



Gradsouthwest Limited

Procurement Policy and Procedure

This policy sets out how Gradsouthwest Ltd. ("Gradsouthwest") makes purchases. It details the formal processes Gradsouthwest follows when buying goods and services to ensure we are securing best value for money; and enables any external party (auditor) to be confident that no element of fraud is apparent.

There are four principles of procurement established by the European Community treaty and fully incorporated in UK Procurement Regulations:

- I. Transparency – keeping all documents and recording decisions in such a way as to ensure that the process can be seen to be fair and transparent.
- II. Equal treatment – all potential suppliers have the same opportunity to quote for and supply goods and services regardless of where they are based across Europe.
- III. Proportionality – contracts or specifications should not require information that is not pertinent to the delivery of the goods and services being purchased.
- IV. Non-discrimination – Awards of contracts should not be based on geography, previous contractual arrangements etc.

In practice this means Gradsouthwest normally obtains a number of quotes to the same requirements (specification), with clear selection criteria that are most appropriate for Gradsouthwest to maximise value for money.

Gradsouthwest will maintain records to evidence that it has followed the Procurement Regulations appropriate to any public funding streams and/or this Procurement Policy. This will include:-

- a) A supplier selection process proportionate to spend.
- b) Details of how Value for Money is assessed when selecting suppliers.
- c) When a preferred supplier may be selected directly.
- d) How to approach suppliers potentially providing a competitive advantage.
- e) The ability to extend a previously commissioned service with a supplier to carry out a related but distinct piece of work without needing to re-procure.

Gradsouthwest's Process

1. For items under £500 purchasing decisions can be delegated to staff / contractors / consultants at the discretion of a Director of the Company who is responsible for ensuring value for money. For items under £5k purchasing decisions are at the discretion of a Director of the Company who is responsible for ensuring value for money.

2. For items between £5k and £30k we will seek three written quotes from suppliers based on a clear specification. Our decision will be based on value for money which might include an unbiased consideration of the following factors:

- Price
- Ability to deliver the required service – to include quality and timescales (which may include attendance on-site if necessary)
- Locality
- Warranty and guarantees
- Quality / experience / reputation / recommendation

Decisions will be made by the agreement of two Directors (email confirmation is sufficient). One Director can delegate authority to another Director in their absence.

3. For items above £30k we will normally advertise the opportunity and draw up a written specification. Where we advertise and the selection criteria will depend on the nature of the opportunity and the likely suppliers – this may include tendering websites and local, national or international trade press. Decisions will be made by the agreement of two Directors - and will be captured in Board minutes.

4. For very large projects involving public funding (individual services costing over €200,000), we will comply with the requirement to advertise in the Official Journal of the European Union.

5. We may select a preferred supplier directly where the service required:

- is highly specialist and we cannot identify potential alternative suppliers
- is highly commercially confidential and we do not wish to release information about our need for the service to the market
- extends or relies on knowledge from a relevant previous collaboration with one particular supplier

In these cases, we will take reasonable steps to establish that the supplier's costs are acceptable e.g. by comparing with day rates from other similar businesses where this is practicable and record and retain that information in the form of a file note.

The final purchasing decision rests with a Director of the business.

Policy agreed: July 2015