

Procurement Policy

Policy Owner	Director of Finance	Policy Author	Procurement Manager
Approved By	Board of Governors	Date Approved	September 2020
Status	Approved	Impact Assessment	Yes
Version	3.1	Date of Next Review	September 2024.
Endorsed By	Finance and General Purposes Committee, Audit Committee and The Executive		

Version Number	Purpose/Change	Date
1	Creation of Policy	2016
2	Converted into new policy template and procedures removed into separate documents. Responsible procurement section added to replace sustainable procurement to include increased scope. Value for money section expanded, "no payment no PO" section added, and web links updated.	September 2020
3.1	Converted into new policy template and minor amendments made. Tendering thresholds updated to reflect latest guidance, all weblinks updated and new links inserted to the renewed Contracts Policy. Updated throughout with reference to Deans, rather than Heads of School. Reference now included to our public duty under the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019.	September 2023

Procurement

1. Policy Statement

1.1 Background

- 1.1.1 Purchasing in Higher Education is big business and encompasses a huge variety of goods, services and works – the annual non-pay spend in this sector in Scotland is around £1 billion. In common with most Higher Education Institutions, the University's annual non-pay expenditure equates to approximately 36.5% of its total expenditure (£42 million out of a total £115m total spend in 22/23) and the Procurement Department is concerned with the management of the majority proportion of this non-pay expenditure. Much of the funding for this comes from the public purse which means there is an inherent requirement for these funds to be managed in a manner that is accountable and demonstrates both probity and value for money.
- 1.1.2 This policy is primarily intended to provide best practice information on all activities associated with the ordering of goods, services and works and to inform staff of applicable University regulations and current legal requirements.

1.2 Strategy and Objectives

- 1.2.1 The University's strategy aims, among other things, to return value to the University and its investors. To this end, [the Financial Regulations](#) provide the framework for control over the totality of the University's resources and, recognising the continuing strain on resources, seek to help the University obtain and strive to improve value for money.

- 1.2.2 Best value for money must be the primary objective and it should be defined as the optimum combination of whole life cost and quality (fitness for purpose) to meet the requirement. The relevant factor in the former is that there is more to consider than only the lowest initial price. Account must be taken of the University's wider responsibilities in terms of legal, moral, social, economic, and environmental impact.

1.3 Accountability

- 1.3.1 The Principal and Vice-Chancellor is the University's Designated Officer responsible for the financial administration of the University's affairs. This is in line with current arrangements between the University and its main funding body, the Scottish Funding Council, for accountability for the use of public funds. This includes a duty to ensure that the procurement of goods, services and works is managed appropriately - the University's actions must therefore be able to demonstrate value for money as well as an open, transparent, and non-discriminatory approach to its procurement activity.
- 1.3.2 Vice-Principals and Deans/Heads of Department are responsible for ensuring that all procurement activity within their authority is carried out in compliance with UK legislation, University policy and procedures and ethical standards.
- 1.3.3 Within the University's devolved procurement structure, the Dean/Head of Department may delegate authority to a nominated individual(s) in their area, generally referred to as the Procurement Coordinator(s), to oversee the procurement function - this should ideally be one person and certainly no more than two or three specific persons. The Dean/Head of Department must ensure that all procurement activity is channelled through the authorised person(s) and that accountability and responsibility are explicitly defined. These arrangements are quite distinct from the

delegation of authority to raise, authorise and receipt orders/invoices on the Pecos and Cedar systems which are set out in the [Financial Regulations](#).

- 1.3.4 Such delegation of authority does not however absolve the Dean/Head of Department of responsibility and accountability for the proper execution of the procurement process within their area - nor does it absolve the Director of Finance/Procurement Manager of their responsibilities.

1.4 Structure

- 1.4.1 The Procurement Department is part of the University's Finance Department and manages a part centralised, part decentralised function serving the procurement needs of all the University's Schools and Departments, both academic and support services.
- 1.4.2 The Procurement Department seeks to advance the understanding and use of best procurement practice in the University and to work with colleagues to achieve value for money in all University transactions.
- 1.4.3 The devolved activity is managed for each School and Department by its Procurement Coordinator(s) who have a significant responsibility in respect of validating orders and suppliers and ensuring due process with regard to quotations, tenders, and contracts.

2. Statements of Policy

2.1 Legislation and Regulations

- 2.1.1 Purchasing activity will comply with all legal and regulatory requirements determined by public procurement legislation, including the Public Contracts (Scotland) Regulations 2015, Procurement Reform (Scotland) Act 2014 and the Procurement (Scotland) Regulations 2016.

- 2.1.2 Purchasing will be carried out in accordance with the University's [Financial Regulations, Procurement Procedures](#) and [Contracts Policy](#).
- 2.1.3 The procurement process will take due account of all social, ethical, and environmental impacts and purchasing activity will support the University in fulfilling its obligations and public sector duty under the Equality Act 2010 & the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019.
- 2.1.4 For every procurement over £4m, RGU will consider how it can improve the economic social or environmental wellbeing of its area through inclusion of community benefit clauses, to assist with its strategic objective relating to The Regional Community. Such improvements could be implemented through mandated delivery of training opportunities or subcontracting opportunities within the University's area. Where possible and proportionate, such clauses may be included in procurements below £4m.
- 2.1.5 For each procurement, RGU will consider the community affected by the resultant contract and ensure any affected organisations/persons are consulted (e.g., impact on service for students, or a local contract that could be combined with other similar institution's needs). Such consultation will always be on a scale and approach relevant to the procurement in question.
- 2.1.6 RGU recognises the values of a well-motivated and dedicated workforce both in its own organisation and in those of its suppliers. Where relevant and proportionate, the institution will consider the fair work practices of suppliers in its procurements, including application of the Living Wage.
- 2.1.7 RGU is committed to contracting only with suppliers that comply with all appropriate and relevant legislation, including Health and Safety legislation. Where appropriate, and on a contract-by-contract basis, the University will assess the legislation

applicable to a procurement and take steps to ensure bidders comply with such legislation. Where proportionate, the University may assess such compliance of subcontractors also.

- 2.1.8 RGU supports the sourcing of goods that are fairly and ethically traded. Where relevant it shall make use of appropriate standards and labels in its procurements to take account of fair and ethical trading considerations and will consider equivalent offerings from suppliers in its tenders.
- 2.1.9 RGU will find practical ways to supply healthy, fresh, seasonal, and sustainably grown food which represents value for money whilst improving the health, wellbeing and education of our teaching and learning communities, coupled with promoting the highest standards of animal welfare. The University will work to put in place affordable contracts, which meet the nutritional requirements for food for all users of our catering services.
- 2.1.10 RGU complies with the Late Payment legislation and will review on a contract-by-contract basis whether such obligations should be enforced and monitored further down its supply chain.
- 2.1.11 RGU will undertake regulated procurements in compliance with the sustainable procurement duty of the Procurement Reform (Scotland) Act 2014. Consideration of environmental, social, and economic issues and how benefits can be delivered through the procurement will be made, where appropriate and on a contract-by-contract basis. The University will utilise available tools and systems such as Prioritisation, Life Cycle Impact Mapping, Sustainability Test, Flexible Framework, APUC's Supply Chain Code of Conduct, Ecovadis and Electronics Watch where relevant and proportionate to the scope of the procurement.

- 2.1.12 RGU will take steps to make it easier for smaller businesses to bid for contracts. Legislative constraints preclude preferences for only local suppliers, but the local dimension can be addressed through the structure of tenders, the use of Public Contracts Scotland and Quick Quotes, training, and information to build capacity and publishing a contract register to highlight contracts for which local organisations may be interested in bidding.
- 2.1.13 RGU shall utilise portals including PCS and PCS-T to publish its procurement opportunities and shall strive to ensure appropriate use of lotting, output based specifications and clear evaluation criteria to ensure the procurement is accessible to as many bidders as possible. No fee shall be received in relation to a candidate bidding for an opportunity.
- 2.1.14 University staff involved in purchasing, at whatever level, will act ethically at all times.
- 2.1.15 Any employee who makes an unauthorised purchase is personally responsible for payment of any costs incurred. Disciplinary action may also be taken which may lead to termination of employment.

2.2 Value for Money and Collaboration

- 2.2.1 The primary objective shall be to meet our needs for goods, services and works in a way that achieves value for money on a whole-life basis and generates benefits not only to the University but also to society, the economy, and the environment.
- 2.2.2 RGU Procurement will analyse third party expenditure, identify 'GPA regulated procurements' [goods and services worth more than £177,897 works worth more than £4,447,447, exclusive of VAT] and 'lower value regulated procurements' [goods and services worth more than £50,000, works worth more than £2 million, exclusive of VAT].

- 2.2.3 RGU Procurement will sort regulated procurements into procurement categories. How these goods, services and works are bought - joint purchasing, use of local, regional, and national framework agreements, consolidated contracting – will be subject to annual review with APUC and through user consultation, optimal category strategies agreed, sensible aggregation opportunities exploited, category and commodity strategies developed, recorded and the most appropriate procurement routes to market chosen.
- 2.2.4 RGU will make appropriate use of collaborative contracting arrangements (e.g., national, sectoral, or local framework agreements or contracts) to deliver improved contract terms, contract and supplier management, sustainable procurement outcomes and value for money. Where collaborative agreements are not used, or are not available, RGU will publicise its intention to seek offers for such requirements.
- 2.2.5 RGU will ensure that it awards regulated procurements only to businesses [and sub-contractors] that are capable, reliable and, where relevant, that can demonstrate that they meet high ethical standards and values in the conduct of their business.
- 2.2.6 In making regulated procurement contract awards, quality, risk, and sustainability factors will be considered along with cost according to declared evaluation weightings on a contract-by-contract basis.

2.3 Operational Responsibilities

- 2.3.1 The Procurement Department will support all Schools and Departments in their duty to procure goods and services in line with value-for-money criteria, within the decentralised procurement structure.
- 2.3.2 Purchasing activity will adhere to a value threshold system, whereby contract value dictates the procurement process.

- 2.3.3 Staff development and training opportunities will be provided for all those involved in purchasing, at whatever level.
- 2.3.4 Through the Finance and General Purposes Committee, the Director of Finance will report annually on the effectiveness of purchasing within the University, using appropriate performance indicators.
- 2.3.5 In addition, this Policy and its supporting Procedures shall be subject to review and assessment by the Audit Committee in discharging its duties relating to assessing internal control systems.
- 2.3.6 Any significant breach of this Policy or the supporting Procedures will be reported immediately to the Director of Finance who will take appropriate action.

2.4 Responsible Procurement

- 2.4.1 The University aims to ensure that its procurement activities meet the diverse demands of responsible and sustainable procurement through:
 - 2.4.1.1 Complying with all relevant legislation, including ensuring its agreements remain fully WTO GPA compliant.
 - 2.4.1.2 Advertising all relevant University tender opportunities to maximise participation and increase supplier diversity, including increasing access to SMEs (the University has signed up to the Scottish Government Suppliers Charter).
 - 2.4.1.3 Considering how best to include Community Benefits and Fair Work Practices clauses in threshold tenders.
 - 2.4.1.4 Making maximum use of Government and APUC (Advanced Procurement for Universities and Colleges) contracts which have been subjected to 'advanced' sustainable procurement; these more rigorously address issues

relating to social responsibility and ethical, economic, and environmental impacts.

- 2.4.1.5 Ensuring the application, to all University contracts, of the University's Terms and Conditions which specifically address unlawful discrimination in terms of the Equality Act as well as a request to consider the environment for those supplying goods.
- 2.4.1.6 Ensuring that potential suppliers commit to signing the APUC Supply Chain code of conduct on award of every tender (we will also seek to obtain agreement to this from all suppliers that we purchase from). This code seeks commitment from organisations and their supply chains to a set of socially, ethically, economically, and environmentally responsible compliances.
- 2.4.1.7 Using the Scottish Government's Flexible Framework to periodically measure the University's progress against various aspects of sustainable procurement.
- 2.4.1.8 Reviewing the quantity and weighting of sustainability criteria included in tender documents so as to encourage and support suppliers without unfair exclusion. Embedding sustainability into specifications as well as into evaluation criteria.
- 2.4.1.9 Training and development of awareness for relevant staff with regard to this policy and otherwise promoting best practice in sustainable and responsible procurement.
- 2.4.1.10 Liaising with other bodies such as APUC and Scottish Procurement to improve responsible procurement processes and procedures.

- 2.4.2 Requiring all suppliers to have an Equal Opportunities Policy in line with the Equality Act 2010, and to comply with the Modern Slavery act 2015.

3. Legality, Compliance and Ethics

3.1 Legality and Compliance

- 3.1.1 This section is intended to provide an outline of the law which applies to the University's dealings with companies and other organisations. It does not cover all legal matters and advice on any legal issues relating to University procurement should, in the first instance, be sought from the Procurement Department which will liaise as appropriate with the University Solicitor.
- 3.1.2 One of the many legal definitions of a Contract is “an agreement which gives rise to rights and obligations that the law will enforce”. The University enters into contracts with the intention that they shall be legally binding. It therefore follows that, should a dispute arise, which cannot be settled between the two parties, e.g., the University and a supplier, it may have to be settled by a Court.
- 3.1.3 Purchase orders placed by the University are legally binding contracts. The University can therefore be sued in the event of a breach. In the course of day-to-day procurement, staff are therefore constantly committing the University to the performance of obligations under legal contracts. This is easily overlooked but it should be remembered that we are working within a legal framework which holds us accountable as well as providing protection.
- 3.1.4 A contract may take a number of different forms:
 - 3.1.4.1 It may be made verbally
 - 3.1.4.2 It may be made by actions of the parties
 - 3.1.4.3 It may be made in writing

- 3.1.5 Although the law does not require contracts to be written, all University contracts should be in writing. This is to ensure that:
 - 3.1.5.1 The requirements of the University are clear
 - 3.1.5.2 The duty and obligations of both the University and the supplier are clear
 - 3.1.5.3 The terms of the contract are clear
- 3.1.6 It is important to remember that contracts can be legally created and amended by word of mouth or by conduct. Care should therefore be taken in all activities with suppliers or prospective suppliers that your words or actions do not make or change a contract unintentionally. It is essential that any agreement reached over the telephone, for example, is recorded in writing giving the other party the opportunity to agree or dispute the record, thereby clarifying the precise terms of the contract.
- 3.1.7 There are a number of laws which regulate contracts for the supply of goods and services. The most significant is the Sale of Goods Act (1979) which imposes strict liability on the seller. This Act imposes a number of obligations on the seller which are implied in every contract unless the seller specifically excludes them. These principally are:
 - 3.1.7.1 Sale by description – goods must meet their description or be in accordance with any sample supplied.
 - 3.1.7.2 Merchantable quality – they must be fit for the purpose for which they were bought having regard to the description, price, and all other relevant circumstances.
 - 3.1.7.3 Fitness for purpose – they must be designed and manufactured to a standard fit for the end use which the buyer has stated they must serve.

3.1.8 The Act also imposes a test of reasonableness on the contract's terms which must be fair and reasonable having regard to all the circumstances which were, or ought to have been, known to the parties when the contract was made.

3.1.9 Because of the legal rights and obligations created by contracts, the University has a [Contracts Policy](#) which exists to effectively manage any associated risks. All contracts covered by the policy must follow the detailed procedures therein.

3.2 Ethics

3.2.1 The University embraces and endorses the highest principles with regard to ethics and has a commitment to observe the highest standards of probity and propriety in all its business transactions. Any member of University staff involved in the procurement process should promote this commitment by maintaining an unimpeachable standard of integrity in all their business relationships both inside and outside the University.

3.2.2 The University has also articulated an anti-bribery and corruption statement which prohibits the offering, the giving, the solicitation, or the acceptance of any bribe, whether cash or other inducement to or from any person or company, wherever they are situated and whether they are a public official or body or private person or company. The full statement is included within the University's [Ethics Policy](#).

3.2.3 Disclosure of Interest

3.2.3.1 In accordance with the University [Conflict of Interest Policy](#), all staff are expected to follow the procedures for ad hoc and annual declarations of interest. This includes disclosing relevant interests in the University's register of interests which is maintained by the Director of Human Resources.

3.2.3.2 All staff are responsible for ensuring that entries in the register relating to them are kept up to date regularly and promptly. In particular, any member of staff with purchasing authority must declare any interest held in any company which supplies goods or services to any part of the University or in any company which could be considered as a potential supplier and no person shall be a signatory to a University contract where they also have an interest in the activities of the other party.

3.2.4 Receiving or Offering Gifts or Hospitality

3.2.4.1 It is an offence for members of staff to accept corruptly any gift or consideration as an inducement or reward for doing, or refraining from doing, anything in an official capacity or showing favour or disfavour to any person in an official capacity. The guiding principles to be followed by all members of staff are set out within the University [Gift & Hospitality Policy](#)

3.2.5 Confidentiality and Accuracy of Information

3.2.5.1 The confidentiality of information received in the course of duty should be respected and specific details of suppliers' offers must not be divulged to competitors. Information given in the course of duty should be honest and clear, should never be designed to mislead and should never be used for personal gain.

3.2.6 Competition

3.2.6.1 The nature and length of contracts and business relationships with suppliers can vary according to circumstances. Whilst bearing in mind the potential advantages to the University of maintaining a continuing

relationship with a supplier, any arrangement which might, in the long term, prevent the effective operation of fair competition should be avoided.

4. Value for Money and Collaboration

4.1 Value for Money

- 4.1.1 Value for money (VFM) is not about achieving the lowest price. It is about achieving the optimum combination of whole life cost (see 4.1.5) and quality. Traditionally VFM was thought of as getting the right quality, in the right quantity, at the right time, from the right supplier at the right price. This concept has been updated to – obtaining a better quality of goods or services in more suitable quantities, just in time when needed, from better suppliers at prices that continue to improve.
- 4.1.2 It is also often described in terms of the ‘three Es’ – economy, efficiency, and effectiveness:
 - 4.1.2.1 economy – minimising the cost of resources for an activity (‘doing things at a low price’)
 - 4.1.2.2 efficiency – performing tasks with reasonable effort (‘doing things the right way’)
 - 4.1.2.3 effectiveness – the extent to which objectives are met (‘doing the right things’).
- 4.1.3 To help achieve VFM, goods and services should be acquired by competition unless there are convincing reasons not to do so. The form of competition should be appropriate to the complexity and value of the procurement and barriers to the participation of suppliers should be removed. In practice, the level of competition is indicated by the estimated value of the proposed procurement. The University has

its own published thresholds (set out within section 4.2 of the Procurement Procedures) above which stated procedures must be followed.

4.1.4 The University has many existing contracts in place which automatically provide assurance that VFM is being achieved. This does not mean that the aforementioned contracts will always provide the lowest price, but it does provide an assurance that the requirement has been competitively tendered and that VFM is being achieved as a whole by the University with the goods, service or works being provided at a consistent quality from a reputable supplier that meets the University's requirements relating to Health and Safety, Sustainability, etc.

4.1.5 Whole Life Cost

4.1.5.1 Whole life costing takes account of the total cost of a product or service over its life from determining the need for it through to its eventual disposal and replacement. As an example, for equipment it includes the costs of maintaining and operating the product, as well as the purchase, hire or lease price; the cost of consumables, utilities, training and the cost of disposal or the potential sale value at the end of its life. In some cases, the elements which are difficult to calculate (life expectancy, accuracy, ease of use, speed etc), are of paramount importance in making the final choice. For services, costs such as full budget costs, overtime, staff training etc, need to be considered when evaluating a service contract or comparing in-house costs against those of buying in the service from an external provider.

4.1.5.2 Research has shown that the purchase cost of equipment is often only a small proportion of the costs of operating it. Likewise, the costs of running and maintaining an office building over its lifespan can be considerably

more than the cost of building it. It is important therefore to take all these whole-life cost elements into consideration when making contract award decisions. As with other aspects of procurement, there will be a need to balance the work undertaken to reach such a decision with the value and risk of the proposed procurement.

4.1.5.3 Whole life costing should be applied at a strategic level to assess different options (do nothing, new build, or refurbishment) as part of an options appraisal exercise in, for example, major works projects. It should also be used to compare the costs of buying, renting, or leasing an item of equipment.

4.1.5.4 Whole life costing provides a framework for comparing different aspects of a procurement objectively. It requires the people involved in the procurement decision to specify from the outset the technical specification, what will be required to support it and for how long.

4.2 Collaboration

4.2.1 One of the most significant VFM opportunities that exists is the one of collaboration across the sector. In the HE community the decision to buy and the power to contract rests at University level, and budgetary responsibility is devolved further to the various Schools and Departments within RGU. Clearly this fragmented purchasing authority can dilute purchasing power but recognition of this has stimulated the development of University-wide purchasing contracts, HE/FE sector agreements and even national public sector agreements across Scotland and the UK.

4.2.2 As set out in section 2. Statements of Policy, the University actively participates in the creation of such purchasing arrangements in co-operation with other institutions and uses these contracts wherever appropriate.

4.2.3 There are many advantages. Some of the most important are as follows:

4.2.3.1 Better utilisation of procurement resources and skills

4.2.3.2 Aggregation of spend to create greater purchasing power which in return results in improved cost savings

4.2.3.3 A more efficient and less complex interface to suppliers and reduced duplication of effort

4.2.4 The 2006 McClelland Review of Public Procurement in Scotland recommended collaborative procurement as an imperative requirement. To help achieve this, commodities, and services across the whole public sector in Scotland are now categorised into three main groupings. These groupings define how and by whom contracts are established.

4.2.5 CATEGORY A - NATIONAL CONTRACTS

4.2.5.1 A relatively small number of high-value and/or high-commonality goods and services are classified as Category A items, and these are provided by call-off from a National Contract. These contracts are established centrally for the public sector in Scotland by a procurement "Centre of Expertise" positioned within the Scottish Government's Procurement Directorate (Scottish Procurement). Having been awarded on behalf of the public sector in Scotland by the above Centre, these contracts are generally to be used on a mandatory basis by all units funded or owned by the public sector in Scotland irrespective of legal or other relationships with the Scottish Government.

4.2.5.2 These Category A goods and services are those that would be most logically procured by one centre for the country's public sector, where the goods or

services tend to be standard or of a similar nature across the largely common requirements of users in the public sector in Scotland, e.g., energy, telecoms, IT hardware etc.

4.2.5.3 Scottish Procurement also facilitates access to UK National public sector contracts such as those established by Crown Commercial Services.

4.2.6 CATEGORY B – UNIVERSITY/COLLEGE SECTOR CONTRACTS

4.2.6.1 A number of high-value commodities and services that tend to be unique to the HE/FE sector, yet common across all universities and colleges, are categorised as Category B. These items or services shall be provided by call off from common "sector specific" contracts. These contracts are established centrally within the sector rather than have individual universities performing the same function multiple times and without any advantage of procurement volumes or value consolidation. Therefore, a Centre of Expertise in procurement has been established for the University sector so that teams of "commodity experts" can be concentrated on goods and services demanded on a cross-sector basis. The Centre of Expertise for Scotland's universities and colleges is called APUC (Advanced Procurement for Universities and Colleges). When contracts are developed and established for the category B items, their adoption should be strongly considered across the University/College sector.

4.2.7 CATEGORY C - GENERAL CONTRACTS

4.2.7.1 Where commodities and services are neither categorised as A (National Contracts) nor as B (HE/FE Sector Contracts) then they will automatically be classified as Category C where the establishment of contracts will be conducted within the remit of the University.

4.2.7.2 It should be emphasised that the University's Procurement Department shall not normally involve itself in developing separate contracts for Category A and B items. It shall however, as part of its responsibility, work with the relevant Centres of Expertise to ensure that A and B contracts satisfy its own local users' needs.

4.2.8 CATEGORY C1 - LOCAL/REGIONAL CONTRACTS

4.2.8.1 There is an additional opportunity within Category C goods and services for local or regional collaboration. This is where items that do not merit consolidation as Category As or Bs could be consolidated in a region to the benefit of purchasing power and the optimisation of resources. In such cases, we would seek to engage with University of Aberdeen, North East Scotland College, Aberdeen City and Aberdeenshire Councils and NHS Grampian.

5. Operational Responsibilities

5.1 Responsibilities of the Procurement Department

5.1.1 The overarching role of the Procurement Department is to deliver value for money from external resources. Its responsibilities include;

5.1.1.1 Developing procurement strategy and policy

5.1.1.2 Maintaining and communicating the University's procurement procedures

5.1.1.3 Reviewing/managing strategic supply arrangements (generally defined as those with high profile, value, commonality, importance, or risk) and capital expenditure.

5.1.1.4 Providing information and advice on purchasing contracts and agreements

- 5.1.1.5 Managing the procurement process
- 5.1.1.6 Monitoring compliance with standards
- 5.1.1.7 Facilitating the activities of the University's Procurement Network
- 5.1.1.8 Conducting tenders and advising Schools and Departments on tender procedures
- 5.1.1.9 Contract management and provision of information and advice on contractual matters
- 5.1.1.10 Developing staff with procurement responsibilities
- 5.1.1.11 Reporting on RGU procurement performance
- 5.1.1.12 Representing the University on local, regional, and national procurement bodies
- 5.1.1.13 Developing, monitoring, and facilitating use of all University purchasing systems

5.2 Responsibilities of Schools and Departments

- 5.2.1 The responsibility for ensuring good purchasing practice within Schools and Departments is delegated to the Dean/Head of Department. These responsibilities include;
 - 5.2.1.1 Ensuring that purchasing activity within their area of responsibility is conducted in line with all relevant Policies, Procedures and Regulations
 - 5.2.1.2 Nominating appropriate staff member(s) to act as Procurement Coordinator for the School or Department
 - 5.2.1.3 Validating the needs of end users and requisitioners

- 5.2.1.4 Subjecting suppliers to competition where required through the quotation/tender process and offering equal opportunity
- 5.2.1.5 Assessing offers against objective criteria including whole life costs, fitness for purpose, availability and running costs
- 5.2.1.6 Appraising quality and performance of goods and services purchased
- 5.2.1.7 Ensuring the use of existing agreements and contracts
- 5.2.1.8 Ensuring purchasing activity is appropriately authorised as detailed in section 5.3 Authorising Purchasing Activity

5.2.2 Any delegation of authority of the above to others does not absolve the delegating officer of the responsibility for the proper execution of the purchasing process.

5.3 Authorising Purchasing Activity

- 5.3.1 Deans/Heads of Department are also responsible for the proper delegation of authority to commit University funds. No commitment of University funds may be made without first ensuring that sufficient funds to meet all costs have been reserved.
- 5.3.2 Details of those persons who are authorised to commit the University to expenditure should be clearly defined and documented by the completion of the 'Authorised Signatory Form F10'. These forms are available from the Accounting Systems and Services Manager.
- 5.3.3 University Financial Procedures must be applied when an order is placed (i.e., there must be a segregation of duties between the originator of the order and the authoriser of the order).

- 5.3.4 The University operates a 'No Purchase Order, No Payment' policy, which dictates that an official purchase order must be raised for all goods and services supplied to the University by external suppliers. The only exceptions are:
- 5.3.4.1 Goods and services routinely covered by the School/Dept purchasing card e.g., office stationery online purchasing
 - 5.3.4.2 Utilities - electricity, gas, water, rates etc
 - 5.3.4.3 Telephone bills - landline and mobile
 - 5.3.4.4 Mail and postal services
 - 5.3.4.5 Hire of contract taxis (currently ComCab)
 - 5.3.4.6 Library books, journals, and periodicals
 - 5.3.4.7 Authorised travel (usually via our contracted travel management provider)
 - 5.3.4.8 Fuel for University vehicles
 - 5.3.4.9 Student accommodation, when subject to existing long-term lease agreements
 - 5.3.4.10 General leases, which are subject to Direct Debits or standing orders (e.g., vehicle, machinery and MFD leases)
 - 5.3.4.11 Non-procurement related payments to (or on behalf of) Public Bodies, made under legislative (or similar) obligations.
 - 5.3.4.12 A formal written contract may be preferable to a standard purchase order and should be assessed in accordance with the University's [Contracts Policy](#).

6. Responsible Procurement

- 6.1 Responsible procurement is a way of operating that ensures that organisations meet their needs for goods, services and works efficiently and effectively, achieving value for money on a whole life basis and generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment.
- 6.2 Responsible procurement includes (but is not limited to):
- 6.2.1 Social issues – labour rights, fair work practices, discrimination, and equality
 - 6.2.2 Environmental issues – carbon emissions, waste management, pollution, and technology
 - 6.2.3 Ethical issues – fraud, corruption, and bribery, fairly traded
 - 6.2.4 Economic Development issues – open tendering, legal compliance, community benefits
- 6.3 This policy intends that the University will carry out the procurement and management of goods and services in such a manner as to minimise any negative social, environmental, ethical, or economic impact, and to promote positive impacts, throughout the whole life cycle and supply chain of the goods or services.
- 6.4 This policy shall support the University's ongoing efforts in environmental sustainability. Further details can be accessed through the [Sustainability at RGU](#) webpage.

7. Scope and Exclusions

- 7.1 This policy and the associated procedures apply to all staff within Robert Gordon University engaged in purchasing. All University entities, including group companies, will adhere to the general principles of this Policy.
- 7.2 Separate procedures apply to contracts of employment prepared under the authority of the Director of Human Resources.

- 7.3 In exceptional circumstances, the University's best interests may be served by minor variations in the operation of these Policies and Procedures. Such variations must be authorised formally by the Director of Finance or an appropriate member of the University Executive.

8. Review

- 8.1 This policy will be reviewed every three years or as required.