

PROCUREMENT POLICY



This document sets out the University's approach to procurement.

Version	1.2.1
Executive Sponsor	Chief Operating Officer
Officer Responsible for Policy/Procedures	Director of Finance
Consultation Process	Finance Office of the General Counsel
Date of Approval and Committee and/or Executive Officer	Executive Operations Group
Effective Date	1 August 2022

1. SCOPE OF THE POLICY

1.1 Purpose of the Policy

The purpose of this Policy is to ensure that all procurement undertaken by the University is performed ethically, sustainably and in compliance with relevant legislation and regulation.

1.2 What is covered by the Policy

This Policy sets out:

- how the University conducts procurement
- the internal thresholds
- how relevant legislation and regulation will be complied with.

1.3 Who is covered by the Policy

All staff, joint venture and business partners, contractors and suppliers to the University must comply with the Policy.

This Policy does not form part of any employee's contract of employment and may be amended at any time.

1.4 Breach of this Policy

Any breach of this Policy and its associated procedures by staff will be investigated in accordance with the University's disciplinary procedure. A serious breach may amount to gross misconduct and could therefore result in summary dismissal.

1.5 Policy Ownership

The Executive has approved this Policy, the Chief Operating Officer is the Executive sponsor and the Executive Director of Finance is the officer responsible for the Policy. Any questions about the operation of this Policy or any concerns that the Policy has not been followed should be referred in the first instance to the Head of Procurement and Insurance.

1.6 Review of this Policy

This Policy should be reviewed at least annually or sooner where necessary to respond to changes in legislation, best practice and/or lessons learnt.

2. THE POLICY STATEMENT

2.1 Guiding Principles

The guiding principles of this Policy are that the University will act lawfully and has an obligation to maintain effective controls and records over expenditure in order to:

- comply with all relevant legislation and regulations
- deliver value for money
- support sustainable procurement objectives
- make contract opportunities more accessible to small and medium size enterprises.

2.2 Procedures

This policy is implemented and supported by the following policies and procedures:

- [Procurement Procedures](#)
 - Procurement Procedures (over £50k)
 - Procurement Procedures (£25k to £50k)
- [Competition Law Compliance Policy](#)
- [Records Management Procedure](#)
- [Anti-Bribery Act Policy](#)
- [Anti-Modern Slavery Policy](#)
- [Information Management Policy](#)
- [Sustainability Policy](#)
- [Privacy Policy](#)
- [Financial and Contracting Policy](#).

2.3 Exemptions

This Procurement Policy does not apply to:

- Contracts of employment
 - Loan agreements
 - Research and education collaboration agreements*
 - Rates and other payments to local authorities
 - Bursaries, scholarships or grants to staff and students
 - Purchases of land or buildings
 - Purchases of unique works of arts or artistic performance.
- *. However, purchases from suppliers and third-party providers associated with the project are not exempt and the Procurement Policy must be followed

Any non-compliant behaviour will be reported to the Executive.

Procedures will be produced to authorise standing exemptions from the policy in defined circumstances. Any such exemption will be required to be reviewed at least every four years.

3. DEFINITIONS

Concession Contracts Regulations (CCR) are the [Concession Contracts Regulations 2016](#) that set out the legal framework for the establishment of contracts between a public authority/utility and a counterparty where the payment for the counterparty is the right to exploit (that is to profit from) the works/services that are the subject of the contract. The public authority is required to fully transfer the operating risk in exploiting the works or services encompassing demand or supply risk or both.

Public Contracts Regulations (PCR) are the [Public Contracts Regulations 2015](#) that set out the legal framework for public procurement and applies to public authorities seeking to acquire goods, services or works.

Public authority is a body governed by public law established for the specific purpose of meeting needs in the general interest. The University is a public authority and therefore the

University must ensure compliance with the public contract's regulations for all purchasing activity and procedures.

CCS is the Crown Commercial Service.

Framework Agreement is an agreement between one or more contracting authorities and providers to establish terms governing contracts that may be awarded during the life of the agreement. References to Framework Agreements in this policy and accompanying procedures include Dynamic Purchasing Systems (DPSs) and Approved Lists (where these are legally permitted (i.e., below the PCR Threshold).

IR35 (Off payroll working) covers the rules to make sure that workers, who would have been an employee if they were providing their services directly to client, pay broadly the same tax through their own limited company or another type of intermediary to the client.

Procurement consortium is a body that works to provide public sector bodies with value for money through compliant and trusted procurement routes by using the collective purchasing power of their members. The University is a member of [Southern Universities Procurement Consortium \(SUPC\)](#) but is able to access agreements through other consortia.

4. PUBLIC CONTRACTS REGULATIONS

The regulations set out the procedures which must be followed before awarding a contract when its value exceeds set thresholds (see section 5).

When a procurement is not subject to the Public Contracts Regulations, the University must consider whether the Concession Contracts Regulations apply.

Where neither the Public Contracts Regulations nor the Concession Contracts Regulations apply, the University must still assess the proposed arrangement in the context of the following principles:

- a degree of advertising which is proportionate to the scale of the contract
- non-discrimination
- equality of treatment
- transparency
- mutual recognition
- proportionality.

5. PROCUREMENT THRESHOLDS AND CONTRACTS

5.1 Procurement Thresholds

The University has set the following thresholds which should be applied when procuring goods, services or works. The value of the contract is based on the total spend anticipated over the length of the proposed contract (including any extensions or options), not on an individual purchase order. Where the duration of a contract is indeterminate, the value should be estimated over four years. The value of a concession contract must be calculated as per the Concessions Contracts Regulations, i.e. the total turnover of the concessionaire generated over the duration of the contract.

No further procurement process is required where the purchaser is compliantly using a contract or framework agreement put in place by the University or included in the University's Contracts Register.

It is the Department's responsibility to confirm that a contract for the goods, services or works does not already exist. This can be verified by contacting the Procurement Team.

Value of Contract	Procedure	Procurement Route
Up to £25,000	One written quotation. A risk-based approach should be taken where consideration must be given to the risk associated with the purchase and a robust contractual agreement be put in place. Consideration must be given to which Terms and Conditions are agreed.	Department/College
£25,001 - £50,000	Use of a framework agreement or Three written quotations required. A risk-based approach should be taken where consideration must be given to the risk associated with the purchase; and a more robust contractual agreement be put in place. Consideration must also be given to which Terms & Conditions are agreed. Where it is not possible to get three quotations, this should be set out in the Quotation Summary Form.	Department/College (who must notify the Procurement Team using a Quotation Summary Form)
£50,001 +	Formal tendering process or use of a framework agreement, or a direct award.	Procurement Team
Over the applicable PCR/CCR threshold £5,372,609 for works/concessions and £214,904 for supplies and services ¹ (as at 1 January 2024).	Formal tendering process or use of a framework agreement, or a direct award always assuring compliance with the Public Contracts Regulations/ Concessions Contracts Regulations (as applicable)	Procurement Team

Formal procurement procedures are in place that set out the University's requirements for procurement processes between £25,000 and £50,000 and over £50,000 which set out details of the procedures above:

All value thresholds include VAT.

Grants from funding councils may have more demanding thresholds and requirements when purchasing goods. It is the responsibility of the grant holder to confirm the procurement thresholds and policy with their funding bodies prior to any procurement activity.

5.2 Contracts

Any agreement or contract with a supplier for the provision of goods, works or services that requires a signature on behalf of the University should use the standard terms and

¹ Some selected services (known as Schedule 3 Services) have a higher threshold £663,540 as at 1 January 2022) under the PCR

conditions of the University, unless industry specific terms and conditions are required. Contracts and changes to terms and conditions must be drafted in accordance with guidance or reviewed by Legal Services. All contracts must be signed in accordance with the [University's Financial and Contracting Policy](#). Other University staff are not permitted to sign such agreements or contracts. If a contract is required to be sealed with the University seal then Legal Services must be notified and an original copy must be retained by Legal Services.

6. LEGAL COMPLIANCE

Wherever applicable, the University will seek to include in its tendering activity and contracts specific obligations to comply with applicable laws relevant to the nature of the service including and not limited to:

- [Modern Slavery Act 2015](#)
- [Freedom of Information Act 2000](#)
- [Bribery Act 2010](#)
- [Health and Safety at Work etc. Act 1974](#)
- [The Equality Act 2010](#)
- Data protection legislation (including UK GDPR and [Data Protection Act 2018](#))
- Tax legislation.

Furthermore, the University will include a right of termination in the event of any material breach of such terms by the counterparty.

7. SUSTAINABLE PROCUREMENT

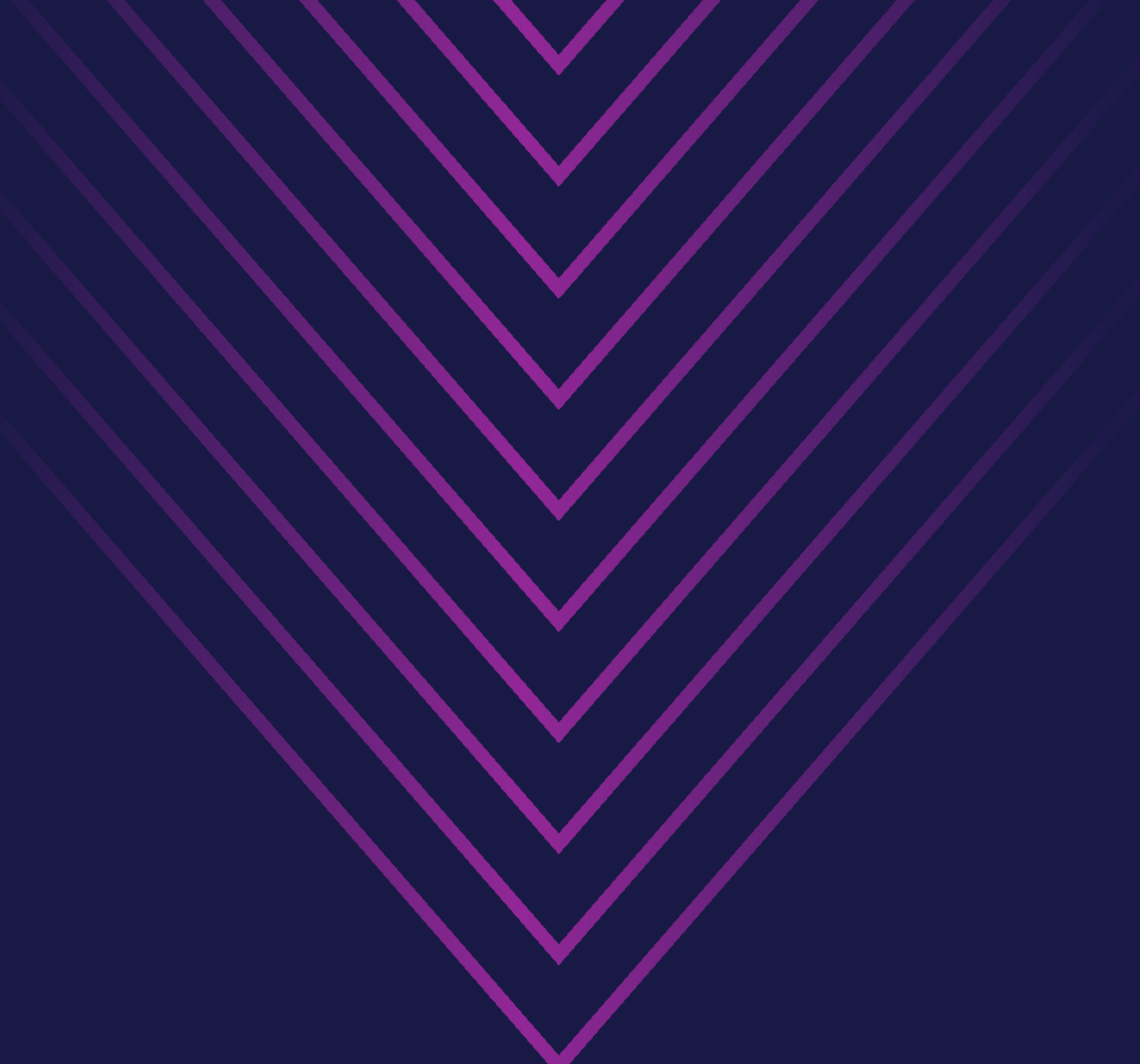
The University is committed to procuring goods and services that meet the sustainable procurement objectives and promote value for money. This includes supporting environmental obligations, seeking to reduce poverty, inequality and ensure fair working practices. Suppliers who wish to contract with the University must demonstrate performance in the areas identified.

8. MONITORING AND REPORTING

The University will, at least annually review all expenditure within scope of this Policy to:

- review that appropriate contracts are in place
- identify any non-compliance with this Policy
- identify requirements that may need to be added to the Procurement Pipeline.

The Executive Director of Finance will report annually to Audit and Risk Committee a summary of procurement activity including Direct Awards that have been approved.



Aston University
Birmingham
B4 7ET, UK

+44 (0)121 204 3000
aston.ac.uk

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