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| **University of Edinburgh**  **Procurement Policy** |
| **Purpose** |
| This Policy sets out how the University will conduct its Procurement activity for its expenditure on Goods, Services and Works.  The purpose of the policy is to describe how the University of Edinburgh will achieve value for money for its third-party supplier expenditure and sets out the scope, principles, key activities, roles and responsibilities, systems and assurance framework.  For the purposes of this policy, “must” is used when expressing obligation or an unavoidable requirement, whereas “should” is more of a recommendation.  This Policy should be read in conjunction with other University policies including the [Sustainable Travel Policy](https://www.ed.ac.uk/files/atoms/files/sustainable_travel_policy_2021_website_edit_may21.pdf), [Gifts and Hospitality Policy](https://www.edweb.ed.ac.uk/finance/for-staff/financial-regulations-policies-and-procedures/policies-and-procedures), [Conflict of Interest](https://api.search.ed.ac.uk/s/redirect?collection=edi-public-meta&url=https%3A%2F%2Fwww.ed.ac.uk%2Ffiles%2Fatoms%2Ffiles%2Fconflict_of_interest.pdf&auth=ve8ZHSRXATbo0txnhT2D5A&profile=_default&rank=1&query=conflict+of+interest), [Anti-Bribery & Corruption Policy](https://www.edweb.ed.ac.uk/finance/for-staff/financial-regulations-policies-and-procedures/policies-and-procedures) and [Fraud Policy](https://www.edweb.ed.ac.uk/finance/for-staff/financial-regulations-policies-and-procedures/policies-and-procedures). This policy supersedes any existing procurement, purchasing and external expenditure policies. |
| **Scope** |
| This policy applies to all expenditure of the University of Edinburgh with external 3rd parties and trade suppliers for the purchase of Goods, Services, Concessions Licences and Works.  It includes all unrestricted and restricted expenditure.  It applies to all University employees including students, consultants, contractors or agents who are operating in a staff capacity or role and/or acting as buyer/purchaser on behalf of the University.  All University subsidiary companies are expected to adopt this or a comparable policy within their own governance. |
| **Exclusions** |
| Travel should be booked directly with the University approved travel supplier and not via People and Money. |

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| **Principles** |
| Procurement activity should be lawful and in compliance with relevant current legislation and conducted via People and Money in line with the following principles:  This Procurement Policy reflects the following principles:   1. Value for Money for the University as a whole 2. Equal treatment of suppliers 3. Encouraging open competition 4. Sustainability and Social Responsibility (social, economic, environmental, carbon accounting, community benefits and appropriate Sustainable Development Goals) 5. Encouraging Innovation 6. Management of Risk 7. Transparency of our processes and decision making 8. Ethical Conduct 9. Sound Operational Control |
| **University Procurement Strategies and Use of Approved Suppliers** |
| The University Procurement department will, working with internal customers and budget holders, identify and contract with suppliers through competitive sourcing and maintain a schedule of such approved suppliers for Goods, Services, Licences and Works. A schedule of Approved Suppliers will be maintained on the Procurement website.  All purchases, licences, leases or contracts for these Goods, Services, Licences and Works must be made in accordance with this Procurement Policy and in accordance with University approved suppliers and sourcing strategies. Suppliers without a valid University contract must not be used. |
| **Value for Money** |
| The prime objective of this Procurement Policy is to ensure that the University achieves Value for Money for its third-party expenditure with trade suppliers. Purchase, Lease, Licence, Commissioning and Sourcing decisions will include a number of factors to consider including but not limited to:   * Total cost of ownership over life-cycle   + Price   + Delivery costs   + Implementation costs   + Ongoing operating costs   + Maintenance costs   + Recycling and re-use   + End-of-life disposal costs * Fitness for purpose * Social Responsibility and Sustainability * Environmental impact * Supplier Service levels * Innovation * Health and Safety * Supplier agreemet and adherence to University contract terms and conditions * Supplier financial health * Potential conflicts of interest * Risk management * Contract management performance. |
| **Contract Management** |
| The University will manage its contracts in accordance with this Procurement Policy.  The University’s Contract Management framework identifies our key contracts and these will be managed and assured in accordance with the contract management model. This will ensure the commercial, legal, risk and performance obligations are met and the contracts deliver the required ongoing benefits to the University. Contracts will be let on terms and conditions agreed in advance by the University and the third-party Supplier. Contracts must clearly detail performance obligations for both parties proportionate to the contract Value, Quality, Risk and Criticality. |
| **Approved Systems** |
| Purchase Orders should only be raised via **People and Money**.  The only exceptions are:   1. Alma (approved for purchase orders relating to Library and Subscriptions only) 2. Saffron (approved for purchase order relating to food ingredients for delivered catering only). |
| **Purchase Orders** |
| All University Purchase Orders must be raised on People and Money.  People and Money purchase orders will be raised by Procurement.  No commitment should be given to a third-party supplier without a valid People and Money Purchase Order.  In the case of an out-of-normal-working-hours situation where an emergency commitment needs to be given to a supplier, this can be done and the appropriate requisition needs to be completed in People and Money the next working day to cover this retrospective commitment which is then, retrospectively, subject to the usual approval and the raising of a retrospective purchase order to the supplier to invoice against. |
| **Financial Approval** |
| The Procurement of Goods, Services and Works is committed on behalf of the legal entity the University Court of the University of Edinburgh and financial approvals must be in accordance with the University [Delegated Authorisation Schedule](https://www.ed.ac.uk/governance-strategic-planning/governance/university-governance/powers-of-delegation), or the equivalent for subsidiary companies. |
| **Roles and Responsibilities** |
| |  |  | | --- | --- | | **University Court** | 1. Delegates financial authorisation 2. Approves the University Delegated Authorisation Schedule 3. Approves the University Procurement Policy | | **Procurement Director** | 1. Responsible for University Procurement Strategy 2. Responsible for University Procurement Policy and Procedures 3. Responsible for University Procurement department and its operations | | **Specialist Procurement staff in the Procurement department**  **(acting within Policy)** | 1. Leads procurement and sourcing activity on behalf of the University 2. Leads supplier due diligence 3. Leads the negotiation, agreement and adoption of contracts and framework agreements 4. Develops sourcing category strategies and appointment of approved suppliers 5. Manages key contracts 6. Raises purchase orders | | **Schools and Departments Staff**  **(acting within Policy)** | 1. Identifies purchase, lease, licence or commissioning requirements 2. Provides technical input and subject matter expertise to support sourcing and tender activity including bid assessment contract negotiation and supplier due diligence 3. Obtains necessary budgets / funding / business cases and any governance which is required (e.g. Estates Committee, Knowledge Strategy Committee) 4. Engages procurement staff in advance of any sourcing activity commencing 5. Uses University approved suppliers 6. Undertakes University obligations within contracts 7. Takes the lead on the development of sourcing strategies, due diligence and management of specific key contracts where previously agreed in writing by the Procurement Director, with support from Procurement. | |
| **Exceptions** |
| Requests for any exception to specific elements of this Policy must be made to the Procurement Director and must be agreed in writing in advance. Any agreed exceptions will be time-limited and subject to periodic review. |
| **Audit and Review** |
| The Procurement Support team will review procurement activity, supplier spend and purchase orders for compliance with the Procurement Policy. Any unusual or significant items will be investigated and followed up.  The University is a charity and receives public funds. All University spend is subject to scrutiny and audit by government agencies, internal and external auditors, funders and their auditors and other sponsors.  University expenditure is also subject to scrutiny under FOI requests that can include supplier spend and tendering activity All Procurement activity must be conducted in a manner which is justifiable, legitimate and will not risk the University’s reputation.  The University is committed to the prevention of bribery and to observing the provisions of the Bribery Act 2010, and will not tolerate bribery or other improper conduct either inside the UK or abroad, by staff or other individuals or organisations who perform services for or on behalf of the University. |

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| **Equality and Diversity** | The Equality Impact Assessment has been completed and addresses any equality and diversity impacts of this policy |
| **Further Information/Queries** | Please contact the Procurement Director for further information or if you require this policy in an alternative format. |
| **Useful links** | [Finance Policies and procedures](https://www.edweb.ed.ac.uk/finance/for-staff/financial-regulations-policies-and-procedures/policies-and-procedures)  [Sustainable Travel Policy](https://www.ed.ac.uk/sustainability/what-we-do/travel/climate-conscious-travel/sustainable-travel-policy-2021)  [Gifts and Hospitality Policy](https://www.ed.ac.uk/files/atoms/files/receipt_of_gifts.pdf)  [Powers of Delegation | The University of Edinburgh](https://ukwestr-notifyp.svc.ms:443/api/v2/tracking/method/Click?mi=DU6JW5xuYkGNQohCIWgjnA&tc=Link&cs=c275f6a8f6feded5601416a580541c04&ru=https%3a%2f%2fwww.ed.ac.uk%2fgovernance-strategic-planning%2fgovernance%2funiversity-governance%2fpowers-of-delegation)  [University Procurement Strategy and Annual Report](https://www.ed.ac.uk/procurement/policies-procedures/university-procurement-strategy-annual-procurement)  Public Contracts (Scotland) Regulations 2015  Procurement Reform (Scotland) Act 2014  [Bribery Act 2010](https://www.legislation.gov.uk/ukpga/2010/23/contents/scotland)  [Scottish Procurement Policy Notes](https://www.gov.scot/collections/scottish-procurement-policy-notes-sppns/)  [Public sector procurement Scotland](https://www.gov.scot/policies/public-sector-procurement/)  **Policies related to ethical and sustainable business:**  [Anti-Bribery and Corruption Policy](https://www.ed.ac.uk/finance/for-staff/financial-regulations-policies-and-procedures/policies-and-procedures)  [Conflict of Interest Policy](https://www.ed.ac.uk/files/atoms/files/conflict_of_interest_0.pdf)  [Anti-Money Laundering Policy](https://www.edweb.ed.ac.uk/finance/for-staff/financial-regulations-policies-and-procedures/new-anti-money-laundering-policy)  [Fraud Policy](https://www.edweb.ed.ac.uk/files/atoms/files/fraud_policy_2020_sep_28_.pdf) |

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| **Approval and Review** | |
| Date policy approved | 5 April 2022 |
| Final approval by | University Executive |
| Consultations held | Finance Operations and Technical Group |
| Date of commencement of policy | August 2022 |
| Date for review of policy | September 2023 |
| Policy review by | Director of Procurement |
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| **Version control** | | | |
| **Version** | **Amendment made** | **Approval date** | **Approved by** |
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