

Overview

1. The procurement function of the Higher Education Funding Council for Wales (HEFCW) will provide professional, qualified, procurement expertise to its Management Board and staff and to the HE sector. It will contribute fully to the achievement of HEFCW's aims and objectives and will raise the profile of procurement both internally and within the HE sector. Ensuring that HEFCW's business needs are met through its purchasing of goods, services and works and that the Welsh Government's Procurement Policy aims and objectives are core to its procurement activity. It will proactively manage and develop its key suppliers, identifying and managing any supply risks.
2. HEFCW's Council, Management Board and staff have ownership of this procurement policy. Consultation on the policy has taken place both internally and within the HE sector. Impact Assessment has also taken place, in line with HEFCW's Equalities policy.
3. The procurement function within HEFCW has a dual role. The first is to support the procurement activity that takes place within HEFCW, to ensure that value for money is obtained when purchasing its own goods, services and works, and to ensure that procurement best practice is always followed.
4. The second part of its role is to work with the higher education sector to advise, support, monitor and collaborate in regard to best practice procurement. HEFCW is responsible for monitoring and reporting to the Welsh Government on the procurement efficiencies, progress and value for money achieved by the sector.
5. Government policy such as the [Welsh Government's Public Procurement Policy and 10 Principles](#) influenced the production of HEFCW's procurement policy and internal procedures. It also influences its work with the HE sector. HEFCW's policy and procedures must also accord with HEFCW's Framework document and annual Remit Letter issued to it by the Welsh Government.

HEFCW Procurement Activity

6. HEFCW will analyse its annual expenditure with suppliers for goods, services and works, to understand the scale and importance of procurement activity in terms of amount, nature of purchases, market risk and business risk.
7. The procurement function will make the best possible use of HEFCW resources, investigating existing available collaborative arrangements such as those available via the [National Procurement Service \(NPS\)](#), and only letting

contracts where no suitable existing collaborative arrangements exist, so that goods and services can be purchased in a quick and efficient manner.

8. Only when suitable collaborative arrangements are not available to utilise, will HEFCW tender and award its own contracts. The length of contracts will be dependent on the particular goods and services being acquired and their values, the nature of the market place and the needs of HEFCW and will be procured in line with UK Public Contracts Regulations and European Procurement Directives.

Collaboration

9. The procurement function through its work with the NPS, the wider public sector and the Welsh Government will collaborate whenever and wherever possible. Thereby saving on the costs of the procurement exercise and improving the potential to secure keener prices and improved quality by combining purchasing power. We will also seek to work with charities or other third sector bodies where this is practical and complimentary to procurement procedures.

Processes & Procedures

10. The procurement function will look to review its current procedures on an annual basis to ensure that they are always fit for purpose and simplify them wherever possible, making purchasing more streamlined.

Technology

11. The procurement function will assess the use and potential of existing information, processing and communications technology to effectively support the procurement process and e-procurement strategy. E.g. use of the [Sell2Wales website](#), xchangewales e sourcing tools, Welsh Purchasing Card, and e-marketplaces.

Corporate & Operational Objectives

12. The procurement function will ensure that HEFCW's business objectives are met by the procurement policy being linked to the Corporate Strategy and Operational Plan. The Senior Procurement Manager will meet with heads of teams to understand current team roles and responsibilities and review and plan procurement requirements and any training needs.

Work with Suppliers

13. The procurement function recognises the importance of its suppliers. It will review the quality of its supplier management and development plans for

enhancing relationships with key suppliers to meet the needs of the organisation.

14. HEFCW will utilise the Welsh Government's Sell2Wales website. HEFCW will normally advertise its formal tender opportunities above £25k inc. VAT on this website.
15. HEFCW will provide suppliers with clearly written output specifications, and will allow a reasonable amount of time for suppliers to submit their quotations and tenders, make award and evaluation criteria clear and understandable, evaluate all bids on a like for like basis and provide constructive de-briefing to all unsuccessful tenderers.

Expertise & Influence

16. The Senior Procurement Manager will provide advice and training on all areas of procurement, including demand management and contract management.
17. Qualified resource is available to provide staff and the Management Board with advice on all aspects of procurement. The Senior Procurement Manager will continue a programme of professional development.

Efficiencies

18. HEFCW will utilise an efficiencies measurement system, which will record efficiencies made against each contract. This will enable HEFCW to evidence its procurement efficiencies and report on an annual basis.

Record Keeping

19. A procurement register will be maintained by the Senior Procurement Manager. The register will hold information on existing tenders and contracts and also historical procurement information.
20. Procurement information will be retained in line with the requirements of HEFCW's Classification and Disposal Scheme.

Compliance

21. HEFCW's Head of Internal Audit will undertake periodic reviews of the procurement function and procurement undertaken across HEFCW. The auditor will check for compliance against internal procedures and to ensure compliance with UK and European Procurement Directives as well as procurement best practice. The Wales Audit Office will carry out audits of HEFCW's procurement activity as part of their annual audit. WEFO will carry out audits on all ESF procurement related projects.

22. HEFCW will have a clearly defined process for budget holders to incur expenditure, through to commitment and receipt of goods with segregation of duties. HEFCW's payment terms will be communicated to all its suppliers. Financial appraisals of suppliers will be undertaken in a fair and appropriate manner, in proportion to the value and risk of the goods or services being procured. HEFCW will aim to pay its suppliers within ten working days wherever possible.

Total Life Costing

23. HEFCW will evaluate quotations and tenders on a total life cost basis and award the contract to the supplier who submits the most economically advantageous quote/tender in line with the evaluation and award criteria stated in the quotation/tender documentation (e.g. price, service levels, quality, technical merit.).

OJEU Directives

24. HEFCW will ensure compliance with the UK Public Contracts Regulations, European Procurement Directives and European Treaty Principles.

Sustainability/Well-being of Future Generations Act (2015)

25. HEFCW is one of the 44 public bodies in Wales required to demonstrate their contribution to the goals, ways of working and sustainable development principles detailed in the Act ([Well-being of Future Generation Act 2015](#)). Although HEFCW's procurement is relatively low in value, we can contribute towards the Act by following the WG's procurement policy and principles and utilising collaborative agreements which have considered and built in the requirements of the Act. E.g. using those that have Community Benefits covered in the agreements.
26. HEFCW will procure in a sustainable manner, taking social, ethical and environmental factors into consideration alongside financial and qualitative factors when developing award criteria and evaluating quotations and tenders. HEFCW will have due regard to the principles covered in the [Welsh Government's Code of Practice: Ethical Employment in Supply Chains](#).
27. HEFCW will use the Welsh Government's Sustainable Risk Assessment templates (SRA's) on procurements above £25k inc. VAT, to help embed sustainable criteria into tender specifications. HEFCW will ensure that sustainability factors are built into the procurement process and where applicable suppliers are developed in this area.
28. HEFCW will ensure that any collaborative agreements utilised have also used a form of sustainability check as part of the procurement strategy, and has considered the twelve principles contained in the Welsh Government's Code

of Practice: Ethical Employment in Supply Chains as part of the procurement and contracting process.

29. HEFCW may request consultants consider how their recommendations on specific work can support the seven goals of the Well-Being of Future Generations Act, and HEFCW's well-being objectives.
30. Any collaborative agreements used will be reviewed to ensure that where applicable the seven goals of the Well-Being of Future Generations Act 2015 have been taken into consideration.

Equality

31. Contractors and subcontractors providing a service to HEFCW will be made aware of their obligations to adhere to HEFCW's commitment to eliminate unlawful discrimination on the grounds of age, disability, gender assignment, pregnancy and maternity, marriage and civil partnership, race, religion and belief, sex and sexual orientation and promote equality of opportunity and good relations between all sections of society.

Welsh Language Act, Scheme & Standards

29. HEFCW will comply with the Welsh Language Standards set by the Welsh Language Commissioner, in regard to its procurement activity. Tenders or Quotations may be submitted in Welsh. Quotations and Tenders submitted in Welsh will be treated no less favourably than Quotations or Tenders received in English. HEFCW will publish invitations to tender in Welsh in cases where the subject matter of the contract or anticipated audience suggests that the invitation should be published in Welsh. [HEFCW's Welsh Language Standards compliance notice](#)
30. Where HEFCW engages external consultants to undertake studies or reviews in the higher education sector in Wales, it will specify any requirements as to the provision of Welsh language services or the consideration of bilingualism and Welsh medium issues as appropriate to the particular projects concerned. HEFCW will monitor the fulfilment of any such requirement by the contractor.
31. When any procurement is proposed, as part of the authorisation process, advice will be sought from both the Senior Procurement Manager and the officer responsible for HEFCW's Welsh Language Scheme/Standards to ensure that our obligations are met.
32. Any collaborative agreements used will be reviewed to ensure that where applicable Welsh language requirements have been taken into consideration.

Information Security

33. In order to protect HEFCW's information assets, all contractors and sub contractor's will be required to comply with HEFCW's information security policy. This covers the information security requirements in respect of ICT, buildings, records and human resources. Issues surrounding confidentiality and security will be discussed with contract managers as part of the production of quotation/tender and contract documentation.

Procurement Work with the HE Sector

33. HEFCW will work closely with and support the Welsh HE sector in regard to procurement improvements. The Senior Procurement Manager will work closely with the sector and institutions where required, to help achieve practical improvements in value for money.
34. The Senior Procurement Manager will liaise with individual institutions to discuss with finance and procurement colleagues their procurement progress, and to understand any issues, concerns, or barriers to delivery that the institution or sector in general may have.
35. HEFCW will monitor the progress of individual institutions in developing procurement within their institutions. HEFCW's Senior Procurement Manager will monitor institution's procurement policies, strategies and procurement fitness health check action plans and where appropriate will take forward issues such as the sharing of best practice and encouraging cross-sector collaboration.
36. HEFCW's Senior Procurement Manager will work closely with the Higher Education Purchasing Consortium Wales (HEPCW) and its procurement manager to avoid any duplication of effort. HEFCW will work with institutions and the HEPCW consortium to secure improvements to procurement systems and practices necessary to deliver their efficiencies. HEFCW will expect each institution and the Consortium to adopt use of recognised efficiency reporting models and key performance indicators to record their efficiencies and effectiveness e.g. Value Wales Benefits Reporting Model, HE Efficiency Measurement Model (EMM).
37. HEFCW will support UK wide procurement initiatives, where it believes practical benefits will be gained by the sector. e.g. our links with the [UUK Procurement Work and the Diamond Efficiencies Review](#).
38. HEFCW will work with the sector generally, or institutions or groups of institutions as appropriate, to ensure that expertise is available and fully utilised.
39. HEFCW will work closely with the Welsh Government's Value Wales team and the NPS. HEFCW will share with the sector the teams work, findings,

information, and guidance produced. HEFCW will also promote the best practice work that is being undertaken in the sector.

40. The HE Sector in Wales has signed up to the Welsh Government's Code of Practice: Ethnical Employment in Supply Chains. HEFCW will monitor the sectors implementation and progress against the principles contained within the Code.

Version	Date	Comment
1.0	03/12/13	
2.0	26/08/15	Reviewed and revised to take account of revision to WG Procurement Policy statement and revision to EU and UK procurement regulations.
3.0	01/02/16	Reviewed and revised to take account of best practice, case law & changes to funding.
4.0	18/08/16	Reviewed and revised to take account of Future Generations Act and best practice.
5.0	19/10/17	Revised to take account of new Welsh Language Standards and further Future Generations Act amendments.
6.0	29/11/17	Revised to take into account the WG's Code of Practice and GDPR.

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