P46 Procurement Policy

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1 Key Principles of Procurement Policy

Separation of Duties	The roles of Budget Holder, Purchaser and Payment Authoriser should be separated. The purchaser who is empowered to make the binding commitment must have an authorised purchase order before committing. The total value of the contract must be entered on the Purchase Order.
Value for Money	A prime aim of the procurement process is to ensure that best Value for Money (VFM) is achieved.
Competition	Procurement should be through open competition unless there are exceptional reasons
Payment on Time	Suppliers must be paid on time in accordance with contractual arrangements.
Ethical Standards	Procurement must be undertaken to the highest ethical standards and with fairness to suppliers.
Environmental Impact	Purchasers must consider environmental impacts and aim to minimise adverse environmental impacts.

We actively provide purchasing opportunities to organisations that have achieved recognition / accreditation from recognised bodies.

2 Introduction

'Procurement' is the whole process of acquisition from third parties and covers goods, services and construction projects.

This policy applies to all procurements, e.g. goods, services (including consultancies and research) and works/construction. The policy applies to procurements funded from both programmes and running costs. It is intended for the information of everyone in TCHC GROUP who is involved in procurement whether as budget holder/customer, purchaser, expenditure authoriser, or contract manager/project sponsor.

The key elements of the policy reflect TCHC GROUP's core business values, i.e. to act with integrity, honesty impartiality, to pursue value for money, and to encourage continuous improvement and innovation. In this context it is worth pointing out that such key elements as use of competition and separation of duties help to protect the individuals involved in procurement in addition to helping support value for money.

It is the responsibility of all line managers to ensure that any staff involved in procurement processes adhere to the policies outlined.

This policy is shared with all TCHC staff and associates on induction and is available to view on our Company Documents within the Employment Hero platform/SWAG app and our Intranet.

TCHC adheres to The Public Contracts Regulations 2015 (**https://www.legislation.gov.uk/uksi/2015/102/contents/made**) and the directives, regulations, policies and guidance relating to the procurement of supplies, services and works for the public sector as outlined in the public sector procurement policy (https://www.gov.uk/guidance/public-sector-procurement-policy).

The Social Values Act, which came into force in 2013 places an active duty on contractors to consider, at the planning stage, the wider economic, environmental and social benefits that can be achieved through procurement. More details about the Social Values Act, including a Policy Procurement note, can be found on the Cabinet Office section of the Gov.uk website. (**https://www.gov.uk/government/publications/social-value-act-information-and-resources**)

3 Separation of Duties

In the procurement process two key distinguishable roles are:

- The budget holder who perceives the need and makes out the business case to obtain any necessary approval to spend, then commissions the procurement service, completes the Procurement Matrix and normally gives final approval to the recommended choice.
- The purchaser who fulfils the procurement role (including making the legally binding commitment to the chosen supplier) and is responsible for ensuring that the procurement process fully complies with procurement policy and secures best Value for Money (VFM).

4 Value for Money

End users are not usually the purchasers themselves, and their needs must be tested critically for cost effectiveness. To ensure best Value for Money in procurement the relevant factor is whole life cost, not lowest short term price. Whole life cost takes into account all aspects of cost over time, including capital, maintenance, management and operating costs, whenever they fall.

All managers, not only purchasers, are responsible for ensuring that best value for money is achieved through the procurement process, however this is not the only criteria that the procurement process relies on. Each procurement providers application will be scored against a set criteria of essential and desirable requirements.

5 Competition

It is TCHC GROUP policy that procurement should be undertaken through open competition. Purchasers, in consultation with customers, are responsible for identifying suppliers most likely to offer best Value For Money and for encouraging them to tender.

Whilst procurement should always be completed with a minimum of three quotes or tenders, it can be done under special exceptional circumstances, for example:

- There is extreme urgency (which has occurred for reasons which were unforeseeable and are beyond our control)
- There is only one supplier capable of providing the relevant goods, works or services due to genuine technical, artistic or copyright reasons.
- No organisations have responded to the advertisement

In these circumstances a Single Tender Justification form should be completed and kept with the procurement information, justifying why this approach has been made and detailing methods used to identify the proposed contractor.

Value	Activity	Approval
Petty cash to £50	Obtain minimum two written quotations.	Centre Manager
£50 - £499	Obtain minimum three written quotations Complete Procurement Matrix Authorised purchase order required	A member of the SLT
£500 - £24,999	Obtain / invite minimum three written Complete Procurement Matrix quotations based on clear written specification	Finance & Managing Director
£24,999 - £50,000	Obtain minimum three written quotations based on clear written specification Complete Procurement Matrix	Finance & Managing Director
Above £50,000	Minimum of three formal competitive tenders invited. Complete Procurement Matrix Authorised purchase order required	Finance & Managing Director

6 Sub-Contracting With Supply Chain Partners

Upon commencement of the sub-contracting process, TCHC GROUP will consider a Business Case Proposal or Expression of Interest (EOI) to ensure that the subcontracting will be in the best interests of all parties.

TCHC will follow our Procurement Policy and process for identifying and selecting Sub-Contractors to ensure we are following Public Contracts Regulations 2015 and procurement requirements around threshold levels as detailed in the Procurement Policy note 04/17. We will follow European Parliament public procurement including directive 2014/24/EU where required. We will initiate Expression of Interest for new opportunities by aiming to utilise our Expression of Interest form, published on the 'Partner with Us' page on the TCHC website with a deadline day of a minimum of 7 days from the date published on the website.

Following the end of the Transition Period with the UK Exiting the EU, the UK Government has launched the UK's new "Find a Tender" service for publishing contract notices that went live on 1 January 2021, replacing the Official Journal of the European Union. TCHC will follow all regulatory requirements with the new legislation and systems introduced where it is applicable for procurement.

When entering into procurement for new Sub-Contracts, we need to ensure that we will adhere to the following specific rationale for Sub-Contracting:

- TCHC commit to enhancing the quality of our learner/student offer and have an educational rationale for subcontracting position which will include one or more of the following aims:
- Enhance the opportunities available to learners
- Fill gaps in niche or expert provision, or provide better access to training facilities
- Support better geographical access for learners

- Offer an entry point for disadvantaged groups
- Consider the impact on individuals who share protected characteristics

When procuring we will demonstrate TCHC are committed to not subcontracting delivery to meet short-term funding objectives and will solely use delivery Sub-Contractors.

TCHC when procuring new sub-contractors need to follow the guidance in the P66 Partnership and Supply Chain Management Framework Policy.

TCHC need to ensure that the staff involved in the procurement and selection of sub-contractors have the knowledge, skills and experience (i.e. with appropriate qualifications or experience, as evidenced by their CVs) within the organisation to successfully procure contract with and manage those subcontractors, our Directors and the Finance Controller to determine the subcontractors as being of high quality and bringing low risk to public funds.

TCHC will ensure that all due diligence requirements and an expression of interest is completed which demonstrates the capacity, capability, track record and financial health to deliver the services required.

Audits will be performed in line with our P66 Partnership and Supply Chain Management Framework Policy and external audits take place each year.

Please see below the embedded Partner on Boarding Process flowchart

Partner On-Boarding Process Flowchart.pdf

7 Procurement Matrix and Record Keeping

For all procurement activities the process will involve detailed record keeping and completion of the procurement Matrix, ensuring that each of the each of the following steps are followed:

- Providing sufficient information about the tender opportunity to the market enabling interested bidders to apply
- Impartially assessing each bid against the same criteria; and
- Selecting the winning bidder on merit by reference to set criteria

Where procurement is carried out via an electronic portal or system, relevant screen shots should be taken to support the core audit trail and should be retained on the project

The procurement matrix process is made up of the following steps:

- Invitation to bid
- Submission and selection of bids
- Evaluation of bids
- Awarding the contract
- Contract implementation

When completing the procurement Matrix there are two distinct types of evaluation criteria that must be taken into account and kept separate - selection and award criteria.

Regulation 58 of the Public Contracts Regulations 2015 covers selection criteria. Regulation 67 of the Public Contracts Regulations 2015 covers award criteria.

- Selection criteria aim to establish "does the bidder have the capability to deliver the contract? and
- Award criteria aim to establish "based on the proposal to deliver the contract which bid is the best"

Selection Criteria assess the ability of the tenderer to perform a contract based on qualitative information relating to suitability to pursue a professional activity, economic and financial standing, and technical and professional ability (for example, their previous experience and qualifications).

The selection criteria, sub-criteria and any weighting applied to each must be proportionate to the requirement in question. The requirements must be publicised in the procurement documents.

Award Criteria are specific to how the bidder intends to deliver the contract (for example cost, quality, timescale), sub-criteria and weightings to be applied must be disclosed in the in the procurement documents

The award criteria must be objective, relate to the subject matter of the contract, and be proportionate and transparent.

TCHC must only consider information set out in bid documents when selecting procurement. Bids which are late or do not meet the minimum requirements should, by default, be rejected. And TCHC must put in place appropriate processes to keep tender submissions confidential and in safe custody. Where electronic communication is used, criteria and / or the weighting should not be amended after they have been published in the procurement documents.

The evaluation process must be transparent and applied in a manner which ensures equal treatment, non-discrimination and mutual recognition. Bids shall be reviewed and given scores against the set criteria. To meet audit requirements, the scores shall be dated and signed by at least two members of staff. Once the scores are set any amendment must be dated and signed by two members of staff and accompanied by a file note justifying the change. Any weighting set out in the procurement documents may be applied after the scores are set.

Within 30 days of the award of a contract or framework agreement, TCHC if appropriate must send a Contract Award Notice to the Official Journal of the European Union for publication. The requirements of the contract award notice are set out in Regulation 50 of the Public Contracts Regulations 201522 .

As soon as possible after a decision has been made TCHC must contact all bidders providing the information listed at Regulations 86 of the Public Contracts Regulations 2015. This information includes the name of the winning bidder and the basis for the award. Unless permitted as part of the process, for example in the Innovation Partnership process. Part 4 of the Public Contracts Regulations 2015 contains further requirements.

These communications are called Standstill Letters as they initiate a period of not less than ten full days during which time work cannot start on the contract. This process is designed to allow time for any bidder who is dissatisfied with the bidding process to take action. Standstill letters are normally sent by email using the receipt function to demonstrate compliance with the relevant timescales. Full details about this process are set out in regulations 86 and 87 of the Public Contracts Regulations 2015. If this procedure is not followed correctly, there can be serious legal consequences.

TCHC is required to follow a process which assesses the merits of the bids on an impartial basis. This involves: A contract description which is non-discriminatory: it is not permitted to refer to a particular brand, qualification, certification, a specific origin or trademarks, it is to necessary to make it clear that equivalents will be equally valid.

The process is designed so there is no direct or indirect discrimination by making available the same information about the contract opportunity to all interested parties. Putting in place appropriate time limits to allow bidders to consider the contract and submit a meaningful bid. TCHC manage potential conflicts of

interest, ensuring the rules of the bidding process are communicated to potential bidders at the outset. Applying the bidding process rules in the same way to all applicants throughout the process ensures TCHC awards the contract to a bidder on the merit of their bid,in line with the rules set out at the start of the process.

Please see below the embedded Procurement Matrix Template

Procurement Matrix Template 2022.xlsx

TCHC will store all documents relating to procurement activities on our company SharePoint or Partner Portal to demonstrate that the activities were conducted ethically and in accordance with procedures and are fully compliant with procurement law. All documentation must be kept for a period of a minimum of three years from the date of the award of the contract and may be kept longer if is required by funding organisations, in line with their policies.

The audits will examine that all elements of the procurement process have been followed, including advertising current opportunities and evaluating bids. Audits serve as a deterrent for non-compliance.

TCHC has a clear Document Retention Policy in line with the requirements of ISO 9001, ensuring that all relevant information is held for the purpose of internal and external audits / investigations in line procurement law and regulations.

Every correspondence will be tracked and can be produced as and when required ensuring they are traceable and retrievable. File movements and movements of data will also be tracked.

8 Purchase Orders

All purchases must be supported by a Purchase Order. The Purchase Order must be raised and approved in accordance with the guidance above – before an order is placed with the supplier. The Managing Director and Programme Manager must provide final validation of all Purchase Orders.

TCHC GROUP will not be held liable for any financial commitment made by a member of staff without a valid, approved Purchase Order.

To procure from the Department for Education (DFE), suppliers must register on the new central digital platform (Find a Tender) and on DFE's Jaggaer etendering portal to find opportunities and submit bids. Understanding and complying with the Procurement Act 2023 is crucial, and you can find guidance and training materials on the GOV.UK website

9 Payment on Time of Valid Invoices

The aim is to pay on time, never late but not unnecessarily early unless some early payment discount or other benefit has been agreed. Our interpretation of making payment is when a BACS payment is committed or a cheque is posted. If any invoices have been disputed, the 'clock' should run from the date the dispute was resolved.

10 Ethics and Ethical Issues

Purchasers should be honest, fair and impartial in their dealings with suppliers.

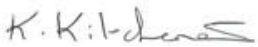
Invitations from suppliers or potential suppliers to attend social functions must not be accepted without receiving consent from a Director.

References may from time to time be sought from other potential customers of one of your suppliers. In such circumstances caution must be exercised. References in writing must not be provided without receiving consent from a Director.

11 Corporate gift policy

Casual gifts offered by contractors or others, e.g. at Christmas time, may not be in any way connected with the awarding of contracts or performance of duties.

However, in order to avoid ambiguity, it is preferable to politely decline. Staff must declare any unsolicited gifts to their line manager who is responsible for keeping a log of all items received.



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Revision and Amendment Register

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