

Procurement Policy

Procurement is the purchase of works, assets, goods and services for the charity according to a process that is open and transparent.

Good procurement is essential for our organisation to deliver its strategic aims and day to day operations efficiently conserving charity funds.

All staff involved in procurement have a responsibility to conduct the procurement legally and ethically and to secure value for money.

Objectives of this procurement policy

The key elements of the charity's Procurement Policy are:

1. To maintain the highest ethical standards in procurement matters i.e. to minimise the risk of fraud.
2. To ensure the correct goods or services are purchased, in terms of the correct quality and specification:
 - To achieve best value for money
 - To reduce the paperwork so that the process is fast enough to meet programme needs
 - To ensure that any grant conditions are complied with
 - To act fairly towards suppliers
 - To promote equality, diversity and sustainability throughout procurement matters

Key Principles

To Maintain the Highest Ethical Standards

The charity values its reputation for ethical behaviour, for financial probity and reliability and considers bribery to be unacceptable. (For further details, see Derby Diocesan Board of Education (DBE) Gifts & Hospitality Policy.)

The charity is strongly opposed to slavery and human trafficking. We strive to act ethically and with integrity in all our business dealings and relationships to ensure that slavery and human trafficking is not taking place within our organisation or our supply chains.

In the event of a conflict of interest, which occurs if an employee has an interest in an organisation providing goods or services to the charity, that interest must be declared in writing at the earliest possible opportunity and maintained in a Register of Interests held by the Diocesan Director of Education (DDE).

To Achieve Value for Money

When judging value for money we will consider economy, effectiveness and efficiency.

Achieving value for money does not always mean accepting the lowest price but, making decisions based on the above principles and the detailed criteria below:

- Price
- Quality of product or service
- Fit of product with need
- Reputation and capacity of provider
- Range of goods and services and suppliers available
- Reliability
- Responsiveness
- Delivery times
- Environmental impact

The person making the order should always ensure they have considered Derby DBE's principles and charitable objects before entering into a supply agreement with any external supplier. They may be asked to evidence their decision for a particular purchase order they issued, so it is wise to note and file the reasoning at the time the decision is made, particularly if not choosing the least expensive option.

To Act Fairly Towards Suppliers

Procurement processes must be fair to suppliers. Derby DBE will try to ensure that small and medium sized enterprises (SMEs) have fair and equal access to contracts advertised by the charity and standard processes to ensure consistency in order to provide a fair and open approach to tendering.

Derby DBE will take all possible steps to identify and manage conflicts of interest in line [with guidance from the Charity Commission](#).

Derby DBE will, where possible:

- Facilitate understanding of public sector procurement policy and legislation by relevant stakeholders.
- Ensure that the approach to individual contracts, including large contracts and framework agreements, is supported by a sound business case.
- Keep the tender process as simple as possible, but consistent with achieving value for money, to help minimise costs to suppliers.
- Offer meaningful feedback to suppliers on the evaluation of their proposal at the end of the tendering process.
- Support training for procurement staff to develop consistency in the use of best practice procurement.

The charity aims to pay suppliers for goods and/or services within 30 days of receiving an invoice. To achieve this aim, DBE employees are required to ensure related paperwork is processed promptly.

To promote Equality, Diversity and Sustainability

The charity 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. In all cases the general equality duty requires employees and its contractors to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct that is prohibited by the Equality Act 2010.
- Advance equality of opportunity between people who share a relevant protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

Scope

Purchasing

The DDE is authorised to make purchase transactions in line with Derby DBE's agreed annual budget.

For exceptional costs, i.e. not identified in Derby DBE's agreed annual budget:

- the DDE is authorised to purchase goods/services to the value of £5,000. Each instance will be reported to the Chair and to the Board at the following meeting.
- with the prior agreement of the Chair of Derby DBE, the DDE is authorised to purchase good/services between £5-£10,000. Each instance will be reported to the Board by email.
- For exceptional purchases exceeding £10,000, the authorisation of the full DBE Board is required. Authorisation may be provided at a meeting or by email.

Securing Best-value

For all purchase transactions, the following thresholds are applicable. When calculating the contract value, for a one-off purchase, the total cost of the good(s) or service(s) will provide the contract value. If the purchase is a recurring spend, the charity will calculate the value over 4 years to establish the total contract value. The values quoted here exclude VAT.

It is recognised that in some instances the number of quotes may not be able to be received despite best endeavours. This will be recorded.

Up to £1,000: to facilitate efficient administration, the budget holder or delegated person may purchase goods and services adhering to the principles outlined in this policy statement.

For goods and services between £1,000-£5,000: Where an established supplier relationship exists, the budget holder may purchase additional goods/services adhering to the principles outlined in this policy statement. For new goods/services, a minimum of two written quotes will be obtained.

For goods and services between £5,000-£10,000: two written quotes should be obtained.

For goods and services between £10,000-£30,000: three written quotes should be obtained.

For goods and services over £30,000: a tender system should be issued.

Where the service is highly specialist and we cannot identify potential alternative supplies, or where there is benefit to be gained from knowledge from a relevant previous collaboration with one particular supplier, we may select a preferred supplier. For any purchase above the £5,000 threshold, such a decision requires the authorisation of the DDE. In these cases, we will take reasonable steps to establish the supplier's costs are acceptable, e.g. by comparing their day rates from other similar business where this is practicable.

Governance and Audit

The charity 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 Board in monitoring these arrangements and ensuring that its internal control systems are adequate and effective.

The Board should set the degree of assurance it requires concerning the management of procurement risk, and any internal audit should plan its work accordingly. The external audit may review and report on standards of risk management and governance regarding procurement in any contracting authority.