all Regulations, Best Practice and Corporate Strategies are adhered to.

It is of paramount importance that the Central Procurement Team are contacted at the earliest stage as, often, there are legally prescribed timescales that will apply to various stages of the procurement project. Early engagement allows the Procurement Team ability to plan the support through to ensuring the project is signed off by the Governing Boards.

## 15. Appendix G – Adherence

### 1.1 INSURANCE REQUIRED FOR CONTRACTS

Consideration must be given to the insurance cover required dependent upon the type of Contract being tendered.

All Suppliers, Contractors and Consultants should routinely have a minimum sum insured of:

- Public/Products Liability: £5m
- Employers Liability Insurance: £5m (if employing staff)

Consultants commissioned to undertake work for CCN/NES must possess Professional Indemnity Insurance of at least £1m. This particularly relates to Architects, Designers or Contractors who may be involved in design work and build projects.

Insurance may be increased/decreased dependent upon the nature/size and risk of the individual Contract. Project Leads, if in doubt, should seek clarification from the Central Procurement Team or the Director of Estates & Facilities for construction tenders.

### 1.2 WHOLE LIFE COSTS

Whole Life Costs (WLC) is a technique used to establish the total cost of acquisition and ownership. It is a structured approach which addresses all elements of costs and can be used to project a spend profile of the product or service over its anticipated life expectancy.

The results of WLC can be used to help any decision when there is a choice of product or service. It can also be used when creating a business case or evaluating tender submissions for a Contract.

### 1.3 DISPOSAL OF SURPLUS EQUIPMENT

Before the disposal of surplus equipment, the Procurement Team will assist in identifying any opportunities to re-use or sell the equipment. This may involve transfer of the item to another site within CCN or sale to an outside individual or firm.

### 1.4 PUBLIC SERVICES (SOCIAL VALUES) ACT 2012

Procurement activities can have a significant impact on the social, economic and environmental wellbeing in a geographical area.

The Act places responsibility upon CCN/NES to consider economic, environmental and social benefits in the procurement process when tendering.

### 1.5 SAFEGUARDING

CCN/NES ensure the safeguarding of young people and vulnerable adults through compliance with relevant legislation and statutory guidance.

### 1.6 DUE DILIGENCE

CCN/NES carry out due diligence checks on all Contractors/Suppliers to ensure they adhere to the Code of Practice Policy for CCN/NES.

## **1.7 EQUALITIES & DIVERSITY**

The Procurement Team are committed to review services and Policies to ensure that CCN/NES fulfil their duties in relation to equality and diversity. Procurement practice will reflect this commitment by encouraging relationships with Contractors and service providers who are equally committed to equality and diversity. This will be achieved through its tendering and evaluation process, for example, checking Tenderers' credentials, Policies and recent prosecution history. ['Equality and Diversity'](#) Policy.

## **1.8 CODE OF ETHICS**

Any personal or family interests which may impinge or might reasonably be deemed by others to impinge upon the impartiality of any matter relevant to purchasing duties, should be declared.

The confidentiality of information received during duty should be respected and specific details of Supplier's offers, subject to the Freedom of Information Act, must not be divulged to competitors. Information given during duty should be true and fair and never designed to mislead and must not be used for personal gain. Whilst bearing in mind the advantages in maintaining a continuing relationship with a Supplier, any arrangement which might in the long term prevent the effective operation of fair competition, must be avoided.

Business gifts or modest hospitality is an accepted courtesy of a business relationship. The recipient should however be conscious of the need to avoid a position where they might be, or appear to be, influenced in making a business decision by such hospitality and should seek the approval in advance by the NES Finance Director.

All offers of hospitality or gifts made to an employee must be declared by them to their Line Manager. For the protection of those involved the Principal's Office maintains a register of all gifts and hospitality received in compliance with the Bribery Act 2010.

## **1.9 MODERN SLAVERY ACT**

CCN/NES have a zero-tolerance policy in relation to modern slavery and human trafficking and are committed to acting ethically and with integrity in all business dealings, relationships and to implement and enforcing effective systems and controls to ensure they are not contributing to modern slavery.

## **1.10 ANTI-FRAUD**

CCN/NES are committed to high ethical and legal standards and requires all staff to act honestly and with integrity to safeguard both resources for which they are responsible and the reputation of CCN/NES.

## **1.11 CONFLICTS OF INTEREST**

In any procurement exercise it is important that conflicts of interest both actual and perceived are avoided, before, during and after the procurement process. This is to protect the integrity of both CCN/NES and staff involved in any procurement process.

When dealing with Suppliers, potential conflicts of interest can sometimes arise. Spouses or other relatives may be employed by the Supplier's company or possess shareholdings or other stakes; personal friendships may grow up over time. Such potential conflicts should be reported to your Manager as soon as they are identified. They will not normally prevent our trading with the company concerned, but it may be in everybody's interests to arrange for the expenditure to be handled by someone else.

Sometimes, former employees may be potential Suppliers - indeed their knowledge of our operations may make them particularly suitable. It is important that they do not receive or expect to receive special consideration. If their 'inside knowledge', for instance, of our cost structures

appears to give them an unfair competitive advantage, it may be desirable to take steps to ensure fair competition amongst all Tenderers.

Employees should avoid as much as possible dealing with our Suppliers in their private affairs, particularly if this is likely to put them under some obligation to the Supplier. Where such arrangements are unavoidable, it is essential that they ensure that they are not offered any sort of deal which is not commonly available and which could be construed as a reward for actions taken during their employment.

It is inappropriate for employees to be involved in negotiations and decisions in which they may have a personal interest in the outcome of the process.

All Declarations of Interest should be registered, and any gifts or hospitality received by employees from any third party should be documented. In any procurement exercise, it is important that conflicts of interest both actual and perceived are avoided before, during and after the procurement process. This is to protect the integrity of both CCN/NES and employees involved in any procurement process. It is inappropriate for staff to be involved in negotiations and decisions in which they may have a personal interest in the outcome of the process.

In dealing with any matter related to a procurement activities or proposed Contracts, all employees will have due regard of the main principles of the CCN/NES Code of Conduct.

## **1.12 DATA PROTECTION REGULATION**

The General Data Protection Regulation / Data Protection Act 2018 provide a legislative framework for privacy, confidentiality and information sharing. It outlines how associations should collect, store, pass on and give access to the personal data held. The Act applies to all data “from which living individuals can be identified” whether it is held on computers or in any other form. It is imperative to CCN/NES to have a reputation for being trusted with all information it receives. Part of that is being open about all the purposes it might be used for when it is received and not then using it for other purposes.

The GDPR is retained in domestic law now the Brexit transition period has ended, but the UK has the independence to keep the framework under review. The ‘UK GDPR’ sits alongside an amended version of the DPA 2018.

For the purpose of this document, references to GDPR relate to the ‘UK GDPR’.

CCN/NES recognises and accepts its responsibility as a Data Processor, and will ensure that, where appropriate, Data Processor Agreements are in place as part of any Contract. This is stated through the CCN/NES [‘Data Protection’](#) Policy.

## **1.13 FREEDOM OF INFORMATION**

The Freedom of Information Act 2000 provides public access to information held by public authorities. It does this in two ways, public authorities are obliged to publish certain information about their activities and members of the public are entitled to request information from public authorities. The Act covers any recorded information that is held by a Public Authority in England, Wales and Northern Ireland, and by UK - wide Public Authorities based in Scotland. Information held by Scottish Public Authorities is covered by Scotland’s own Freedom of Information (Scotland) Act 2002. It is in the interest of all employees to be aware of this important new regulation. [Freedom of Information Policy](#).

## **1.14 WHISTLEBLOWING**

Whistleblowing in the context of the Public Interest Disclosure Act is the disclosure by an employee (or other party) about malpractice in the workplace. A whistle-blower can blow the whistle about crime, civil offences (including negligence, breach of Contract, etc), miscarriage of justice, danger to health and safety or the environment or breach of the Financial Regulations and the cover up of

any of these. In relation to this Policy this could include deliberate and persistent breach of procedure in relation to purchasing and tendering or accepting bribes.

If an employee has a concern about a procurement matter, they should raise it with their Line Manager or the NES Finance Director in the first instance. Please follow the procedure set out in the Whistleblowing procedure contained within the Financial Regulations.

### **1.15 ROLLING CONTRACTS**

Some Contracts can continue rolling without a defined end date. This is viewed as offering poor value and is not permitted without the Head of Department's authorisation.

### **1.16 LEASE CONTRACTS V PURCHASE**

Options offered may be Outright Purchase or by Lease/Lease Rental.

Lease & Lease Rental Options allows the total cost of the goods (plus interest) to be spread over an agreed period. Some Lease arrangements will allow for equipment updates during the period by restructuring the payment schedule – which can be cost effective but can also have “strings” attached such as committing to the agreement for an extended period. Under a Lease arrangement, the Title in the Goods does not pass to CCN/NES as it remains with the Supplier or Finance Company. Such arrangements are complicated and often a disadvantage to the Group.

### **1.17 PURCHASING GOODS FROM ABROAD**

It is advised to only purchase from the UK as goods from abroad can involve complex issues of Import duties, insurance, VAT, taxes, different safety standards etc.

### **1.18 INVENTORIES**

Some procurement processes will result in tangible assets being acquired by CCN/NES as follows: -

- Land & Buildings
- Fixtures & Fittings
- IT Systems
- Equipment
- Assets during construction

Upon purchase completion, departments should follow the requirements set out in the Financial Regulations to register the assets on the appropriate Asset Register. Please contact the Finance Team for more guidance.

### **1.19 WARRANTIES**

Some goods purchased will come with a warranty. Departments should retain all documentation relating to the purchase, including warranties, so CCN/NES can refer to them if required at a future date.

### **1.20 RETENTION OF DOCUMENTATION**

For legal and audit purposes, all documentation used for Tenders and Request for Quotations must be retained for a minimum of 6 years.

Where the process is conducted via the electronic tendering system 'In- Tend', the documentation is automatically captured and retained. If the procurement process was not conducted via 'In Tend', then all documentation is to be retained by the Project Lead or Head of Department

**1.21 SUSTAINABILITY**

CCN/NES are committed to introducing sustainable procurement and it is our practice to seek out eco-friendly Suppliers.

Sustainable procurement is a process whereby CCN/NES meet their needs for goods, service, works or utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to CCN/NES, but also to society and the economy, whilst minimising risk to the environment.

It is important that we look beyond the Purchase Price and quality and consider not just environmental but also social and economic factors when procuring Contracts. These three factors are often referred to as the “three pillars of sustainable procurement”. The impact of each purchase should be considered on a: whole life basis, the impact of production, distribution, use and the ultimate disposal.

The importance of each of the three pillars will vary depending on the nature of the purchase and the availability of more sustainable alternatives.

The table below sets out some key sustainability issues:

Environmental Issues	Social Issues	Economic Issues
Emissions to air (e.g. greenhouse gases)	Promoting fair employment practices	Job creation
Use of raw materials	Promoting workforce welfare	Whole life costing
Use of energy	Fairtrade and ethical sourcing practices	Achieving value for money
Water use	Encouraging a diverse base of competitive suppliers	Ensuring Supplier Agreements are competitive and fair to promote
Waste and by-products		
Pollution		
Impacts on biodiversity		

*Source: The Sustainable Procurement Guide*