



Procurement Policy and Guidelines



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ABBREVIATIONS

CE	Chief Executive
FAD	Finance and Admin Director
SMT	Senior Management Team

1 POLICY

INTRAC will seek to secure best value on all goods and services purchased. Best value means balancing cost, quality and timeliness of the supply.

All purchases will be made against an approved budget.

Where appropriate goods and services will be subject to competitive review before orders are committed. This is likely to be comparative quotes for lower value items and some form of competitive tender process for longer term services and higher value items.

We will aim to review providers of long term/outsourced services to ensure continuing value every 3-5 years, e.g. Audit, Outsourced IT, Outsourced HR, H&S advice, utilities, insurances.

Budget holders will avoid conflicts of interest by ensuring that any purchases from related parties (i.e. family members or business associates) are reviewed and authorised by a more senior manager before an order is committed.

We will comply with legislation relevant to procurement including:

- Anti-bribery legislation
- Financial sanctions (separate procedure)
- Anti-slavery legislation

2 BACKGROUND

INTRAC is a small organisation. The processes and controls put in place will be appropriate to an organisation of our size.

INTRAC's main costs areas are:

- Employed staff (payment based on contract of employment)
- Associates – external contractors (payment based on contract for services on contracted work)
- Office accommodation and office running costs (the majority of which is covered by contractual arrangements)
- Flight and accommodation and subsistence related to delivery of contracted work

Other costs are minimal and as a result INTRAC does not operate a formal purchase order system.

Employed staff and associates are subject to recruitment processes.

3 PROCUREMENT GUIDELINES

3.1 Purchasing against an approved budget

All purchases will be made against an approved budget. An approved budget could be:

- The annual INTRAC budget approved by the Board for general expenditure
- The budget of a signed contract for consultancy work
- Ad hoc budget specifically approved by Senior Management Team (SMT)

3.2 Approval by budget holders

All purchases will be authorised by the budget holder before the order is committed.

The budget holder is:

- The job manager for contracted work (see section 3.2.2). This may be delegated to a project co-ordinator where relevant,
- The Finance and Admin Director (FAD) for central admin costs
- The Director of Research for outreach and learning costs, including communication costs
- The Chief Executive (CE) for Marketing costs
- SMT for any personal development costs

3.2.1 CONFLICT OF INTEREST

If the supplier has a close relationship with the budget holder (close family member or business partnership), the purchase must be reviewed and authorised by a more senior manager before the order is placed.

3.2.2 CONTRACTED WORK

Contracted work means work being done under a fully signed contract.

No orders should be placed prior to this. This includes signing contracts with associates.

If it is necessary to place an order, or contract with an associate before the contract with the client has been fully signed, this must be agreed with a member of SMT before the order is placed/associate contract is signed.

3.2.3 DELEGATION AND COVER ARRANGEMENTS

Budget holders may delegate purchasing, with the agreement of the FAD

In the absence of the job manager, the Business Development Manager, Director of Consultancies and Training, or the FAD may act as budget holder.

3.3 Placing orders – Goods

All purchases over £200 will be supported by one of the following:

- Two, preferably three quotes (unless purchased from a recognised preferred supplier). If the purchase is not made from the lowest quote details must be given of why the lowest quote does not represent best value.
- A statement outlining why it was not possible to obtain three quotes and the measures taken to assure best value.

3.4 Placing orders on-line

Preference will be for goods and services to be paid on receipt of a valid invoice by bank transfer.

If goods are being ordered on-line and payment is being made by credit card adequate paperwork on the order - e.g. a print of the order and confirmation that payment has been processed -

should be retained and submitted with the credit card return following the process outlined in the staff handbook.

3.5 Flights and Accommodation

Flights (and hotels, where required) are sourced through one of our travel agents, with whom we have an account, or online from airline/hotel websites. Flight and accommodation options are provided to the traveller, and are chosen based on several criteria such as budget available, price, total travel time, transit airports and times, ticket requirements (e.g. need for possibility to cancel or change flights), preference of traveller and client.

When bookings are made, information (including cost, job number, dates and times of travel) is recorded on a travel booking form, and in some cases a credit card booking form (if the purchase is made online). When this information has been recorded the job manager signs the form to authorise the payment. If the job manager is the traveller, another staff member needs to sign off the travel booking form

In almost all cases the client will be consulted and/or authorise the booking and the traveller will confirm they agree with the travel plan before confirming a booking.

In some cases, non-staff travellers are allowed to book their own flights and get the expenses reimbursed from INTRAC. This needs prior agreement of INTRAC.

3.6 Contracting with Associates

Contracts with Associates will be signed only after the contract with the client has been agreed, unless prior permission has been obtained from the FAD or CE.

All contracts must be drawn up using standard templates. Variations must be approved by the Business Development Manager/FAD/CE

All contracts with Associates should be signed as follows depending on the value:

- < £3k - the job manager
- £3k to £5k - the Business Development Manager/Training Manager
- > £5k - FAD or CE

3.7 Payment for Goods and Services

3.7.1 INVOICING

Preference will be for goods and services to be paid on receipt of a valid invoice by bank transfer. In some instances, e.g. ordering on-line as outlined above, this may not be possible, in which case a company credit card may be used, following the processes outlined in the staff handbook.

Payments in advance of receipt of goods and services may be made in exceptional circumstances, and with the prior authorisation of the FAD/CE.

3.7.2 APPROVAL OF INVOICES

Invoices will be authorised by the budget holder prior to payment to confirm that

- The goods/services supplied were of the correct quality
- The goods/services were supplied in the quantity indicated on the invoice
- The goods/services have been coded to the correct job/central admin code on the face of the invoice
- The values for goods and services on the invoice are correct

3.7.3 LOGGING OF INVOICES

All invoices must be sent to the Office Administrator/Finance Officer to be logged. If there is a problem with the invoice, e.g. the goods were not of the required standard, or have not been correctly received, this should be noted on the invoice in case of queries from the supplier.

3.7.4 SMT APPROVAL OF INVOICES

All invoices for goods/services over £3k must be countersigned by a member of SMT prior to payment.

3.7.5 APPROVAL OF PAYMENTS

All payments from the bank require authorisation by two authorised signatories.

Any payments over £50k must be agreed with the CE and an approved member of the Board. In this context a payment relates to an amount paid to an individual supplier rather than the total value of a BACS run.