

Procurement at the University

Quick Reference Guide

Good procurement decisions achieve value for money, are ethical, transparent and take account of sustainability, leaving a robust audit trail

Procurement basics

KEY POINTS TO REMEMBER

Follow the [Financial Regulations](#)

Ensure that you follow the competition requirements in Schedule 1

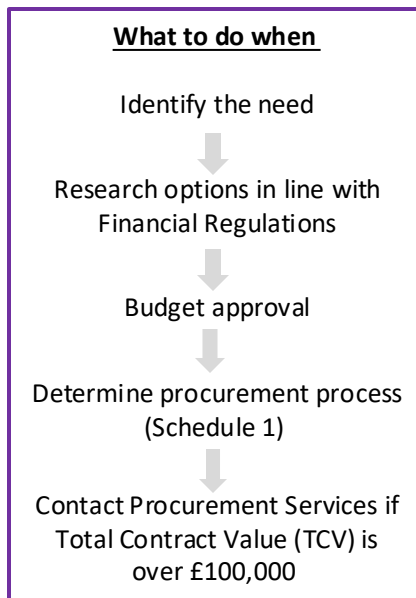
A purchase order is required for all purchases over £100

Do not disaggregate spend to avoid this

Endeavour to optimise value for money

Demonstrated through competition as set out in Schedule 1 of the Financial Regulations

If you have any questions just ask the Procurement Helpdesk



More from the Financial Regulations

[Expenditure of £2m or above on capital items \(inclusive of VAT\)](#) requires the support of the Planning and Resource Committee

Prior written approval not to follow competition procedures may be granted through the **Dispensation process** (see overleaf)

[Advance payments](#) above £50,000 require Director of Finance approval

[Leasing](#) requires different levels of approvals and a business case, please contact Procurement Services for more information

Products or services should only be purchased externally if **no internal source** is available

Schedule 1: The Competition Requirements

Total Value (before VAT)	Procedure for inviting offers		
	Framework Agreements	Marketplace	Other purchases and non catalogue items
< £5,000	Follow the procedures recommended by the Procurement Services for the agreement	Only the price from the Marketplace required (for catalogue items)	Written price confirmation
£5,000 -£25,000			Three written quotes
£25,000 - £50,000		Three written quotes or written proposals, depending on complexity, risk and value of the purchase (see guidance in Procurement Procedures)	
> £50,000		Three tender submissions	
>£100,000	Procurement Services must be consulted/involved and agree the most appropriate procurement method		
Where required goods are available, purchases up to £25,000 will be made via the Marketplace or under a Framework Contract. Other offers should not be sought, unless better value can be achieved elsewhere, in which case Procurement must be notified so that any price discrepancies and inclusion of the supplier on the Marketplace can be explored.			

Authority to sign contracts

Heads of Departments can authorise Contracts that are only relevant to their own Department.

Contracts affecting more than one department can only be signed by one of:

- The Vice-Chancellor;
- A Pro- Vice-Chancellor;
- Head of School if all departments reside in the same School;
- The Registry;
- Director of Finance;
- Head of Group Procurement.



Dispendations

Written consent not to follow competition procedures only, does not grant permission to avoid the rest of Financial Regulations

- Still requires a specification and contract /purchase order
- The [Online Dispensation Form](#) must be completed for audit purposes

If Total Value...

- **under £50,000** requires **Head of Department** approval
- **over £50,000** requires **Head of Group Procurement** approval



Dispendations must be approved before making a commitment to the supplier!

The following items are [automatically granted a dispensation](#) and there is no requirement to complete the form for formal approval.

- Attendance at specialist training courses only available from one provider
- Subscriptions/memberships of professional organisations
- Subscriptions to specialist journals
- Attendance at conferences organised by third parties
- Exhibition stands at events
- Purchase of heritage asset

More information

Procurement Services website
www.procurement.admin.cam.ac.uk

Framework Contracts:
www.procurement.admin.cam.ac.uk/suppliers

Information and Templates:
www.procurement.admin.cam.ac.uk/information



Contact us at
procurement@admin.cam.ac.uk
or
Tel : 01223 332233

Reasons for a Dispensation

No suitable alternatives

Market previously approached for substantially the same item (and terms) and no suitable alternatives found.

Can only be performed by one contractor/supplier

The proposed contract can only be performed by one particular contractor for technical/ artistic reasons or to protect its exclusive rights.

To ensure compatibility

For supply contracts only, where the goods needed to partially replace, or to add to, existing goods or an installation where using goods from a new supplier would mean technical incompatibilities or disproportionate technical difficulties in operating/maintaining the goods/installation

[Contracts for purposes of study, research and development](#) which are not for profit and where development costs will not be recovered

[Extreme urgency](#) - where underlying need brought about by **unforeseeable events** and it is impossible to comply with the normal timescales for awarding contracts. NB. The definition of 'extreme urgency' does not apply if we have failed to plan properly.

One-off opportunities

For supply contracts only, where goods for a very short time are available at a very good price, considerably lower than normal market prices.

Further training available

Modern Slavery Act www.training.cam.ac.uk/fin/course/fin-comp-msa

Anti-Bribery & Corruption www.training.cam.ac.uk/fin/course/fin-comp-abc