

# **BRUNEL UNIVERSITY**

## **PURCHASING PROCEDURES**

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# 1 INTRODUCTION

1.1 The purpose of these Purchasing Procedures is to enable the university to:

- Obtain value for money in its purchases
- Demonstrate that value for money has been obtained
- Act fairly and even handedly in its dealings with its suppliers and potential suppliers
- Comply with the various pieces of legislation that apply to purchases
- Protect staff from accusations of malpractice

1.2 This manual describes the procedures you must follow in order to comply with the University's Financial Regulations when spending money on everything other than staff. It also provides advice, guidance and best practice.

1.3 The procedures apply to all purchases and contracts, for which we are the buyer, with external suppliers, contractors, agencies, consultants etc. Apart from paragraph 3 they do not apply to purchases from and contracts with other public sector bodies.

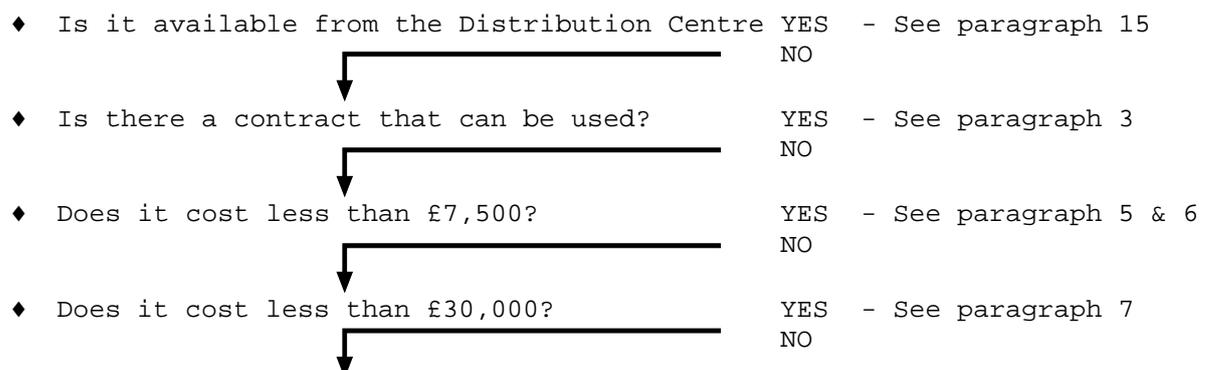
They apply regardless of the source of the money being spent. They apply to expenditure by the university and its trading companies.

There are special procedures covering the capital programme. Special arrangements may also apply for purchases of equipment and services funded by the Research Councils, Wellcome Trust, the European Union and HEFCE. Special procedures exist for the recruitment by "agents" of international, including European Union, students.

1.4 Within these procedures the following definitions apply:  
A contract is a formal arrangement covering the supply of specified goods, services or works by particular companies at agreed prices over a period of time.  
A purchase is a one off requirement for goods, services or works.  
Please note that these definitions are used solely to clarify the procedures and are not true descriptions.

1.5 The procedures reflect current practice. They will be updated from time to time as procurement methods change and the financial thresholds are reviewed. The most up to date version can be found on the Procurement Department's website.

1.6 When you want to purchase something or arrange a contract you should ask yourself these questions:-



- ◆ Does it cost less than £172,514 for supplies and services or less than £4,322,012 for works? YES - See paragraph 8  
NO - See paragraph 9
- ◆ And additionally is it research equipment Funded by the Research Councils, Wellcome Trust, European Union or HEFCE? YES - See paragraph 12

- 1.7 The values given in the procedures exclude VAT.
- 1.8 The Head of Procurement will provide advice and clarification of these procedures should you need it.

## **2 SUSTAINABLE PROCUREMENT**

- 2.1 The University has a [Sustainable Procurement Policy](#) the purpose of which is to establish a sustainable practice in procurement so that staff consider sustainability as a factor when purchasing goods and services. The University recognises that procurement decisions can have major socio-economic and environmental implications locally and globally, now and for future generations. Guidance notes can be found on the Procurement Department's website.

## **3 THE USE OF CONTRACTS**

- 3.1 Contracts and purchasing agreements exist for a wide range of supplies and services. Some are arranged by the University, some by the Southern Universities Purchasing Consortium and some are National. Details of these contracts can be found on the Procurement Department website. We also use some contracts arranged by other parts of the public sector.
- 3.2 As a matter of policy the University supports contracts arranged for the Higher Education sector. If there is a contract for the goods or services you require, you must use it. If a contract is not effective or you think you can do a better deal you must tell the Head of Procurement who may approve different arrangements.
- 3.3 The Procurement Department is responsible for arranging corporate and multi-department contracts.
- 3.4 Colleges and Departments are responsible for ensuring compliance with Financial Regulations by arranging contracts for goods and services that are specific to them. The Procurement Department will provide help and advice if asked to do so. It must be involved in all contracts and purchases that are subject to competitive tenders (>£30,000) and will undertake the tendering process. The only exceptions are contracts and purchases made by the Director of Estates.
- 3.5 The Procurement Department is responsible for ensuring that the performance of contractors is monitored and, if necessary, managed. This is done by making periodic requests to contract users to provide focussed feedback on how well contractors are performing. If necessary corrective action is taken to improve performance or, exceptionally, to terminate the contract. The Director of Estates has separate arrangements for contracts arranged by his department.

## **4 OFFICIAL ORDERS**

- 4.1 Financial Regulations require the use of official University orders. All purchases of goods, services and works must be made using official orders. The only exceptions are when the value is determined by metering eg. photocopies and utilities, and by timesheets eg. temporary agency staff. Separate arrangements exist for very high value contracts.
- 4.2 You must raise an official order at the time of placing the order. This is done within Brunel R2P, the University's e-procurement system. It is unacceptable to wait until goods are delivered, services and works undertaken or invoices received. You must not because:-
- ◆ You will have to pay whatever the supplier chooses to charge unless you can prove you had agreed a different price
  - ◆ The suppliers' Terms and Conditions of Contract will apply rather than ours which will weaken our position if there is a dispute
  - ◆ The University operates a system of commitment accounting so that budget holders know how much money remains in their budget. This will not be correct unless orders are raised at the time of agreeing to spend money with a supplier.
- 4.3 You must give the following details on your orders:
- ◆ appropriate budget codes
  - ◆ adequate description so that the supplier knows exactly what you require. Always give the supplier's catalogue number or part number if you know it.
  - ◆ number of items you require
  - ◆ price or, if this cannot be determined at the time of raising the order, estimated or maximum price. Also give the amount of VAT and the total value of the order
  - ◆ reference to a relevant quotation, tender or contract if there is one. If a price has been agreed verbally, state on the order "price agreed with (John Smith)"
  - ◆ your account number with the supplier if there is one
  - ◆ where delivery is to be made to. The official order forms state that delivery is to be made to the Distribution Centre. You must change this if you want goods to be delivered elsewhere. The Distribution Centre cannot take delivery of large or perishable items but normally should be the delivery point for all other items
  - ◆ when you want delivery. A supplier you use infrequently will usually deliver first to regular customers unless you give a delivery date
  - ◆ if the order is confirming a verbal, faxed or e-mail order you must state "Confirmation order only - do not duplicate" on it.
- 4.4 Brunel R2P orders are authorised electronically by a budget holder or

someone to whom authority has been officially delegated and only within his or her financial limits as given on the warrant holder delegation of authority form. They are sent electronically to suppliers.

## **5 PURCHASING CARDS AND FUEL CARDS**

- 5.1 Purchasing Cards are corporate credit cards and are used for low value purchases. They provide an effective but low cost and efficient mechanism for buying low value goods and services.
- 5.2 The issue of Purchasing Cards to individual members of staff is strictly controlled. Requests for cards must be authorised by the appropriate Head of Department or College Manager and approved by the Head of Procurement.
- 5.3 There are an additional three controls which limit the use of each individual card:
  - ◆ Maximum value of each purchase
  - ◆ Maximum value of all purchases within a month
  - ◆ Limits on the types of suppliers that will accept the card
- 5.4 Staff who have been issued with a Purchasing Card MUST use it if the purchase is within their limits and with an approved type of supplier; they may NOT use an official order for such a purchase.
- 5.5 Detailed procedures describing the operation of the Purchasing Card scheme are given to staff when their card is issued to them. The scheme is controlled by the Head of Procurement. Purchasing cards will be withdrawn from staff who persistently infringe the procedures which govern their use.
- 5.6 Purchasing Cards must NOT be used for personal purchases under any circumstances. The card will be withdrawn from any member of staff who breaks this rule and further action may also be taken.
- 5.7 Special cards can be used for the purchase of fuel for university vehicles. These cards can only be used for specified vehicles. The scheme is controlled by the Head of Procurement.

## **6 PURCHASES UP TO £7,500 EXCLUDING VAT IN VALUE**

- 6.1 These procedures apply to all purchases up to and including £7,500 in value which are not made under existing contracts.
- 6.2 The minimum requirement is that you place an official order with the supplier you have chosen - see paragraph 4 or use a Purchasing Card - see paragraph 5.
- 6.3 It may be appropriate to seek formal quotations although this is unlikely to be cost effective for purchases under £2,500 in value. In this case the procedures in paragraph 7 must be followed.

You should consider whether seeking informal quotations will reduce prices or improve quality. These can be obtained by asking two or more companies to give you a price by e-mail, fax or over the phone. If prices are obtained over the phone you must keep a note of the name of the person who gave them.

## **7 PURCHASES AND CONTRACTS OVER £7,500 EXCLUDING VAT IN VALUE**

7.1 These procedures apply to all purchases and contracts over £7,500 and up to and including £30,000 in value which are not made under existing contracts.

7.2 The minimum requirements are:

- ◆ For purchases worth £7,500-£30,000 - obtain, not just seek, 3 quotations

It is sensible to invite more companies to quote as some may not do so. It is useful to get more quotations when prices are volatile or in a competitive market when companies are keen to get our business.

7.3 Quotations must be in writing. Faxes and prints of e-mails are acceptable.

7.4 It is important that you provide enough information to the companies that are invited to quote to allow them to fully understand your needs and to give a properly considered price. It is equally important that you compare like with like when choosing between potential suppliers.

The easiest way to achieve this is to give the companies you wish to quote the following information:-

- ◆ Specification
- ◆ Delivery date
- ◆ Any special consideration that may affect the price eg. delivery of heavy items to the top floor or work can only be done at weekends
- ◆ A copy of or reference to the University's appropriate Conditions of Contract.

It is essential that all companies invited to quote are given identical information and are treated equally.

7.5 You must consider the duty placed on you by the Equalities Act 2010 - see paragraph 11 for more details. Generally they are more relevant to services and works but they do include installation of goods. For contracts and purchases in which racial and disability equality is highly relevant you must ensure that the specification doesn't discriminate between racial groups or against people with disabilities. You must also ensure that suppliers and contractors do not discriminate and do promote equality.

7.6 When buying services it may be better not to be too prescriptive when it is the successful achievement of a required output that is important and not how it is achieved. It is appropriate to specify the output and ask the companies quoting how they would achieve it.

7.7 You should make the purchase from or award the contract to the company that offers the best value for money. This may be the one quoting the lowest price because all other considerations will have been taken into account when drawing up the specification etc. Value for money will be obtained by identifying the most economically advantageous bid which is the one with the lowest whole life costs. This includes, but may not be limited to, initial purchase price, cost of maintenance, energy costs, cost of consumables, staff time and disposal costs.

You must record your reasons for not accepting the lowest quotation and this decision must be authorised in writing by your Dean of College or Head of Department.

- 7.8 You must raise an official order to cover the purchase or contract once you have decided which company to give the business to. The order must refer to the quotation.
- 7.9 The successful quotation and reasons for not accepting the lowest price must be kept for three years after the end of the financial year it was obtained in. The unsuccessful quotations must be kept for one year after the end of the financial year it was obtained in.

## **8 PURCHASES AND CONTRACTS OVER £30,000 EXCLUDING VAT IN VALUE**

- 8.1 These procedures apply to all purchases and contracts above £30,000 in value which are not made under existing contracts. Additional requirements apply for purchases and contracts for supplies and services over £172,514 and over £4,322,012 for works contracts - see paragraph 9.

You must consult the Procurement Department if you propose to make a purchase or arrange a contract worth over £30,000. The Procurement Department will undertake the complete process on your behalf. The Director of Estates manages the tender process for Estates contracts.

The university advertises contracts over £30,000 in value on a public sector contract opportunity portal.

- 8.2 Tendering procedures are used because of the high value of the contracts. They are formal procedures which ensure that all tenderers are treated equally. They also protect staff from accusations of bias or favouritism by unsuccessful companies.

The minimum requirement is to:-

- ◆ Obtain, not just seek, 3 tenders

It is sensible to invite more than the required number of companies to tender as some may not do so. It is useful to get more tenders in a competitive market and when companies are keen to get our business.

- 8.3 You can identify suitable companies to invite to tender from a number of sources:-

- ◆ Market knowledge
- ◆ Trade or professional journals
- ◆ Trade directories
- ◆ Colleagues
- ◆ Constructionline (used by Estates)
- ◆ Web searches

- 8.4 You must consider the duties placed on you by the Equalities Act 2010 - see paragraph 11 for more details.

Generally these are more relevant to services and works but do include installation of goods. For contracts and purchases in which racial and disability equality is highly relevant you must ensure that the specification doesn't discriminate between racial groups and against disabled people. You must also ensure that suppliers and contractors do not discriminate and do promote equality.

- 8.5 A central register of all contracts over £30,000 is kept in the Procurement Department. This is done because we are required to report information on contract awards to various national bodies.

The Director of Estates maintains a register of his contracts.

- 8.6 It is important that you provide enough information to the companies that are tendering to allow them to fully understand your needs and to give a properly considered price. It is equally important that you compare like with like when considering which company will be successful.

When buying services, however, it may be beneficial not to be too prescriptive when it is the successful achievement of a required output that is important and not how it is achieved. In these cases it is appropriate to specify the output and ask the tenderers how they would achieve it.

- 8.7 A standard tender document comprises:-

- ◆ Instructions to Tenderers
- ◆ Conditions of Tender
- ◆ Relevant Standard Conditions of Contract
- ◆ Special Conditions of Contract (if necessary)
- ◆ Specification
- ◆ Certificate of Bona Fide tendering
- ◆ Form of Tender
- ◆ Price Schedule
- ◆ Vendor qualification questionnaire
- ◆ List of supporting information required (if necessary)

The Procurement Department can provide samples of all these.

The Instructions to Tenderers will require one complete set of documents to be returned which demonstrates that the tenderer was in possession of all relevant facts when pricing the tender. You may ask for more copies of the price schedule and other supporting documents if a number of people will be involved in assessing the tenders.

- 8.8 It is essential that all tenderers are treated equally. This is underpinned by the tenders all being opened at one time. You must, therefore, set a time and date by which tenders must be returned. This must give tenderers adequate time to properly consider the contract and prepare their bids. The University uses an electronic tendering portal which prevents access to returned tenders until the opening time.

All tenders must be opened by a Director and at least one other senior member of staff. It is important that this is a transparent process. The Head of Procurement, Procurement Officer or Director of Finance must be present when tenders are opened by a Director who is responsible for the department awarding the contract. Another senior member of staff need not be present in this situation. The purpose of having a member of staff who is independent of the contract award process present when the tenders are opened is so that the university can demonstrate that proper practices and

controls are in place should there be a challenge from an unsuccessful tenderer.

The role of staff who open tenders is to ensure that the procedures have been followed properly, to refer to the Director of Finance any issues they are unable to decide on and to record tendered sums and any additional notes in the tender register. Both must sign the price schedules contained in the tenders. In performing this role the views and opinions of all those opening tenders have equal weight.

The Procurement Department will arrange for tenders to be opened.

8.9 Tenders that are submitted late cannot normally be accepted.

8.10 You should award the contract to the company(ies) that offers the best value for money. This may be the one tendering the lowest price because all other considerations will have been taken into account when drawing up the tender documents. Value for money will be obtained by identifying the most economically advantageous tender which is the one with the lowest whole life costs. This includes, but may not be limited to, initial purchase price, cost of maintenance, energy costs, cost of consumables, staff time and disposal costs.

If you wish to accept a tender other than the lowest you must record your reasons in a brief report and this decision must be authorised by your Head of Department or Dean. Supporting documentary evidence must be provided. Records must be kept and made available for audit scrutiny.

8.11 Once you have examined the returned tenders you may need to clarify details in some or all of them. You must keep a written record and you must get from the proposed supplier their written agreement to the clarifications. Thereafter in exceptional circumstances it may be necessary to negotiate prices. You may negotiate only with the lowest tenderer or the one offering the best value for money ie. the company to which the contract would be awarded regardless of the outcome of the negotiations. You must obtain approval from your Dean of College or Head of Department before negotiating. You may not negotiate prices for contracts subject to the European Union Contract Regulations as this is illegal.

It is essential that any such post tender negotiations are conducted in such a manner that accusations of impropriety cannot be made against individual members of staff and the University. Consequently at least two members of staff must be present during negotiations. Detailed written records must be kept and be signed by all University staff present. Negotiations may be conducted by correspondence and at least two members of staff must be involved. All post-tender negotiations must be reported to the Director of Finance.

8.12 The award of the contract can be by a number of means. The purchase of goods and routine services can be made by raising an official order which refers to the tender. An exchange of letters may be appropriate for more complex purchases. For some contracts it may be necessary to prepare a full set of contract documents. Contracts over £1,000,000, construction contracts, land transactions, contracts for the disposal of significant assets and those which have severe implications for the University if they fail will be made under the University's seal. The Head of Procurement or Director of Finance can advise you which is the most appropriate mechanism.

8.13 As long as Purchasing Procedures have been properly followed the award of a contract can be made by a budget holder or someone to whom authority has

been delegated but only within his or her financial limits as given on the warrant holder delegation of authority form.

- 8.14 You should write to the companies that were not successful. You may not tell them the value of the tender that has been accepted. Remember that the real price is confidential to the University and its contractor. It is good practice to provide an indication as to how unsuccessful bids compare with the winning bid. This includes their scores if tenders have been numerically scored. If they haven't been so scored you should tell them that their bid was about x% too high. Different rules apply when companies request information within the provisions of the Freedom of Information Act (see paragraph 10).
- 8.15 All tenders, and all contract documents must be kept for six years after the end of the financial year the contract ended in.

## **9 EUROPEAN UNION CONTRACT REGULATIONS**

- 9.1 These apply to all purchase and contracts valued more than: -

£172,514	(200,000 ECU) for supplies	)
£172,514	(200,000 ECU) for services	) £ value correct in 2014
£4,322,012	(5,000,000 ECU) for works	)

except that certain types of services are exempt. The Head of Procurement can advise which types of service contract are covered by the regulations.

- 9.2 The ECU (European Currency Unit) values are fixed but the sterling equivalent values change every two years in January of each even numbered year. These E.U Regulations are incorporated into English Law. They are over and above Financial Regulations and take precedence over them. They differ from Financial Regulations in that there is a legal requirement to follow them. They cannot be waived and exemptions cannot be given. Failure to follow them can lead to very heavy penalties for the University.
- 9.3 The procedures that have to be followed are complex and include the use of long timescales. They have the effect of making it impossible to avoid the regulations without breaking the law. You should be warned that simply not having enough time to follow the procedures does not excuse you from following them. This may mean that you cannot make a purchase or award a contract in time and you could lose the funding.
- 9.4 You must consult the Head of Procurement if you propose to make a purchase or arrange a contract which is over the values given at 9.1. The Head of Procurement will provide guidance and assistance. The complexity of the procedures and the penalties for not following them properly are such that the Head of Procurement will be involved in all purchases and contracts covered by the E.U. Regulations.

## **10 FREEDOM OF INFORMATION ACT**

- 10.1 The Freedom of Information Act requires us to provide details of tenderers, their bids and contracts which in the past would have been regarded as confidential. This only applies when we receive proper applications for information ie. in writing or e-mail, and for information we hold. Statements by tenderers that their bids are confidential are overturned by the duty we have to provide information that has been requested. In instances where a tenderer has marked as "confidential" information for which we have received a request, we will consult with the

tenderer before deciding whether or not to provide the information. However, the final decision as to whether the information will be released lies with the university. The Act does **not** require us to provide sensitive information at critical times during the process of arranging contracts.

This is a complex issue and all requests for information must be referred to the University's Data Protection and Information Officer as soon as they are received.

- 10.2 You must treat requests for information under the Environmental Information Regulations as you would for the Freedom of Information Act ie. by referring them to the university's Data Protection and Information Officer. Requests for environmental information can be verbal as well as in writing and e-mail.

## **11 EQUAL OPPORTUNITIES**

- 11.1 Equality legislation forbids discrimination on the grounds of race, disability, sex, sexual orientation, age, religion and belief. The university has a legal duty to ensure that its contractors and suppliers comply with some of this legislation; it has a moral obligation to ensure that they comply with all the legislation. From a procurement perspective the Equality Act 2010 requires us to ensure that there is nothing in our procurement processes that discriminate against disabled people and any racial groups. Importantly the Act requires us to ensure that our contractors and suppliers promote disability and racial equality. Disability and racial equality is more relevant in some contracts than others. The higher the relevance the more the university must do to ensure that equality is built into its contracts. Contracts with the highest relevance are those in which services are provided on site to students, staff and visitors. All new suppliers to the university are required to provide assurance that they comply with the legislation by completing a questionnaire.
- 11.2 The university can be prosecuted for failure to comply with this Act. Individual members of staff who arrange a purchase or contract which leads to a prosecution are held by law to be personally liable and may also be subject to prosecution.
- 11.3 The Act requires:
- Equality of access to contracts. All contracts over £30,000 excluding vat must be advertised. This is done on the "Tendering Opportunities" pages of the university's website. Separate arrangements are in place for Estates contracts.
  - The selection of contractors which do not discriminate and which promote equality. A standard questionnaire is used for this and a scoring system has been designed for this purpose. These must be used for all contracts over £30,000 excluding vat and all contracts, regardless of value, in which race or disability equality is highly relevant.
  - Specifications which do not discriminate. For contracts in which race or disability equality is highly relevant, specifications must describe what contractors must do in terms of race or disability equality.
  - Terms and Conditions of contract that require contractors to comply with the Equality Act 2010. These have been included in the university's standard Terms and Conditions.
- 11.4 You can find further guidance by contacting the Procurement Department.

## **12 PURCHASE OF RESEARCH EQUIPMENT**

- 12.1 The Financial Regulations and Purchasing Procedures apply to the purchase of equipment and services used for research purposes. This is the case regardless of the source of the money being spent. Consequently they apply when the money being spent comes from the University, from commercial sponsors and collaborators, from other public sector bodies, from the Research Councils, the Wellcome Trust and HEFCE.
- 12.2 The Research Councils, the Wellcome Trust and HEFCE require the University to demonstrate that best value for money has been obtained when grants and special funds are spent. They have imposed their own regulations which have to be followed. These do not conflict with the University's regulations but are additional to them. Details of the additional procedures are normally provided at the time of application for the grant or funds. Collaboration with other institutions in the procurement of some equipment is a condition of some HEFCE funding.

## **13 IMPORT OF GOODS**

- 13.1 Goods purchased from suppliers outside of the UK may be subject to Import Duty and VAT. The procedure to be followed and the amount to be paid is dependant on the type of goods and the country of origin. Goods may be supplied duty paid if the supplier or shipper arranges this. You can get information on the procedures to be followed from HM Revenue and Customs website ([www.hmrc.gov.uk](http://www.hmrc.gov.uk)) or from the Procurement Department.

## **14 RECEIPT OF SUPPLIES AND SERVICES**

- 14.1 You will be asked to sign a delivery note for supplies or a certificate for services. Only do this when you are satisfied you have received what you are being asked to sign for. Your signature certifies that you have received in good condition a specified quantity of specified supplies. For services your signature certifies that you are satisfied that the specified services have been provided.
- 14.2 Suppliers and service providers have the right to, and usually do, reject subsequent claims that items were missing or damaged or the services were not properly performed

Consequently, you should only sign for supplies or services when you are completely satisfied. If you are unable to do a complete examination you should sign for the supplies or service and add "UNCHECKED". You should either reject the whole delivery or clearly describe the problem on the delivery note if you choose to accept a delivery which includes some faulty or missing items.

- 14.3 You must notify the Payments Section of the Finance Department that you have received the supplies or services. This must be done as soon as possible after delivery. This is achieved by using the goods receipt authorisation function in Brunel R2P.

The receipt of supplies that are metered eg. utilities and photocopies, and services based on timesheets eg. temporary agency staff can be certified on the invoice ie. an order is not required. You should sign and date the invoice, add the appropriate budget code and send it to the Payments Section.

## 15 STORES ITEMS

- 15.1 A limited number of janitorial items are kept in stock in the Distribution Centre. Only items which can be bought more cheaply in bulk or cannot be bought in the small quantities that departments require are stored. The items held in stock are reviewed from time to time. The only items held in stock are listed on the "Requisition for Stock Items". They must be ordered on this requisition only.
- 15.2 Stock items are issued to departments at the price the University pays for them.

## 16. BUSINESS ETHICS

- 16.1 The University has adopted the principles advocated by the Nolan Committee on Standards in Public Life. These underpin the manner in which you spend money on behalf of the University. The principles are given in full in the Personnel Policies and Procedures. The principles, edited to focus on business relationships, are: -

- ◆ **Selflessness** - University staff should take decisions solely in terms of the University's interest. Individuals should not take decisions in order to gain financial or other material benefit for themselves, their families or their friends.
- ◆ **Integrity** - University staff should not place themselves under any financial or other obligation(s) to outside individuals or organisations that might influence the performance of their duties.
- ◆ **Objectivity** - In carrying out University business, including awarding contracts, choices should be made on merit.
- ◆ **Accountability** - University staff are accountable for their decisions and actions and should submit themselves to whatever scrutiny the University deems appropriate.
- ◆ **Openness** - Reasons for decisions and actions should be as open as possible.
- ◆ **Honesty** - University staff have a duty to declare any private interests relating to their appointment and to take steps to resolve any conflicts arising.
- ◆ **Leadership** - Senior University staff should promote and support these principles by leadership and through example.

- 16.2 You will be in conflict with these principles if you purchase from or award a contract to a company in which you have an interest. You must inform the Director of Finance of any exceptional reasons by which the University will demonstrably get best possible value for money in this situation.

- 16.3 The University has also adopted a policy on Hospitality, Gratuities and Gifts. The policy, edited to focus on business relationships, is:-

**Hospitality** - Modest hospitality is an accepted courtesy in the course of a business relationship. Members of staff should not, however, allow a position to be reached whereby they might be, or might be perceived by others to have been induced into a business decision as a consequence of

accepting such hospitality. In the event that it is not easy to decide what is acceptable in terms of hospitality, the offer should be declined or advice sought from the individual's Dean of College or Head of Department.

**Gifts and Gratuities** - Gifts other than items of very small intrinsic value (such as diaries, pens, calendars, flowers or chocolates) shall not be accepted. If a member of staff is unsure whether the acceptance of a gift is appropriate, (s)he should consult his/her Head of Department, Dean or Director of Finance.

It is not acceptable for any employee to accept a personal inducement in any form from any supplier or potential supplier of goods and services. Any instances of such inducements being offered must be advised to the Dean of College or Head of Department, the Head of Procurement and Director of Finance immediately. Any benefit relating to the choice of a particular contractor or supplier must accrue to the University and not to an individual.

Staff should also be mindful never to give the impression that a gift, hospitality or any other inducement may influence them to show favour to any supplier.

The Director of Finance maintains a register of gifts and hospitality received where the value is greater than £50. Members of staff who receive such gifts or hospitality are obliged to promptly notify the Director of Finance.

## **17 WAIVERS OF PURCHASING PROCEDURES**

- 17.1 The Financial Regulations empower the Director of Finance to grant waivers of the Purchasing Procedures. Normally exceptions will be given only to the quotation and tender procedures described in paragraphs 7 and 8. The Director of Finance cannot be empowered to agree exceptions to E.U. Contract Regulations. The Head of Procurement has authority to grant waivers in the absence of the Director of Finance.
- 17.2 Waivers of the Purchasing Procedures will only be given in exceptional circumstances. These may be for example:
- ◆ There is only one possible supplier or service provider and for technical reasons the specification cannot be changed
  - ◆ There are fewer potential suppliers or service providers than the Purchasing Procedures require
  - ◆ There is an additional requirement for goods, services or works that have been tendered or quoted for in the previous six months and the previous price or a better price will be paid for the additional requirements
  - ◆ Extreme urgency as a consequence of unforeseen circumstances. Urgency due to the failure of a member of staff to act in a timely manner will only lead to a waiver being granted if there are mitigating circumstances.
- 17.3 In all cases the Director of Finance will require a brief written report to be prepared outlining the circumstances and reasons for the request for

a waiver. Supporting documentary evidence must be provided if it is obtainable.

- 17.4 No member of staff may pre-empt a decision to grant a waiver.
- 17.5 The Director of Estates may vary contracts to enable unforeseen additional work to be carried out by a contractor currently on site. The Director of Estates may award additional planned work to a contractor currently on site up to a value of 10% of the value of the original contract if this provides value for money. File notes, signed by the Director of Estates must be kept.
- 17.6 The Director of Finance has empowered the Director of Estates to take whatever action is necessary to secure the safety of staff, students and the public or to secure the fabric of the estate in cases of extreme urgency and when the Director of Finance cannot be contacted.

## **18 EXCEPTIONS TO PURCHASING PROCEDURES**

- 18.1 Exceptions to Purchasing Procedures are allowed if the procedures have been followed properly but fewer than the required number of quotations or tenders have been received. Time does not allow a new quotation or tender exercise to be conducted or it is not cost effective to do so.
- 18.2 Deans of Colleges and Heads of Departments may allow exceptions to Purchasing Procedures to be made but they must be reported in writing to the Director of Finance.

**Author: Head of Procurement**