

PROCUREMENT

SUMMARY OF PRINCIPAL CHANGES

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| General changes | |
| <i>New section 5.10 – Modern Slavery Act</i> | |
| Section | |
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(Amendments to version **09.0**, UPR PU01 are shown in *italics*.)

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1 INTRODUCTION

- 1.1 This document should be read in conjunction with UPR GV12¹.
- 1.2 In accordance with the requirements of UPR FR06², the Group Finance Director has established the following regulations and procedures for the purchase of goods and services.

2 GROUP FINANCE DIRECTOR

Under the terms of the Financial Regulations (UPR FR06², refers), the Group Finance Director is responsible to the Board for the implementation and operation of appropriate procedures and processes (electronic or otherwise) for the proper financial management of the Corporation to ensure compliance with the requirements of the HEFCE Financial Memorandum and the Corporation's Financial Regulations to which the policies and regulations contained in this document (UPR PU01) are subordinate.

3 HEAD OF PROCUREMENT

3.1 Authority and role of the Head of Procurement

The Head of Procurement is the nominee of the Group Finance Director in all matters relating to purchasing and procurement.

¹ UPR GV12 'Bribery and Corruption'
² UPR FR06 'Corporate Governance and Financial Regulations'

3.2 Responsibilities of the Head of Procurement

All matters relating to the procurement of goods and services must be referred to the Head of Procurement who will assist all Strategic Business Units and, where appropriate, the companies (section 4.3 and 4.7, refer), in complying with the Financial Regulations of the Corporation, current legislation and EU requirements.

4 DEFINITIONS

For the purposes of this document the following definitions will apply:

4.1 'Appointee of the Board':

the Vice-Chancellor, the Deputy Vice-Chancellors, the Group Finance Director and the Secretary and Registrar;

4.2 'Member of the University':

members of the Board of Governors, employees of the Corporation, employees of the companies and, in cases where they are given responsibility for assets of the Corporation or other financial matters, students;

4.3 'Corporation':

the University of Hertfordshire Higher Education Corporation: unless indicated otherwise in the text of this document 'Corporation' includes the Corporation and the companies (as defined in section 4.7);

4.4 'Strategic Business Unit (SBU)':

for the purposes of financial management and administration, the University has an internal structure of SBUs composed of academic schools and professional resource centres;

4.5 'Head of Strategic Business Unit':

the senior officer appointed by the Vice-Chancellor to have responsibility for the financial management and administration of an SBU;

4.6 'Budget Holder':

a Member of the University to whom a Head of SBU has delegated responsibility for the management and administration of a portion of the overall budget of the SBU;

(Note for guidance:

The Head of SBU will discharge the responsibilities assigned to Budget Holders where he or she has not delegated responsibility to a Budget Holder.)

4.7 'Company':

a company either wholly-owned by the University of Hertfordshire Higher Education Corporation or wholly-owned by a subsidiary company wholly-owned by the Corporation; unless indicated otherwise in the text of this document 'Corporation' includes the Corporation (as defined in section 4.3) and the companies;

4.8 'Approved Supplier':

a supplier identified by the Head of Procurement to provide specific goods or services. No formal relationship exists between the Corporation and an Approved Supplier unless a Purchase Order is raised;

4.9 'Contracted Supplier':

a supplier identified by the Head of Procurement, by means of a tendering process, to provide specific goods or services. Relations will be established formally between a Contracted Supplier and the Corporation by means of a contract.

5 GENERAL REGULATIONS

5.1 Compliance with corporate regulations

Members of the University, as defined in section 4.2, must at all times comply with the Corporation's Financial Regulations (UPR FR06²); the Corporation's regulations relating to the declaration and registration of interests, benefits and gifts (UPR GV12¹) and the regulations set out in this document (UPR PU01), as amended from time-to-time, as appropriate, by the Board of Governors or the Group Finance Director.

5.2 Compliance with standards

In conjunction with the Head of Procurement, Heads of SBU must ensure that appropriate standards (such as British Standards, or equivalent, which have been set for the manufacture of goods and the provision of services for which purchasing arrangements are made on behalf of the Corporation), are properly observed. Consideration will also be given to current EU requirements and to any other legislation which is applicable.

5.3 Health and safety

Heads of SBU must have full regard for the Health and Safety implications of any goods or services which they purchase. As appropriate, they should seek the advice of suppliers, the Head of Procurement and the Director of Health, Safety and Workplace Wellbeing.

5.4 Managing agents/project managers

5.4.1 Where the Corporation retains the services of a managing agent/project manager to supervise work on its behalf, it will be a condition of the contract between the Corporation and the managing agent/project manager that he or she will comply in all respects with the requirements of the Corporation's Financial Regulations (UPR FR06²), with the requirements of this document (UPR PU01) and with the Corporation's regulations relating to the declaration and registration of interests, benefits and gifts (UPR GV12¹).

5.4.2 Where the contract with the managing agent/project manager delegates responsibility to the managing agent/project manager for the appointment of sub-contractor(s), it will be a condition of the contract that the managing agent/project manager will appoint suitable contractors and suppliers and that the Corporation's regulations relating to the declaration and registration of interests, benefits and gifts (UPR GV12¹) will be observed.

5.4.3 The above conditions (5.4.1 and 5.4.2, refer) will be stated unequivocally in the Corporation's contracts with managing agents/project managers.

5.5 Impropriety

5.5.1 Members of the University must:

- i at all times observe propriety in their dealings with commercial organisations and are, in particular, required to comply with requirements set out in UPR GV12¹, and with the regulations set out in this document (UPR PU01);
- ii not use the power delegated to them, or their position within the Corporation, for personal gain nor in their conduct of any business dealings or relationships should they allow their integrity to be compromised, particularly where the Corporation has delegated responsibility to them for a particular matter or where they are otherwise involved. They will therefore reject any business practice which might reasonably be deemed improper;
- iii foster (particularly among Members of the University for whom they are responsible) the highest possible standards of competence in all matters relating to purchasing. Where appropriate they will ensure that professional advice is sought.

5.5.2 Confidentiality

The confidentiality of commercial information received by a Member of the University in the course of her or his duties should be respected and must never be used for personal gain or without any necessary authorisation. Under no circumstances may a Member of the University disclose to one supplier the price and terms offered to the Corporation by another.

5.5.3 Accuracy of information

Information given by a Member of the University in the course of his or her duty should be true and fair and should never be designed to mislead.

5.5.4 Competition

Whilst recognising the advantages which may accrue to a customer in cases where a continuing relationship exists between a customer and a supplier, any such relationship should be avoided where it might in the long term, prevent the effective operation of fair competition or the proper operation of these regulations.

5.6 Limits of the Corporation's liability

5.6.1 The Corporation reserves the right to refuse to accept liability for any goods or services which have been supplied as a result of a breach of its regulations.

5.6.2 Orders shall not be placed orally without the prior written consent of the Head of Procurement. Members of the University who fail to comply with this requirement will be subject to disciplinary proceedings.

5.7 Value for money

All Members of the University who purchase goods and services on behalf of the Corporation must make every effort to ensure that value for money is obtained and may be called upon to demonstrate that this requirement has been met.

5.8 Contractors' and suppliers' viability

5.8.1 The viability of potential contractors and suppliers must be verified independently.

- 5.8.2 Where an order (single or cumulative) with a total value in excess of **£50,000** may be placed with a single supplier or contractor:
- a references must be obtained from recognised institutions such as Trade Associations or from the contractor's or supplier's bank;
 - b these references will be assessed by the Group Finance Director (or nominee);
 - c where a reference proves unsatisfactory, the supplier or contractor will not be permitted to participate in the tendering process and another suitable contractor or supplier will be substituted prior to the commencement of the tendering process.

5.9 **Environmental strategy**

- 5.9.1 The Corporation wishes to ensure that the procurement of all goods and services is in keeping with its Environmental Strategy. To this end the Corporation has developed specific environmental criteria which should be applied in the following areas:
- a procurement;
 - b the design of all new buildings and estate developments;
 - c the choice of building materials for all new building work and estate developments;
 - d the maintenance of buildings and estates.

- 5.9.2 It is understood that these criteria must necessarily be considered in the context of 'best value for money'.

5.10 **Modern Slavery Act**

- 5.10.1 *The University undertakes to take all reasonable steps to ensure that [Modern Slavery](#) is not undertaken by those companies that provide goods and services directly to the University or to any UH group companies.*
- 5.10.2 *All suppliers in the direct supply chain to the University or group companies are expected to commit to following the [Base code](#) of the [Ethical Trading Initiative](#) (ETI).*
- 5.10.3 *Any University and group staff who become aware of possible Modern Slavery activity at the University or within the UH or group supply chain should raise this immediately with their line manager, Head of Strategic Business Unit or other senior colleague. Where necessary staff, suppliers and third parties may also use the University's Public Interest Disclosure policy (Whistle blowing policy) available at [Public Interest Disclosure](#).*

6 **METHODS OF PROCUREMENT**

6.1 **General regulations**

- 6.1.1 The purchase of all goods and services will be the subject either of a public tender or competitive quotation unless the conditions set out in section 6.2 apply.
- 6.1.2 No order for the purchase of goods or services may be broken down into smaller, less costly elements to facilitate the evasion of the Corporation's Financial Regulations (UPR FR06²) or the regulations and procedures set out in this document (UPR PU01).
- 6.1.3 The Group Finance Director will implement systems which ensure that Purchase Orders are issued only if the budget from which the purchase is to be made has sufficient provision remaining within it to meet the proposed commitment.
- 6.1.4 Heads of SBU:
- i are responsible for the approval of orders/commitments in accordance with the processes approved from time-to-time by the Group Finance Director;

- ii will ensure that:
 - a sufficient funding is available to meet the proposed expenditure;
 - b all necessary information is provided, including but not necessarily limited to, description, specification, price, delivery date, the terms of payment and the correct budget code.

6.2 **Centrally negotiated contracts including those negotiated through agencies and consortia**

6.2.1 Where centrally negotiated contracts exist (including those negotiated by other supply agencies or consortia of which the Corporation is a member) for the supply of a particular commodity or service, no additional quotations or tenders will be required.

6.2.2 The commodity or service required must be obtained through the centrally negotiated contract. Any variation to this requirement will require the written consent of the Head of Procurement given prior to any Purchase Order being raised.

6.3 **Capital and revenue projects**

6.3.1 **Extensions of time**

- i In cases where a contractor or supplier cannot complete a project in accordance with the schedule agreed by the Corporation and therefore seeks an extension of time, the Member of the University responsible for the management of the contract will, prior to the sanctioning of such an extension:
 - a consider fully the implications for the Corporation as a whole and
 - b take advice from managers whose areas are likely to be affected adversely by a delay in the completion of the contract, including, where appropriate, relevant Appointees of the Board.
- ii Notice of the Corporation's acceptance or rejection of the contractor's or supplier's proposal will be given, in writing only, either by the Group Finance Director (or designated deputy) or the Secretary and Registrar.

6.3.2 **Over-expenditure**

- i Members of the University with responsibility for the management of contracts will inform the Group Finance Director in all cases where it is likely that over-expenditure may occur and will provide the Group Finance Director with a full report of the implications of the expected additional cost to the Corporation.
- ii The arrangements for the authorisation of over-expenditure in relation to capital and revenue projects will be in accordance with the provisions of UPR FR06² as they relate to the approval of capital and revenue expenditure.
- iii All cases of over-expenditure in excess of **£25,000** or **10%** of the total value of the original contract (whichever is lower) will be reported at the next meeting of the Chief Executive's Group. Such cases will be reported by the Vice-Chancellor to the Finance Committee of the Board of Governors.

6.3.3 **Corporate Cards and Purchase Cards**

(Note for guidance:

Where issued, Corporate Cards may be used, in accordance with University regulations, to meet travel and entertainment costs; where issued, Purchasing Cards may be used, in

accordance with University regulations for low value one-off purchases of goods and services.)

Corporate Cards and Purchasing Cards will be issued and must be used strictly in accordance with the requirements of UPR FR06² and in accordance with any rules which the Group Finance Director may determine from time-to-time

7 PUBLIC TENDERS AND COMPETITIVE QUOTATIONS

7.1 General regulations

- 7.1.1 Competitive quotations must be sought through and invitations to tender must be made by the Head of Procurement.
- 7.1.2 In either case, the originator (the Heads of SBU) may nominate the suppliers who will be asked to tender or give a quotation. However, the Head of Procurement may invite other suppliers to tender or to give a quotation.
- 7.1.3 Notification of the Corporation's acceptance of a tender or quotation will be given only by means of an official Purchase Order issued by the Corporation either manually or electronically, by the Head of Procurement.
- 7.1.4 Under no circumstances may a Head of SBU or any other Member of the University, other than the Head of Procurement, indicate to a supplier that a tender or quotation has been accepted.

7.2 Exceptions to the regulations relating to the requirement for public tenders and competitive quotations

- 7.2.1 The Director of Estates, Hospitality and Contract Services may, in the following circumstances, dispense with the process of obtaining competitive tenders and/or quotations:
 - i where the demand relates to repair work, the exact nature and extent of which cannot be determined without exploratory work first being undertaken. However, as soon as the nature and extent of the repair work can be determined, the Corporation's normal regulations and procedures relating to competitive tenders and quotations will operate;
 - ii where the value of work is less than **£5,000**;
 - iii where goods or services are to be purchased through contracts negotiated by agencies or consortia of which the Corporation is a member.
- 7.2.2 Where none of these conditions apply (section 7.2.1, i - iii) the Corporation's regulations and procedures for obtaining competitive tenders and/or quotations may be set aside only with the prior written approval of the Vice-Chancellor (or nominee).
- 7.2.3 For the purposes of regulation 7.2.2, the nominees of the Vice-Chancellor will be the Group Finance Director **or** the Deputy Vice-Chancellors **or** the Secretary and Registrar.
- 7.2.4 The Vice-Chancellor or any of his or her nominees who has given such a dispensation will report the matter at the next meeting of the Chief Executive's Group. Such matters will be reported by the Vice-Chancellor to the Finance Committee of the Board of Governors.

7.3 **Single tenders – order value £50,000 - £100,000**

In the following exceptional circumstances, where a Head of SBU believes that procurement should be made via a single tender rather than via public tender or competitive quotation, the Head of SBU will submit a written case for consideration by the Head of Procurement. The product:

- a is proprietary and sold only at fixed prices or
- b may be obtained from only one source or
- c consists of repairs or work to an existing proprietary product or
- d that owing to the special services specified in the purchasing requisition, no reasonable alternative product exists or
- e if the purchase is being made from a contract supplier where that supplier has been selected following Corporation or EU procedures.

Where the Head of Procurement believes that there is a valid case, he or she will make a recommendation to the Group Finance Director whose prior written approval is required in all circumstances.

7.4 **Approved suppliers and contracted suppliers**

A prospective supplier will not be identified as an Approved Supplier nor appointed as a Contracted Supplier in cases where:

- i its financial backing is insufficient or inappropriate for the value of the goods or services that it will be asked to supply or
- ii a Member of the University has declared an interest in the company and the Secretary and Registrar judges that interest to be of sufficient significance to warrant the exclusion of the company as an Approved Supplier or as a Contracted Supplier.

(Note for guidance:

Register of Interests 'B' is circulated on a regular basis to Head of SBUs, the companies and senior Members of the University who have a role in procurement. It contains anonymised information concerning declarations made to Registers A or C which are considered by the Secretary and Registrar to have direct relevance for the commercial activities of the University. The declarations recorded in Register B would normally include but are not limited to interests, potential conflicts of interest and private work.)

7.5 **Rules for obtaining competitive tenders and quotations**

Extract from UPR FR06² (FR06-Corporate Governance and Financial Regs-v12.0)

(Note for guidance

Text in red denotes regulations extracted from UPR FR06².)

"35 PROCUREMENT, TENDERS, QUOTATIONS – RULES

35.1 The Corporation and Companies will comply with the regulations and advice set out in UPR PU01.

35.2 Tenders and quotations

For the avoidance of doubt, no transaction may be broken down into smaller elements to circumvent or facilitate the evasion of these regulations (UPR FR06).

| Rules for obtaining competitive tenders/quotations (section 35, refers) | |
|---|--|
| Value | Rule for obtaining competitive tenders/quotations |
| £100 - £5,000 | One (1) written quotation unless the purchase is to be made via Purchasing Card |
| £5,000 - £20,000 | Not less than two (2) written competitive quotations |
| £20,000 - £50,000 | Not less than three (3) written competitive quotations and the Head of SBU will seek advice from the Head of Procurement |
| £50,000 - £100,000 | Not less than four (4) written competitive quotations and the Budget Holder will seek advice from the Head of Procurement |
| £100,000 or above | Public tenders must be sought by the Head of Procurement. The Head of Procurement must follow the requirements of the Rules and Methods of Purchasing unless, under exceptional circumstances, the Head of Procurement is instructed otherwise by the Vice-Chancellor (or Deputy)" |

7.5.1 EU Directives on procurement

Extract from UPR FR06² (FR06-Corporate Governance and Financial Regs-v12.0).

(Note for guidance:

Text in **red** denotes regulations extracted from UPR FR06².

The cross-references quoted relate to UPR FR06².)

“35.3 EU Directives on procurement

- a The Corporation and the Companies (where the latter fall within the scope of the EU Public Contracts Regulations 2006) will comply with the requirements of the EU Public Contracts Regulations 2006 which, from 1 January 2016, specify the following thresholds, net of VAT, in respect of the total value of the requirement for the supply of a product or service, which will exceed the following values:

Supply and Service Contracts (Central Government):
€135,000/£106,047

Supply and Services contracts (Sub Central Government):
€209,000/£164,176

Works contracts (central and sub-central Government):
€5,225,000 / £4,104,394.

- ii “Governors, employees, Trustees and Directors are required to comply with the Public Contracts Regulations 2006 and will refer to and comply with the detailed regulations and advice set out in UPR PU01.”

- iii When determining the best procurement strategy, aggregation should be considered with a view to maximizing the Corporation's procurement power even where to do so would bring a proposed procurement within the scope of the EU Public Contracts Regulations 2006.
- iv The use, for the purposes of procurement, of funding received in the form of grants or income derived from commercial activities or from other sources is also subject to the EU Public Contracts Regulations 2006. Further advice on the types of procurement that fall within the scope of the EU Public Contracts Regulations 2006 may be obtained from the Head of Procurement.
- v "The EU Public Contracts Regulations and the thresholds which they specify also apply where the total value of a product or service contract exceeds the specified threshold, regardless of the duration of that contract."
- vi "Contracts above the thresholds specified by the EU Public Contracts Regulations 2006 may be exempted from the EU Public Contracts Regulations 2006 only on grounds of secrecy, national security or because the contract concerned is subject to another international procedure."
- vii "It is not permissible to avoid the provisions of the EU Public Contracts Regulations 2006 by breaking down orders into smaller quantities/values or by letting contracts of shorter durations which would result in a commitment value below the relevant threshold level (section 35.2, a, UPR FR06, refers)."
- viii "Prior to any action being taken in relation to procurement, the contract concerned must be referred either to the Head of Procurement or the Group Finance Director or the Secretary and Registrar."

7.5.2 Invitations to submit competitive quotations

- i In cases where suppliers are invited by the Corporation to quote competitively for the provision of goods or services:
 - a companies or individuals identified by the Corporation as Approved or Contracted Suppliers will be invited to submit a quotation or
 - b companies or individuals known by the Head of SBU to offer the goods or services required, will be invited to submit a quotation or
 - c (where appropriate) quotations will be invited through public advertisement: the tendering process may be conducted electronically using a system approved by the Group Finance Director.
- ii All invitations to prospective suppliers will be issued on the same day and at the same time and will specify the date and time by which offers must be received by the Head of Procurement. This deadline must be applied to all of the prospective suppliers who are invited to quote for an order or contract.

7.5.3 Invitations to tender (public tenders)

- i Where suppliers are invited by the Corporation:
 - a to tender for the provision of goods or services and
 - b where the OJEU Regulations do not apply:

the tendering process may be conducted electronically using a system approved by the Group Finance Director.

- ii The tendering process approved by the Group Finance Director will ensure that:
 - a invitations to tender are made to no fewer than three **(3)** companies or individuals identified by the Corporation as Approved or Contracted Suppliers and
 - b where there are fewer than three **(3)** companies or individuals, all are invited to tender;
 - c tenders are properly issued, received and evaluated.

(Note for guidance

The Group Finance Director has approved the use of In Tend, an electronic tendering system.)

7.6 Acceptance of offers

7.6.1 Signature of the Purchase Order/contract constitutes acceptance of the offer.

7.6.2 Purchase Orders and contracts will be signed in accordance with the requirements of section 8.

7.6.3 Acceptance of an offer other than the lowest offer

In the case of orders with an estimated value:

- i in excess of **£5,000**

or

- ii where tenders are sought for orders of lesser value

where it is recommended that an offer other than the lowest offer should be accepted, approval must be given by the Group Finance Director or the Vice-Chancellor. A written record of the reasons for this approval must be kept by the Head of Procurement and a written report made to the Secretary and Registrar.

8 PURCHASE ORDERS AND CONTRACTS

8.1 Authorisation of Purchase Orders and contracts

All Purchase Orders and contracts must be authorised in accordance with the requirements of UPR FR06².

8.2 Terms and conditions

8.2.1 The terms and conditions which will apply to Corporate Purchase Orders and contracts will be determined by the Group Finance Director in accordance with the requirement of the Financial Regulations (UPR FR06²)

8.2.2 Unless the Group Finance Director has agreed otherwise in writing, all purchases must be made using the Corporation's official Purchase Order which contains the Corporation's terms and conditions of business.

8.2.3 Suppliers' own order forms or stationery must not be used or signed as this will commit the Corporation to the terms and conditions of the other party which may conflict with those of the Corporation.

- 8.2.4 Any terms, conditions and prices agreed in respect of an order must be shown clearly within the order at the time of authorisation.

8.3 Hidden commitments

It should be noted that many agreements contain hidden commitments in respect of matters such as forward pricing and payment or notice of termination. In all cases, advice must be sought from the Head of Procurement concerning the extent of the commitment involved.

8.4 Leasing agreements

Agreements relating to office equipment, photocopiers and vending or hygiene machines require particular vigilance. All such agreements must include clear and calculable methods of reviewing price levels. Heads of SBU will, therefore, take full account of the advice given by the Head of Procurement.

8.5 Payments in advance of delivery

Payment in advance of delivery will be permitted only in very exceptional circumstances and may be authorised by the Head of Procurement provided that the Purchase Order has been authorised in accordance with the requirements of the Financial Regulations (section 9, refers).

9 AUTHORISATION OF PURCHASE ORDERS AND CONTRACTS

Extract from UPR FR06² (FR06-Corporate Governance and Financial Regs-v12.0).

(Note for guidance

Text in **red** denotes regulations extracted from UPR FR06².

The cross-references quoted relate to UPR FR06².)

“37.8 Revenue expenditure – authorisation

37.8.1 No transaction may be broken down into smaller elements to circumvent or facilitate the evasion of these regulations (UPR FR06).

37.8.2 Authorisation may be given by an officer at a higher level provided that this is not inconsistent with the requirements set out elsewhere in these regulations (UPR FR06) or does not constitute a failure of control.

(Note for guidance – revenue expenditure - Company

- The value limits and associated approvals set out in the tables to section 37 represent a minimum framework for approval and reporting.
- It is implicit that within this framework, Boards of Directors have latitude to determine supplementary approval and reporting arrangements to operate within their respective Companies.)

| Corporation | | | | |
|--|--|---|-------------|--|
| Revenue expenditure – authorisation by the Corporation (section 37.8, refers) | | | | |
| Value | The following prior written approvals/authorisations must be obtained | Signatories of related legal documents | | Minimum additional reporting requirements |
| | Corporation | Contract | Deed | |
| up to £5,000 | Head of SBU (or nominee) | Budget Holder or Head of SBU | | None |
| £5,000 – £20,000 | As above and Head of Procurement (The role of the Head of Procurement is to provide assurance that all legal and regulatory requirements have been met and procurement 'best practice' followed, He or she does not have authority to approve expenditure) | Head of SBU | | None |
| £20,000 – £100,000 | As above and Group Finance Director (or deputy designated for this purpose) | As above and Vice-Chancellor (or Deputy Vice-Chancellor) or Secretary and Registrar | | None |
| £100,000- £500,000 | As above and Vice-Chancellor (or Deputy Vice-Chancellor) | As above | | None |
| £500,000 – £1,000,000 | As above and Finance Committee | As above | | None |
| £1,000,000 or above | As above and Board of Governors | As above | | None |
| Company | | | | |
| Revenue expenditure – authorisation by a Company (section 37.8, refers) | | | | |
| Value | The following prior written approvals/authorisations must be obtained | Signatories of related legal documents | | Minimum additional reporting requirements |
| | Company | Contract | Deed | |
| up to £5,000 | Managing Director (or nominee) | To be determined by the Board of Directors | | None |
| £5,000 - £20,000 | As above and Head of Procurement (The role of the Head of Procurement is to provide assurance that all legal and regulatory requirements have been met and procurement 'best practice' followed, He or she does not have authority to approve expenditure) | As above | | None |
| £20,000 - £100,000 | As above and the relevant Board of Directors and Group Finance Director (or deputy designated for this purpose) ³ | As above | | None |

³

In giving approvals/authorisations, the Group Finance Director (or deputy designated for this purpose) will satisfy him or herself that any necessary approval/authorisation has been given by the relevant Board of Directors.

| Company | | | | |
|---|--|---|-------------|--|
| Revenue expenditure – authorisation by a Company (section 37.8, refers) (Cont'd) | | | | |
| Value | The following prior written approvals/authorisations must be obtained | Signatories of related legal documents | | Minimum additional reporting requirements |
| | Company | Contract | Deed | |
| £100,000-£500,000 | As above and Chairman of the Parent Company | As above | | None |
| £500,000 - £1,000,000 | As above and Finance Committee | As above | | None |
| £1,000,000 or above | As above and Board of Governors | As above | | None" |

44.3.1 Capital expenditure, capital projects, property leases – authorisation

(Note for guidance:

- **Capex Panel**
The Capex Panel has been established to consider, amongst other things, proposed items of capital expenditure valued at **£20,000** and above and their revenue implications and to determine whether they should be permitted to progress to the approval stage in accordance with the requirement of these Financial Regulations.
- **Companies**
The value limits and associated approvals set out in the table to section 44.3.1 represent a minimum framework for approval and reporting.

It is implicit that within this framework, Boards of Directors have latitude to determine supplementary approval and reporting arrangements to operate within their respective Companies.)

| Corporation | | | | |
|---|--|---|---------------------|--|
| Capital expenditure, capital projects, property leases– authorisation – Corporation (section 44.3.1, refers) | | | | |
| Value | The following prior written approvals/authorisations must be obtained | Signatories of related legal documents | | Minimum additional reporting requirements |
| | | Contract | Deed | |
| up to £5,000 | Expenditure below £5,000 is normally considered to be revenue expenditure | | Section K.5 applies | None |
| £5,000 - £20,000 | Head of Procurement and Group Finance Director (or deputy designated for this purpose) (The role of the Head of Procurement is to provide assurance that all legal and regulatory requirements have been met and procurement 'best practice' followed, He or she does not have authority to approve expenditure) | Secretary and Registrar or Vice-Chancellor (or Deputy Vice-Chancellor) | As above | None |

| Corporation | | | | |
|---|--|---|---------------------|--|
| Capital expenditure, capital projects, property leases– authorisation – Corporation (section 44.3.1, refers) | | | | |
| Value | The following prior written approvals/authorisations must be obtained | Signatories of related legal documents | | Minimum additional reporting requirements |
| | | Contract | Deed | |
| £20,000 - £100,000 | Group Finance Director (or deputy designated for this purpose) | As above | As above | None |
| £100,000 - £500,000 | As above and Vice-Chancellor (or Deputy Vice-Chancellor) | As above | As above | None |
| £500,000 - £1,000,000 | As above and Finance Committee | As above | As above | Board of Governors |
| £1,000,000 or above | As above and Board of Governors | As above | As above | Board of Governors |
| Companies | | | | |
| Capital expenditure, capital projects, property leases– authorisation - Company (section 44.3.1, refers) | | | | |
| Value | The following prior written approvals/authorisations must be obtained | Signatories of related legal documents | | Minimum additional reporting requirements |
| | | Contract | Deed | |
| up to £5,000 | Expenditure below £5,000 is normally considered to be revenue expenditure | | Section K.6 applies | None |
| £5,000 - £20,000 | Head of Procurement and Group Finance Director (or deputy designated for this purpose) (The role of the Head of Procurement is to provide assurance that all legal and regulatory requirements have been met and procurement 'best practice' followed. He or she does not have authority to approve expenditure) | To be determined by the Board of Directors | As above | To be determined by the Board of Directors |
| £20,000 - £100,000 | Group Finance Director (or deputy designated for this purpose) | To be determined by the Board of Directors | As above | As above |
| £100,000 - £500,000 | As above and Vice-Chancellor (or Deputy Vice-Chancellor) | As above | As above | As above and Board of Parent Company |
| £500,000 - £1,000,000 | As above and Finance Committee | As above | As above | Finance Committee |
| £1,000,000 or above | As above and Board of Governors | As above | As above | As above and Board of Governors |

44.3.2 Other projects (minor works) – authorisation

| Corporation | | | | |
|--|--|---|---------------------|--|
| Other projects (minor works) – authorisation – Corporation (section 44.3, refers) | | | | |
| Value | The following prior written approvals/authorisations must be obtained | Signatories of related legal documents | | Minimum additional reporting requirements |
| | | Contract | Deed | |
| up to £75,000 | Director of Estates, Hospitality and Contract Services | Secretary and Registrar or Vice-Chancellor (or Deputy Vice-Chancellor) | Section K.5 applies | |
| £75,000 - £100,000 | As above and Group Finance Director | As above | As above | |
| £100,000 or above | The requirements of section 43.3.1 apply | Refer to section 43.3.1 | As above | |
| Company | | | | |
| Other projects (minor works) – authorisation - Company (section 44.3, refers) | | | | |
| Value | The following prior written approvals/authorisations must be obtained | Signatories of related legal documents | | Minimum additional reporting requirements |
| | | Contract | Deed | |
| up to £75,000 | Director of Estates, Hospitality and Contract Services | To be determined by the Board of Directors | Section K.6 applies | |
| £75,000 - £100,000 | As above and Group Finance Director | To be determined by the Board of Directors | As above | |
| £100,000 or above | The requirements of section 43.3.1 apply | Refer to section 43.3.1 | As above | |

Mrs S C Grant
Secretary and Registrar
Signed: 9 January 2017