



University
of Glasgow

PROCUREMENT POLICY

FOR FINANCIAL YEAR 2019/2020



PROCUREMENT POLICY

	Page
1. Our Role.....	2
2. Our Vision.....	3
3. Mission Statement.....	3
4. Value Proposition	3
4.1 Governance - Alignment to the University's.....	3
4.2 Compliance with EU Rules and Regulations	3
4.3 Effectiveness & Efficiency.....	3
4.4 Sustainable Procurement.....	3
4.5 Risk Management	3
4.6 Stakeholder Engagement.....	3
4.7 Performance.....	4
4.8 Brand Professionalism.....	4
5. Reason for Procurement Policy	4
6. Modern Slavery Act 2015.....	4
7. Key Policies / Procedures / Guidance.....	5
8. Potential Conflict of Interest for Auditors	8
9. Signing Contracts	8
10. Responsibilities within Procurement Office:.....	9
11. How we buy.....	10
11.1 For guidance to spend <£25k	10
11.2 For guidance to spend >£25k.....	11
12. How we pay:.....	12
13. Working with Internal and External Stakeholders	13
14. Training	14

1. Our Role

To provide professional, qualified procurement expertise, advice and services; for all spend with external suppliers; in compliance with the Public Contract (Scotland) 2015 Regulations, the Procurement Reform Act 2014, the Procurement (Scotland) Regulation 2016 and any other EU Directives. We will procure all goods and services with high ethical standard and focussed on social, economic and environmental considerations by applying principles of sustainable procurement. As part of our role we will:

- Develop, promote and implement appropriate procurement strategy, category procurement strategies and procedures.
- Deliver maximum value for money (VFM) the optimum combination of whole life cost and quality to meet the end user's requirement.
- Maintain or enhance PCIPS ranked No.1 performance assessment.
- Maintain or enhance Chartered Institute of Procurement and Supply (CIPS) 3 U R F X U H P H Q V ([F H O O H Q F HR Valid until 02/07/2020 G D U G. D Z D U G 1
- Identify high risk categories through both Marrakech and DEFRA.
- Measure and monitor high risk Suppliers through EcoVadis Sustainability rating.
- Measure and actively monitor that modern slavery and human trafficking is not taking place in any parts of its operation within the University and its supply chain.
- Advertise all tender opportunities greater than £25k on Public Contracts Scotland portal (including mini-competitions and quick quotes).
- Compliance to Sustainable procurement duty.
- Embed relevant and proportionate sustainability requirements in the development of frameworks and contracts.
- Promote and engage in the implementation of relevant technology solutions, including procurement, to minimise purchase to pay costs.
- Create and embed optimum procurement strategies across the University in consultation with stakeholders.
- Engage effectively with Centres of Expertise, Scottish Government and APUC in relation to issues of policy, practice, information sharing and collaboration.
- Act as a central point of contact for University staff and external suppliers in relation to all procurement and supply chain topics.
- Embed Contract & Supplier Relationship Management (C&SRM) with key strategic suppliers and mitigate supplier risk to the University.
- Maintain a comprehensive Contract Register.
- Maintain Procurement Policy Exception register.
- Maintain Procurement Tender register.
- Maximise Community Benefits where appropriate and measure and monitor results.
- Measure and report procurement performance, including Best Practice Indicators (BPIs).
- Co-ordinate training development of procurement officers and Purchasing Card holders.
- Conduct market engagement and research.
- Compliance to Supplier Charter.
- Compliance to General Data Protection Regulation (GDPR).
- Compliance to Equality Act 2010 and Scottish Public Sector Equality Duty.
- Compliance to Bribery Act 2010.
- Promoting compliance by contractors and sub-contractors with the Health and Safety at Work etc. Act 1974 (c.37) and any provision made under that Act.
- Promote Fairtrade.
- Promote Workforce Matters (Living Wage) in alignment to statutory guidance.
- Promote and enable where possible, supported businesses and SMEs to share and grow in the market.

- Fully support internal audit of devolved responsibility of spend less than £25k, external audit of suppliers for compliance to contracts and audits of the Procurement Office by internal auditor, PWC and/or external funders to the University.
- Key role as a member of University Sustainability Working Group.
- Key role as a member of University Finance management team.
- Key role as a member of the Glasgow Student Village (GSV) Operational Board.
- Key role as a member of the Estates and Commercial Services Efficiency Programme.
- Key role as a member of the Operational Board between University of Glasgow and Multiplex
- Mandatory use of the APUC Code of Conduct for all tenders greater than £50k.

2. Our Vision

We aspire to be in the upper quartile of High-Performance Procurement teams in the private and public sector.

3. Mission Statement

To be an innovative, progressive change agent and deliver effective transformation for maximising the opportunity for academic success.

Procurement will provide a high standard of professional expertise and actively apply principles of sustainable procurement.

4. Value Proposition

To support the University to achieve its strategic vision and its day to day operation by delivering professional procurement solutions to our stakeholders who include management, academics, researchers and students; through our 8 core values that are fully embedded in all aspects of our service:

- 4.1 **Governance - Alignment to the University's Strategic Plan 2015-2020** through Procurement Policy, Procurement Strategy, Contract & Supplier Relationship Management (C&SRM) Policy, Modern Slavery Act 2015 Statement, Sustainability, Strategic Intent.
- 4.2 **Compliance with EU Rules and Regulations** – Compliance with the Public Contract (Scotland) 2015 Regulations, the Procurement Reform Act 2014, the Procurement (Scotland) Regulation 2016 and any other EU Directives, monitoring legal compliance to Framework/Contracts.
- 4.3 **Effectiveness & Efficiency** - Value for money (VFM), whole life costing and quality to meet the end user's requirement, cash savings to the University, effective collaboration with APUC and other public entities.
- 4.4 **Sustainable Procurement** – Corporate Social Responsibility, Fair Trade, Community Benefits, Living Wages, Supported businesses, Sustainability Code of Conduct, Anti-bribery & Corruption. Measured and monitored using **EcoVadis SAS** model, **Environment, Labour & Human Rights, Ethics and Sustainable Procurement** considerations.
- 4.5 **Risk Management** - Supplier due diligence, continuous financial monitoring through DNBi, fit for purpose contract terms & conditions, supply chain risk assessment, procurement risk register.
- 4.6 **Stakeholder Engagement** - Supporting our stakeholders and collaboratively drive **excellent academic and student experience**. Provide training and guidance to

stakeholders across the University. Positive and proactive engagement with APUC and other HE and public sector entities.

4.7 Performance – Continuous performance measurement of procurement team through team KPI (Performance At A Glance - PAAG), Rank No.1 in the PCIPS assessment, support all internal audits of the Procurement function by auditors PWC. Maintain or enhance CIPS Procurement Excellence Standard Award. Performance management of external key strategic suppliers through an embedded Contract & Supplier Relationship Management programme.

4.8 Brand Professionalism – Aspire to achieve individual CIPS qualifications for Procurement team members. Maintain or enhance CIPS Procurement Excellence Standard Award03/2022. Enhance/reputation/knowledge, and internal / external recognition.

5. Reason for Procurement Policy

The University purchase circa £278m worth of goods and services from external providers each year. The University Court requires the institution to be fully compliant to EU rules and regulations and procurement policy. There is a requirement to deliver best value for money across all spends in accordance to agreed budgets, to ensure misappropriation of funds is eliminated.

Procurement policy is an integral part of the University's overall financial policy. Financial policy is approved by University Court and set out in the Financial Handbook Section B 17 of which contains the University policy on procurement. The objective of this statement is to provide a succinct and clear statement of procurement policy. This policy highlights the code of ethics required in all purchases inclusive of Purchase Orders or Purchasing Cards for the University such as,

- Effectiveness & Efficiency (value for money)
- Open, fair and transparent procedures
- Effective competition
- Sustainable procurement principles
- Bribery Act 2010
- Health & Safety at Work Act 1974
- Modern Slavery Act 2015

The Procurement Office is responsible for procurement of all goods and services required from external suppliers ethically and in compliance with legislation and EU regulations. It is responsible for providing guidance and support across all areas of the University through its “Value Proposition”. All supplier quotation must be retained for 6 years in line with the Procurement Retention Schedule.

The Procurement Office is the central strategic procurement team, which supports the University in achieving its objectives and strategic vision. To support departments and staff with delegated purchasing authority, the Procurement Office has developed this policy document along with procedures, forms, templates and guidance through the key policies below.

6. Modern Slavery Act 2015

The University is committed to measuring and actively monitoring that modern slavery and human trafficking is not taking place in any parts of its operation within the University and its

supply chain. For further information relating to the Modern Slavery Act statement, see website www.gla.ac.uk.

7. Key Policies / Procedures / Guidance

POLICY	1. Policy 2. Procedure 3. Guidance	DESCRIPTION	LINK
Code of Conduct	Policy	Code of conduct responsibilities when conducting procurement activities.	http://www.gla.ac.uk/services/procurementoffice/procurementcodeofconduct/
Spend Thresholds	Policy	UoG spend thresholds for the purchase of goods and services	http://www.gla.ac.uk/services/procurementoffice/
Guidance for less than £25k	Procedure	Guidance to assist individuals procuring non-framework goods and services with a total value less than £25,000	http://www.gla.ac.uk/services/procurementoffice/procurement/
Procurement Policy Exception (PPE)	Procedure	For all purchases of goods or services where exception from normal Procurement policy is proposed.	http://www.gla.ac.uk/services/procurementoffice/
University Travel Policy	Policy	Guidance and policy for travelling on University business	http://www.gla.ac.uk/services/procurementoffice/policystatement/
Hospitality, Entertainment, Restaurants and Gifts	Policy	Guidance for the use of restaurants where the budget holder has decided it is permissible for the University to pay	http://www.gla.ac.uk/services/procurementoffice/
Bribery Act 2010	Policy	Guidance relating to the Bribery Act 2010, including bespoke University of Glasgow online training.	http://www.gla.ac.uk
Purchasing cards	Procedure	Guidance to facilitate the purchase of low value and or obscure and irregular items	http://www.gla.ac.uk/services/procurementoffice/purchasingcards/
Corporate Credit Cards	Procedure	Guidance to facilitate all purchases through Corporate Credit Cards	http://www.gla.ac.uk/services/procurementoffice/
Delegated Authority	Policy	Guidance of Delegated Authority levels	http://www.gla.ac.uk/services/procurementoffice/purchasingcards/purchasingauthorityandtrainingexercises/ https://www.gla.ac.uk/myglasgow/financialregulations/section5expenditure/#5.02

Procurement Handbook	Guidance	Part 1 - Strategic issues for HoC, Schools and Senior Staff. Part 2 Operational issues for Staff with responsibility for buying goods and services	http://www.gla.ac.uk/services/procurementoffice/procurementhandbook/
CIPS Code of Conduct	Policy	Chartered Institute of Procurement and Supply (CIPS) code of conduct for Procurement Office	http://www.cips.org/
Procurement Journey	Procedure	Guidance to support all levels of procurement activities and to help manage the expectations of stakeholders, customers and suppliers alike	http://www.scotland.gov.uk/Topics/Government/Procurement/buyer-information/spdlowlevel
Public Contracts Scotland Regulations (2015) Procurement (Scotland) Regulations 2016	Regulations	These regulations make provision for the purposes or co-ordinating the procurement procedures	http://www.legislation.gov.uk/ssi/2012/88/made
Procurement Reform (Scotland) Act 2014	Act	Act to make provision about the procedures relating to the award of certain public contracts; to require certain authorities to produce procurement strategies and annual reports; and for connected purposes	http://www.scotland.gov.uk/Topics/Government/Procurement/about/Review/
Public Contracts Scotland electronic tendering	Procedure	Public Contracts Scotland portal for all advertisement of goods and services	http://www.publiccontractsscotland.gov.uk/
Sustainable Procurement	Policy	To conduct tenders in an environmentally, socially, ethically and economically responsible manner. Sustainable procurement programme. Supply chain code of conduct (APUC). Identify high risk categories through both Marrakech and DEFRA Measure and monitor key strategic Contractors and	http://www.gla.ac.uk/services/procurementoffice

		Suppliers using CIPS Sustainability Index rating model.	
Modern Slavery Act 2015	Statement	Commitment to measuring and actively monitoring that modern slavery and human trafficking is not taking place in any parts of its operation within the University and its Supply Chain	http://www.gla.ac.uk/services/procurementoffice
Living Wage Policy	Policy	Promote Living Wage across all contracts	http://www.gla.ac.uk/services/procurementoffice
Fairtrade Policy	Policy	Promote Fairtrade Policy where applicable	http://www.gla.ac.uk/services/procurementoffice
Electronic Watch Policy	Policy	Promote Electronic Watch Policy where applicable	http://www.gla.ac.uk/services/procurementoffice
Health & Safety at Work Act 1974 Health & Safety at Work Regulations 1999		Working in a safe environment, mitigation of risk Information, instruction, supervision, training aligned with the University's Health, Safety & Wellbeing policy	http://www.gla.ac.uk http://www.gla.ac.uk/services/health/
Community Benefits	Guidance	Promote Community Benefits where applicable (for example Capital Programme)	http://www.gla.ac.uk/services/procurementoffice
Agresso Purchasing Officer Training	Procedure	Guidance of Agresso the UoG finance system	http://www.gla.ac.uk/services/procurementoffice/purchasingtraining/
Contracts & Framework Agreements	Procedure	List of local and collaborative frameworks available for use by the UoG	http://www.gla.ac.uk/services/procurementoffice/contracts-gem/
New Supplier Request policy	Policy	Guidance to support new supplier(s) request on Agresso	http://www.gla.ac.uk/services/finance/downloadaform/requestforanewsupplieraccount/#d.en.130388
Scottish Procurement Handbook	Policy	Sets out the fundamental rules, behaviours and standards applicable to public procurement activity in Scotland	http://www.scotland.gov.uk/Topics/Government/Procurement/policy/SPPHandbook

Supplier Charter	Policy	Joint statement between public sector buying organisations and Scottish businesses to agree to work together to improve public sector procurement processes and dialogue	http://www.scotland.gov.uk/topics/government/procurement/selling/supplierscharter2
Scottish Procurement Policy Notes (SPPN)	Guidance	Review and act in accordance with release of SPPN's	http://www.gov.scot/Topics/Government/Procurement/policy/SPPNSSPANS/policy-notes
Signing Contracts	Guidance	Guidance to support the signing of contracts or framework agreements	https://www.gla.ac.uk/myglasgow/procurementoffice/
Equality Act 2010 and Scottish Public Sector Equality Duty	Act	Act to make provision about the procedures relating to open, fair and transparent procedures.	https://www.gla.ac.uk/myglasgow/humanresources/equalitydiversity/equalityact/
Procurement Records Retention Schedule	Schedule	Guidance to support Procurement retention records	https://www.gla.ac.uk/myglasgow/procurementoffice/

8. Potential Conflict of Interest for Auditors

A situation may exceptionally arise, where the University would like to employ one of its auditors (internal or external) to provide non-audit services. In this situation, in view of the possible conflict of interest involved, the Supplier will be required to set out how they would mitigate any conflict of interest, including perceived conflict. Additionally, approval of the Chair of Audit Committee will be required before any service contract is entered into.

9. Signing Contracts

A contract is an agreement whereby an offer is accepted. A framework is an agreement with suppliers to establish terms governing contracts that may be awarded during the life of the agreement. Staff should not sign any contract or framework or verbally commit to any contract until they have assessed the status of the contract. Guidance should be sought from the Procurement Office.

Letters of Intent (LOI) and Memorandum of Understandings (MOU) for the purchase of goods, services or works, are strictly prohibited without written approval from the Director of Finance. LOI and MOU are acceptable on the basis of future funded collaboration Agreements.

The Procurement Office will hold the official signed Agreement, with a copy sent to the relevant department. The responsibility for Contract Management will remain with budget holder.

10. Responsibilities within Procurement Office:

Task	Stakeholder (PI)	Procurement	Finance / Systems	Legal
Spend / Budget Approval:				
Tender activity form	AR	C	C	I
Financial / Budget approval	AR	I	CR	
Procurement / Sourcing Strategy:				
Compliance	I	AR	C	C
Opportunities	C	R	C	A
Intelligence/Data	CRA	AR	C	
Pre-qualification / ITT:				
Specifications	AR	C	I	
Technical questions	AR	C	I	
Commercial questions	CR	AR	I	C
Terms & Conditions	CI	AR	I	AR
Instructions to Tender	C	AR		I
Tender / Supplier assessment:				
Overall Co-ordination	I	AR	I	I
Technical	AR	C		
Commercial	CR	AR	C	C
Financial	CR	AR	C	I
Award Recommendation :				
Creation of award report	I	AR	C	C
Approvals	RC	AR	C	CI
Contract Management:				
Contract Preparation	CR	AR	C	R
Contract negotiation	CR	AR	I	C
Contract Award	CR	AR	I	I
Purchase Order	AR	C	IC	I
Contract & Supplier Management:				
C&SRM Toolkit	AR	RC	I	C
Performance assessment	AR	RC	I	I
Performance improvement	AR	RC	I	I
Payment Process:				
Goods receipt/acceptance	AR	IC	I	CI
Payment	I	I	AR	CI

R Responsible (performs the activity)
A Accountable (ultimately accountable)
C Consulted (needs to feedback and contribute)
I Informed (needs to know of the decision)

11. How we buy

11.1 For guidance to spend <£25k - <http://www.gla.ac.uk/services/procurementoffice/procurement/>

Thresholds

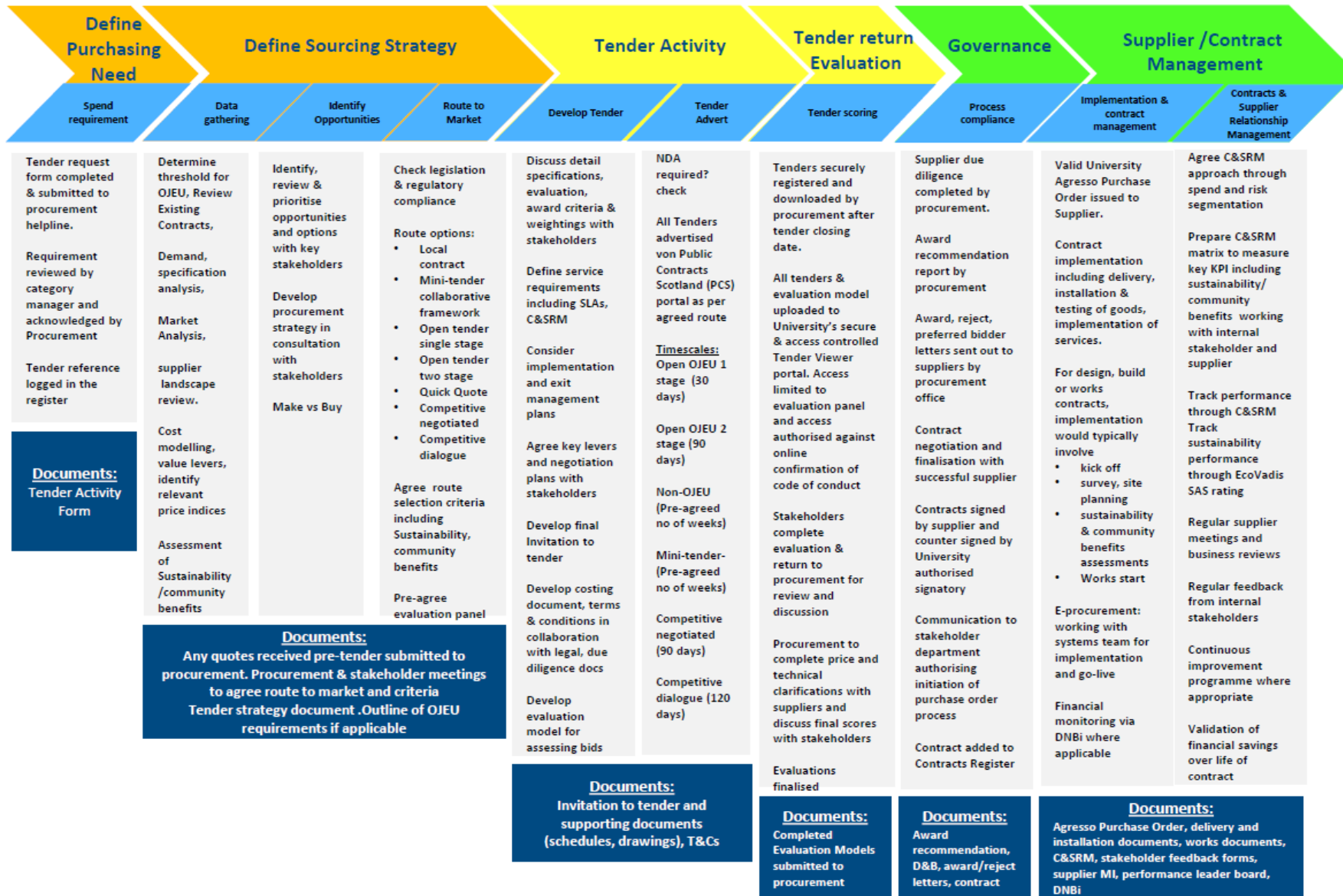
Expenditure under European threshold including VAT	Public Contracts (Scotland) Regulations 2015 Procurement Reform Act 2014 Procurement (Scotland) Regulations 2016 EU Directives University Procurement Policy
Up to £999	One verbal quotation
£1000 to £2,999	One written quotation
£3,000 to £4,999	Two written quotations
£5,000 to £24,999	Three written quotations
Over £25,000	Site Notice Tender procedure applies, refer to Procurement Office
OJEU thresholds***	
*Spend > £189,330 (Supplies and services) Excl VAT	OJEU Tender procedure applies, refer to Procurement Office
***Spend > £50,000 (Supplies and services) Excl VAT	Site Notice Tender procedure applies, refer to Procurement Office
Spend > £4,733,252 (**works) Excl VAT	OJEU Tender procedure applies, refer to Procurement Office
*** Spend > £2,000,000 (**works) Excl VAT	Site Notice Tender procedure applies, refer to Procurement Office

* Spend is the total value the University expects to be payable under the term of the contract over 48 months. Where the contract is less than 48 months, the value is calculated based on each month's spend multiplied by 48. Where the requirement is a single standalone purchase, spend is calculated as total amount payable to the supplier for this purchase. If there are multiple number of contracts placed to make up a single large value purchase, the spend value should include the aggregate of all such contracts placed.

**Works relates to building, design & build, refurbishments, minor works, all construction related activities including building works related consultancy.

*** OJEU thresholds are subject to amendment in accordance to the Public Contract (Scotland) 2015 Regulations, the Procurement Reform Act 2014, the Procurement (Scotland) Regulation 2016 and any other EU Directives.

11.2 For guidance to spend >£25k – refer to Procurement Office. Procurement Strategic Sourcing Journey



12. How we pay:

NO PURCHASE ORDER NO PAYMENT

Payment terms and practices

It is our policy to pay all suppliers in accordance with agreed payment terms as set out in their contractual agreement or the University of Glasgow purchase order (PO). Standard payment terms will be made within thirty (30) days of receipt of a valid invoice by the University on the basis of:

1. Accurate & timely invoices
2. Valid Purchase Order number on each invoice
3. VAT on all invoices where applicable
4. E-invoicing capability as a minimum PDF invoices for all Suppliers (Target XML).

Estates & Buildings payment process

Applications, Invoicing and Payment Terms

The Contractor will be required to submit applications for payment in arrears for works completed to the satisfaction of the University in accordance with the Terms & Conditions. All applications for payment are to be agreed prior to submitting invoices. Value Added Tax, where applicable, shall be shown separately on all invoices as a strictly net extra charge. Each invoice shall be uniquely identified and shall specify the following minimum information:

MANDATORY

- Account Number
- Reference number
- ITEM Reference No. in pricing schedule
- Charges and total due including a deduction for any applicable discounts
- Total value excluding VAT
- Grand total

Invoices without all relevant information will not be processed.

Payment will be made to the Contractor within 30 days of receipt of a valid application supplemented with an invoice.

13. Working with Internal and External Stakeholders

Working collaboratively with internal stakeholders	Working with external Stakeholders
<ul style="list-style-type: none"> • Effective communication with Heads of College, Heads of Finance and budget holders as required • Seek feedback between ourselves and our Stakeholders for all OJEU tenders • Actively review continuous improvement and lessons learned • Create and develop procurement strategies to support budgets • Provide effective training and guidance on procurement matters as required • Deliver Contract and Framework Agreements to support the University budgets • Maximise Community Benefits • Create, develop and implement Contract & Supplier Relationship Management C&(SRM) with tailored key performance indicators (KPI') for strategic suppliers • Enhance Student experience & provide support as required • Provide effective advice, guidance and solutions for all tenders as required. • Positive engagement and participation at all Finance team meetings • Positive engagement and participation at all Estate & Buildings Finance team meetings • Positive engagement and participation at all Sustainable Delivery Board meetings • Positive engagement and participation at all Glasgow Student Village (GSV) Operational Board meetings • Positive engagement and participation at all College Finance and Purchasing HUB Meetings • Positive engagement and participation at all Estates & Campus Services efficiency programme meetings • Positive engagement and participation at all Operational Board meetings between University of Glasgow and Multiplex (Programme Delivery Partner) for Campus redevelopment 	<ul style="list-style-type: none"> • Deliver “value for money” the optimum combination of whole life cost and quality to meet the end user's requirement • Support delivery of service or goods as agreed. • Embed contract management with strategic suppliers • Committed to building effective relationships that deliver innovative practices • Continuous improvement • Create, develop and implement Contract & Supplier Relationship Management (C&SRM) with key strategic suppliers • Lead and implement collaborative Regional tendering activities. • Positive engagement to work collaboratively to create regional Framework / Contract Agreements (where appropriate) • Effective utilisation of regional/national collaborative Framework / Contract Agreements • Maintain or enhance CIPS Procurement Excellence standard award • Maintain or enhance EcoVadis Sustainable Procurement Review • Maintain or enhance PCIPS rating of Ranked No.1 • Positive engagement with APUC and participation at all PSGU meetings • Share best practice across HE and other Public sectors • Support PROCUREX • Support COUP • Support HEPA • Awareness and recognition of Government Procurement Journey and subsequent Guidance through SPPN's

14. Training

All staff members that has been given delegated purchasing authority are required to attend in-house training courses run by the Procurement Office. All purchasing must be performed in accordance with the requirements laid down in this statement of Procurement Policy and the Financial Handbook. The Procurement Office also provide guidance and advice to all Purchasing Officer's as set out in the Guidance for Procurements less than £25k

Training for purchasing cards

To obtain Purchase Authority it is mandatory to undertake on-line purchasing training and to receive training in the use of Agresso.

Further Information

For further information about the Procurement Policy, please contact the Procurement Office finance-procurementhelpline@glasgow.ac.uk.



**WORLD
CHANGING
GLASGOW**