The University of Manchester - Procurement Policy
Version V2
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1. Introduction and Purpose

This Procurement Policy defines the University's expectations for the purchase of goods, services and works, covering all non-pay expenditure regardless of funding source.

It applies to all staff authorised to commit University expenditure, who must understand and comply with the procurement requirements relevant to their area and funding.

Procurement is a key enabler of the University's strategic ambitions, supporting delivery of **Manchester 2035**. With over £500m of third-party spend managed annually, effective procurement is critical to cost optimisation, commercial risk management and the delivery of strategic value. Through its procurement activity and supply chain relationships, the University aims to secure value for money, optimise total cost of ownership, manage risk and contribute to sustainable and responsible outcomes aligned to its purpose and priorities.

All procurement decisions must be commercially informed, balancing cost, quality, risk and strategic fit. Budget holders and authorised purchasers are responsible for ensuring that goods, services and works deliver the most economically advantageous outcome, considering quality, fitness for purpose, delivery requirements, risk and sustainability, and in line with sound business practice and integrity.

This Policy sets out the principles, requirements and controls needed to ensure compliance with the University's Financial Regulations and applicable legal and regulatory obligations. It also supports agile, commercially effective procurement that meets operational and strategic needs. Procurement activity must be conducted in a fair, transparent and proportionate manner, promoting value for money and effective competition where appropriate.

Commercial Procurement Services (CPS) is responsible for establishing and maintaining the frameworks, processes and guidance required to support Academic Schools, Research Institutes and Professional Services. This includes ensuring compliance with legal, ethical and institutional requirements, and enabling the achievement of value for money.

Further guidance on procurement procedures, tendering requirements and purchasing processes is available via the Commercial Procurement Services SharePoint.

This Policy supports strong financial governance and reinforces the University's commitment to sustainability and responsible procurement. Where relevant and proportionate, procurement activity should consider environmental impact, ethical supply chains, equality, diversity and inclusion, and opportunities to deliver positive social and economic value.

2. Scope and Definitions

2.1 Applicability

This Policy applies to purchases of goods, services and works undertaken by the University and its subsidiary undertakings, except where the University's Audit and Risk Committee has approved an alternative policy for a specific subsidiary undertaking or joint venture.

It applies irrespective of the source of funding and to all purchasing activity undertaken by members of staff in connection with their University duties. For the purposes of this Policy, the term “members of staff” includes University employees and any other individuals authorised to undertake purchasing activity on behalf of the University.

This Policy sets out the approved methods of purchasing at the University and the circumstances in which they may be used. For the purposes of this Policy, the terms “purchasing” and “purchase” refer to the following means of acquiring goods, services and works:

- University Purchase Orders
- University purchasing cards
- any other purchasing method approved through a specific written dispensation from the Chief Finance Officer.

The direct employment of staff is not considered a purchase of goods and or services and is governed by People Directorate policies and procedures. However, the sourcing of individuals through agencies or commercial contracts, including consultancy arrangements and Personal Service Companies, is within scope of this Policy and must be managed in accordance with University procurement requirements.

The following are excluded from the scope of this Policy and are governed by the University’s Financial Regulations:

- travel and subsistence
- out-of-pocket expenses
- University assets
- lease of goods

2.2 Definitions

Key definitions used within this policy include the following.

Procurement	The process of acquiring goods, services and works from external suppliers, covering the full lifecycle from identification of need through to contract award and ongoing management.
Purchase / Purchasing	Any method by which the University acquires goods, services or works from a third party, including the use of Purchase Orders, purchasing cards, contracts or other approved purchasing mechanisms.
Value for Money (VfM)	The optimum combination of whole-life cost, quality, fitness for purpose, risk and sustainability, rather than lowest price alone.
Authorised Purchaser	An individual with delegated authority to approve or commit University expenditure in accordance with the University’s Financial Regulations and this Policy.

Commitment to Spend	Any action that creates a financial or contractual obligation for the University, including, but not limited to, verbal agreements, acceptance of supplier terms, issue of a Purchase Order or execution of a contract.
Supplier	Any external organisation or individual that provides goods, services or works to the University under a contractual or purchasing arrangement.
Contract	A legally binding agreement between the University and a supplier for the provision of goods, services or works, which may be formed in writing, verbally or through acceptance of terms and conditions.
Contract Owner	The individual responsible for the overall management, performance and compliance of a contract on behalf of the University, typically the Budget Holder unless otherwise formally designated.
Contract Management	The process of managing supplier relationships and contractual obligations throughout the contract lifecycle, including performance monitoring, risk management, variation, renewal and termination.
Total Cost of Ownership (TCO)	The full lifecycle cost of a good, service or work, including acquisition, implementation, operation, maintenance, support and disposal costs.
Commercial Procurement Services (CPS)	The University's central procurement function responsible for providing procurement governance, frameworks, guidance and support to ensure compliant, effective and value-driven procurement activity.
Category Management	A strategic approach to procurement that groups related spend into categories and manages them to optimise value, reduce risk and support organisational objectives.
Sourcing Strategy	A structured approach to the market for acquiring goods, services or works, including route to market, competition approach, evaluation methodology and commercial considerations.
Supplier Relationship Management (SRM)	A structured approach to managing relationships with suppliers, proportionate to their value, risk and criticality, to optimise performance, manage risk and deliver continuous improvement.
Supplier Segmentation	The classification of suppliers into defined groups (e.g. Platinum, Gold, Silver, Bronze) based on factors such as spend, risk and business criticality, to determine the level of management and governance applied.
Due Diligence	The process of assessing a supplier's suitability, capability, financial standing, compliance and risk prior to entering into a contractual arrangement.
Financial Due Diligence	The assessment of a supplier's financial stability and capacity to deliver contractual obligations over the life of the contract.
Risk Assessment	The identification and evaluation of potential risks associated with a procurement or supplier arrangement, including financial, operational, legal and reputational risks.

Procure to Pay (P2P)	The end-to-end process from requisitioning and purchasing goods, services or works through to invoice processing and payment.
Purchase Order (PO)	An official document issued by the University to a supplier, committing to the purchase of goods, services or works, and detailing the description, quantity, price and applicable contractual terms.
Departmental Purchase Card	A University-issued payment card used for low-value, one-off purchases where use of a Purchase Order is not practical, subject to defined controls and limits.
Framework Agreement	A pre-competed agreement with one or more suppliers that establishes terms, conditions and pricing under which specific purchases (call-offs) can be made.
Route to Market	The method used to engage suppliers and procure goods, services or works, including quotations, tenders, frameworks or direct award.
Tender / Competitive Process	A formal process of inviting, evaluating and selecting supplier bids to ensure competition, transparency and value for money.
Business Case	A documented justification for a proposed procurement or expenditure, outlining the requirement, options, costs, benefits, risks and expected outcomes.
Sustainability (in Procurement)	The consideration of environmental, social and economic impacts in procurement decisions, including carbon reduction, ethical sourcing and social value.
Social Value	The broader economic, social and environmental benefits delivered through procurement activity, beyond the immediate purchase.
Modern Slavery	Exploitation of individuals through forced labour, human trafficking or other forms of coercion, which the University seeks to prevent within its operations and supply chain.
Conflict of Interest	A situation where an individual’s personal, financial or other interests could influence, or be perceived to influence, their professional judgement or decision-making.
Delegated Authority	The formal assignment of authority to individuals to approve expenditure or make procurement decisions in accordance with the University’s governance framework

3. Roles and Responsibilities

3.1 The Chief Finance Officer (CFO)

The Chief Finance Officer has overall responsibility for the University’s financial governance framework, including the establishment and maintenance of effective financial systems, controls and policies.

In relation to procurement activity, the CFO is responsible for:

- approving and owning the University’s Financial Regulations and associated financial policies, including this Procurement Policy
- ensuring that appropriate financial controls and assurance arrangements are in place

- approving specific dispensations or exceptions to approved purchasing methods where required

3.2 Director of Procurement

The Director of Procurement has strategic and operational responsibility for procurement activity across the University.

This includes responsibility for:

- ensuring the effective implementation and oversight of this Policy
- setting the strategic direction for procurement and category management
- ensuring procurement activity supports value for money, strong governance and the University's strategic objectives
- driving cost optimisation and commercial improvement across the University's third-party spend
- developing and delivering the procurement savings and benefits programme
- leading strategic supplier relationships and ensuring the University maximises value from its key commercial partnerships
- approving exceptions to the requirements of this Policy where there is a clear and demonstrable business need, normally in advance of commitment to spend
- providing assurance to the CFO on procurement compliance and commercial performance

3.3 Heads of Category Management

Heads of Category Management are accountable for the effective governance and oversight of procurement activity within their defined category areas.

Their responsibilities include:

- providing oversight and assurance in relation to category strategies and sourcing strategies developed by Category Managers
- ensuring that category and sourcing strategies are aligned to university priorities and governance requirements
- ensuring procurement activity within their categories complies with this Policy and associated guidance
- overseeing significant procurements and supplier arrangements within their category areas
- ensuring appropriate contract and supplier management arrangements are in place

3.4 Category Managers including Assistant Category Managers

Category Managers are responsible for the development and delivery of procurement activity within their assigned categories.

This includes responsibility for:

- developing and maintaining category strategies and sourcing strategies for their categories
- supporting Schools, Institutes and Professional Services with procurement planning and delivery
- leading procurement exercises in line with approved strategies, policies and guidance
- advising stakeholders on appropriate routes to market and sourcing options

- supporting contract award, implementation and ongoing supplier management
- maintaining appropriate records to demonstrate compliance and value for money

3.5 Procurement Operations Manager

Procurement Operations Manager has responsibility for overseeing all Operational activities, alongside all Procurement systems, data and reporting.

This includes responsibility for:

- Strategic leadership of Procurement operations
- Governance and continuous improvement of the Procure-to-Pay (P2P) framework
- Supplier performance oversight and issue resolution
- Procurement data & systems management
- Spend analysis, reporting & insights
- Operational process improvement and technical development

3.6 Procurement Information and Systems Officer

Procurement Information and Systems Officer is responsible for managing and developing procurement data and systems, analysing and reporting spend insights, and supporting procurement activities to improve decision-making, transparency, and operational efficiency across the University.

This includes responsibility for:

- Manage and develop procurement information systems
- Analyse procurement and spend data
- Produce reporting and insights for stakeholders
- Improve and publish procurement information
- Support procurement project activity

3.7 Operational Buyers

Operational Buyers provides operational and system support for the P2P procurement module, managing requisitions, Purchase Orders, and process improvements, to ensure the University's procure-to-pay activities run efficiently, accurately, and in compliance with financial regulations.

This includes responsibility for:

- Provide systems support for procurement and related applications
- Process and manage requisitions, Purchase Orders, and invoice queries
- Maintain P2P system accuracy through housekeeping and controls
- Support users and stakeholders across the procurement process
- Contribute to process improvement and documentation development

3.8 Heads of Organisational Units

Heads of Organisational Units are responsible for ensuring compliance with this Policy within their areas of responsibility.

This includes responsibility for:

- ensuring staff involved in purchasing activity are aware of, and comply with, this Policy and associated guidance
- maintaining appropriate oversight of purchasing and procurement activity within their area, regardless of funding source
- ensuring that goods, services and works are purchased within approved budgets
- ensuring appropriate contract ownership and management arrangements are in place

3.9 Budget Holders

A Budget Holder is a member of staff who has been delegated responsibility for the management and administration of a defined budget, in accordance with the University's Financial Regulations.
Where a Budget Holder authorises expenditure for goods, services or works provided by a third party, the Budget Holder will be regarded as the **Contract Owner** for that arrangement, unless an alternative contract ownership model has been formally agreed.

Budget Holders, as Contract Owners, are accountable for:

- ensuring sufficient funds are available before committing the University to any expenditure
- ensuring that expenditure is authorised within delegated authority limits
- ensuring that third-party arrangements are managed in line with agreed contract terms
- overseeing supplier performance, risk and compliance relevant to the contract
- ensuring that procurement activity achieves value for money and complies with this Policy, the Financial Regulations and associated guidance

Contract ownership by a Budget Holder does not remove the requirement to engage CPS or to comply with approved category strategies, sourcing strategies and applicable governance arrangements.

Budget Holders may delegate elements of contract management activity to other individuals; however, overall accountability for the third-party arrangement remains with the Budget Holder.

3.10 Members of Staff

All members of staff involved in purchasing activity are responsible for:

- complying with the requirements of this Policy, the Financial Regulations and associated guidance
- ensuring appropriate authorisation is obtained before any commitment to spend is made
- acting with integrity and ensuring purchases represent value for money

3.11 Delegation

The University's Financial Regulations provide for the delegation of financial and procurement responsibilities.

Where authority is delegated, overall accountability for compliance with this Policy and the achievement of value for money remains with the relevant Head of Organisational Unit.

4. General Principles

4.1 Value for Money (VfM)

The University seeks to achieve value for money in all procurement activity by maximising the economy, efficiency and effectiveness of the goods, services and works it purchases.

Achieving value for money requires informed judgement, balancing the benefits derived from goods, services and works against the total cost of ownership over their lifecycle. This includes, but is not limited to, purchase cost, implementation, maintenance and running costs (including associated staff resource), and any costs associated with disposal or exit, as well as the cost of the procurement process itself. Value for money is therefore not necessarily achieved by selecting the lowest-priced option.

In addition to achieving value for money at the point of purchase, appropriate arrangements must be in place to ensure that contracts continue to deliver value for money throughout their duration.

4.1.1 Demand Challenge and Specification Review

Before committing to any procurement, Budget Holders should consider whether the requirement is necessary, whether the specification is appropriate, and whether there are opportunities to reduce cost or improve value through:

- challenging the underlying need and exploring whether the requirement can be avoided, reduced or met differently
- aggregating requirements with other areas of the University to achieve volume benefits
- standardising specifications to reduce complexity and increase competition
- considering alternative delivery models, including shared services, consortia arrangements or make-vs-buy analysis

CPS will support demand challenge and specification review as part of the procurement planning process.

4.1.2 Savings and Benefits Capture

Procurement savings and benefits must be identified, validated and tracked for all purchases. All staff should demonstrate that savings and benefits have been considered and tracked for all purchases.

CPS will maintain a methodology for savings calculation and will report procurement benefits to the Procurement Leadership Team and the Chief Finance Officer.

4.2 Procurement Engagement Timelines

Early engagement with CPS is essential to ensure that procurement activity can be planned and delivered effectively, that the University's commercial interests are protected, and that the best value outcomes are achieved.

The following minimum engagement timelines apply:

- **Contract renewals and extensions:** CPS must be engaged a minimum of 6 months before the contract end date to allow sufficient time for market assessment, negotiation or re-procurement
- **New procurements £100,000 to £500,000:** a minimum of 4 months should be allowed from initial engagement to contract award
- **New procurements above £500,000:** a minimum of 6 months should be allowed, and 9-12 months for complex, high-value or strategic procurements

For strategic procurements, major projects and new service developments, CPS should be engaged at the earliest planning stage – ideally during the business case or options appraisal phase – to inform the commercial approach and ensure procurement timelines are built into project plans.

Late engagement with CPS increases the risk of sub-optimal commercial outcomes, forced renewals, extended incumbent advantage and non-compliance with procurement requirements.

4.3 Contract Management

Contract Management comprises the arrangements and activities used to manage the relationship between the University and its suppliers, control risk, and ensure that both parties meet their obligations under the contract.

Contract Management applies across the full contract lifecycle, including pre-award activities (such as planning, quoting, drafting, review and negotiation) and post-award activities (including performance management, variation, renewal, exit and close-out). Contracts should remain active documents supported by accurate records, and be managed to reflect the current status of the relationship throughout their duration.

Effective Contract Management supports the University by:

- ensuring that the responsibilities and obligations of both the University and the supplier are clearly understood
- supporting improved supplier performance and service delivery
- ensuring the University realises the intended benefits and value for money from its contracts
- maintaining contracts so that they remain current, relevant and competitive where appropriate
- providing appropriate oversight and support from Procurement, Project Managers or other relevant roles, proportionate to the value and risk of the contract
- enabling the availability of reliable management information to support decision-making and negotiation
- reducing financial, operational and reputational risk
- minimising the likelihood of disputes
- identifying, avoiding or managing supply-related risks effectively

The level of Contract Management activity and resourcing applied must be proportionate to the value, risk and complexity of the contract. Refer to the Supplier Management Framework (SMF) for more detailed guidance.

4.4 Strategic Supplier Relationship Management

The University operates a Supplier Relationship Management (SRM) programme for strategic suppliers, based on supplier segmentation by spend value, business criticality and risk profile.

Suppliers are segmented into the following categories:

- **Platinum:** high value and high-risk suppliers that are critical to the University's operations and cannot be easily replaced. These suppliers require intensive management, executive-level engagement, and close collaboration to maximise value, manage risk, and drive continuous improvement
- **Gold:** high value but lower risk suppliers that are important for business-as-usual operations but can be replaced with relative ease. These suppliers require regular performance monitoring, structured governance, and periodic relationship review monitoring.
- **Silver:** lower value but higher risk suppliers that provide important services which are not easily substituted. These suppliers require ongoing performance monitoring and periodic assessment to ensure continuity and compliance
- **Bronze:** low value and low risk suppliers, typically transactional or one-off engagements, managed through standard processes with minimal governance overhead

SRM is applied across all suppliers, with the level of governance, performance management and relationship oversight scaled according to segmentation.

Further detail on roles and responsibilities, governance structures, performance management, and risk management requirements is set out in the SMF, which should be referred to for the full standard, expectations and guidance.

4.5 Business Continuity and Exit Planning

Before entering into any contract for business-critical goods, services or works, the University must be satisfied that the supplier has adequate business continuity and disaster recovery arrangements in place to mitigate the impact of any disruption event.

For strategic and business-critical contracts, Contract Owners must ensure that:

- the supplier's business continuity arrangements have been assessed as part of the procurement process
- appropriate contractual provisions are in place to protect the University's interests in the event of supplier failure, including termination rights, step-in rights and data access provisions where relevant
- an exit plan is developed and maintained, setting out how the University would transition to an alternative supplier or in-house provision if required

Exit plans should address:

- notice periods and termination triggers
- knowledge transfer and handover requirements
- data extraction, return and secure deletion
- asset ownership and transfer
- estimated transition costs and timescales
- alternative supply options

Supplier Financial Distress: If a supplier enters administration, is at risk of insolvency, or shows signs of financial distress, CPS, Finance and (where relevant) Legal Services must be informed immediately. An action plan will be developed to maintain continuity of supply and protect the University's interests.

4.6 Contract Termination, Expiration or Renewal

Terminating a contract is a significant decision that may have financial, operational, legal and reputational implications. Contract termination must be managed as a collaborative process involving the Contract Owner, CPS and, where relevant, Legal Services and Finance.

Before serving notice to terminate a contract, or allowing a contract to expire without renewal, the following must be considered and documented:

- the contractual termination provisions, including notice periods, termination triggers and any specific requirements for how notice must be served
- any outstanding obligations, liabilities or disputes
- the impact on university operations and any transition or continuity requirements
- data protection requirements, including the return or secure destruction of university data and any personal data held by the supplier
- asset ownership, intellectual property and any requirements for knowledge transfer
- any TUPE implications (where services are being transferred to another provider or brought in-house)

For contracts with a total value of £100,000 or above over the length of the contract, or contracts assessed as business-critical, CPS must be notified before any termination notice is served.

All termination correspondence must be approved by the appropriate authority in accordance with the Financial Regulations and Scheme of Delegation. Termination documentation must be retained on the contract file and the University's contract register updated accordingly.

Where the University is considering early termination (before the natural contract end date), Legal Services must be consulted to assess the contractual position, potential liabilities and appropriate approach.

4.7 Sustainable and Responsible Procurement

The University recognises that its procurement activities have a significant impact on the environment, society and the economy, and accepts that it has a responsibility to manage and optimise those impacts.

This Policy supports the University’s Environmental Sustainability Strategy and Manchester 2035 objectives by embedding sustainability and responsible procurement into purchasing activity. The University’s approach to sustainable and responsible procurement also supports delivery of the **United Nations Sustainable Development Goals (UN SDGs)**, where relevant and proportionate to the value, risk and nature of the requirement.

The below goals are particularly relevant to this Policy as they reflect the areas most directly influenced through procurement and supplier relationships, including fair working practices, innovation, inclusion, sustainability, climate action, integrity and effective collaboration with third parties.

Procurement decisions should, where relevant and proportionate, consider environmental impact, ethical supply chains, equality, diversity and inclusion, and opportunities to deliver positive social and economic outcomes. The University also recognises that its supply chain contributes significantly to its overall environmental impact, and procurement activity should support progress towards the University's zero direct carbon emissions ambition by 2038 and the reduction of supply chain emissions.

CPS will support the University to acquire goods, services and works in a way that achieves value for money and delivers positive environmental, social and economic outcomes, proportionate to the nature of the requirement. Staff involved in procurement activity must consider appropriate sustainability factors in purchasing decisions, taking account of the value, risk and complexity of the requirement.

The University's sustainable procurement approach aims to ensure that:

- environmental sustainability and social impact are considered throughout the procurement lifecycle, including defining requirements, option appraisal, specification, supplier selection, tender evaluation, contract award and ongoing contract management
- sustainability expectations are promoted with suppliers and contractors, proportionate to the value and risk of the requirement
- sustainable products and services are procured wherever practicable and appropriate
- the environmental and sustainability impacts of construction and refurbishment projects are reduced, where relevant
- sustainable procurement practices are monitored and reviewed to support continuous improvement and benchmarking against comparable organisations
- staff have access to appropriate guidance, tools and support to enable sustainable procurement decisions

The University supports early engagement between Budget Holders and CPS during the development of requirements, to inform decisions about whether to procure, what to procure and how to procure. In particular:

- **Whether you buy:** Schools, Institutes and Professional Services should consider whether the requirement can be avoided or reduced, or met through extending the life of existing goods, refurbishment, repair or reuse, before purchasing new goods, services or works.
- **What you buy:** Specifications should take account of the University's sustainability ambitions and targets, including opportunities for refurbished, repaired or pre-used goods where appropriate. Where relevant, specifications should be designed to support reuse, repair or refurbishment and reduce waste across the contract lifecycle.

- **How you buy:** The procurement approach should balance economic, social and environmental outcomes and should consider whole-life costing and whole-life value, not solely purchase price.

4.8 Modern Slavery & Human Trafficking

The University is committed to preventing modern slavery and human trafficking in all parts of its operations and within its supply chains. The University expects its suppliers and contractors to uphold high standards of ethical conduct and compliance with labour rights requirements.

In accordance with the Modern Slavery Act 2015, the University takes active steps to reduce the risk of modern slavery, human trafficking, forced or bonded labour, and labour rights violations within its supply chain and associated procurement activity.

The University expects the following principles to be upheld throughout its supply chain:

- employment is freely chosen
- freedom of association and the right to collective bargaining are respected
- working conditions are safe and hygienic
- child labour is not used
- living wages are paid
- working hours are not excessive
- no discrimination is practised
- regular employment is provided
- no harsh or inhumane treatment is allowed

The University's Modern Slavery Statement is published on the University's website.

4.9 Fair Working Practices

The University recognises that the delivery of high-quality goods, services and works is supported by a workforce that is appropriately trained, well-led and fairly treated. The University expects its suppliers and contractors to maintain fair working practices and to treat workers with dignity and respect.

Where relevant and proportionate to the nature of the contract and the risks associated with the supply chain, the University may include requirements relating to fair working practices within procurement and contract arrangements. This may include consideration of pay and conditions, workforce wellbeing, skills development and fair employment practices.

Examples of fair working practices include:

- a fair and transparent pay policy, including support for the Real Living Wage, and where appropriate Living Wage accreditation
- clear managerial responsibility to nurture talent and support training, skills development and progression
- promoting equality of opportunity and a workforce culture that supports inclusion and respects individual differences
- support for learning and development

- stability of employment and hours of work, and avoidance of exploitative employment practices, including inappropriate use of zero-hours contracts
- flexible working and support for wellbeing and work-life balance
- mechanisms for workforce engagement and voice, including effective channels for feedback and representation

This approach supports the University's wider commitments to responsible procurement, including its published Modern Slavery Statement, and its expectation that suppliers operate in a manner consistent with ethical employment standards across their workforce and supply chains.

The University is accredited as a Living Wage Employer and expects suppliers, where relevant and proportionate, to demonstrate fair pay and fair working practices in the delivery of contracted services.

The University maintains a range of professional credentials, accreditations and commitments which support its approach to responsible procurement, ethical supply chain management and fair working practices, further information is available via the CPS SharePoint.

4.10 Ethical Obligations

4.10.1 Gifts and Hospitality

All staff involved in procurement or purchasing activity must comply with the University's requirements on gifts, hospitality and inducements as set out in the Financial Regulations and associated guidance.

Gifts and other inducements to employees from existing or potential suppliers of goods or services to the University are forbidden. For the purposes of this Policy, gifts include goods or services provided for personal or private use, loans of equipment or vehicles for personal use, the provision of goods or services at preferential cost (including loans of money), and excessive hospitality (defined within the Financial Regulations as hospitality with a value over £25).

Any gifts, hospitality or payments offered or received in relation to an employee's activity on behalf of the University must be declared and approved as appropriate prior to acceptance.

Where a gift is offered to the University (including donations, endowments or gifts-in-kind), acceptance must be considered and approved in accordance with the University's Gift Acceptance Policy, including referral to the Gift Oversight Group (GOG) where required.

4.10.2 Conflicts of Interest

All staff must act with integrity and avoid situations where personal interests conflict, or may reasonably be perceived to conflict, with their duties to the University.

Any member of the University who may benefit materially, personally or financially from a transaction between the University and a third party must declare the nature and extent of the interest as soon as they become aware that a conflict may arise. Following declaration, that individual must not take part in any negotiations, decisions or activities connected with the matter to which the conflict relates.

Business interests relating to intended or actual transactions with related parties (including family members, relatives, close personal associates or organisations with which an individual has a financial interest) must be declared before any commitment to spend is made. Declarations must be made in accordance with the University's Conflict of Interest Policy and associated procedures, including completion of the University's Conflict of Interest Form where required.

As part of any procurement run by CPS, staff will be required to sign a Conflict-of-Interest form.

Further details are available within the University's Conflict of Interest Policy.

4.10.3 Fraud

The University is committed to maintaining effective internal controls to prevent, detect and respond to fraud. Line managers are responsible for ensuring that appropriate controls operate within their areas of responsibility, that control arrangements are documented where required, and that staff comply with relevant procedures and controls.

Further details are set out in the University's Financial Regulations.

Procurement activity must be conducted in accordance with the University's standards of conduct and the seven principles of public life (Nolan Principles), including integrity, objectivity, accountability and honesty.

4.11 Supplier Due Diligence

All suppliers must be subject to a proportionate level of due diligence before the University enters into a contractual commitment. The level of due diligence required is determined by the value, risk and criticality of the procurement.

4.11.1 Supplier Code of Conduct

All suppliers must acknowledge and agree to comply with the University's Supplier Code of Conduct as a condition of doing business with the University.

The Supplier Code of Conduct sets out the University's expectations regarding ethical conduct, labour standards, environmental responsibility, health and safety, data protection and business integrity. Suppliers are expected to uphold these standards throughout their own operations and supply chains.

- **New suppliers:** must acknowledge the Supplier Code of Conduct as part of the supplier onboarding process before being approved for use
- **Existing suppliers:** must acknowledge the Supplier Code of Conduct at contract renewal or when entering into new contractual arrangements
- **Formal contracts:** for procurements of £25,000 or above, compliance with the Supplier Code of Conduct must be incorporated into the contract terms

Suppliers who are unwilling to acknowledge the Supplier Code of Conduct, or who are found to be in material breach of its requirements, may be excluded from supplying the University.

4.11.2 Financial Due Diligence

Financial due diligence must be undertaken to ensure that suppliers have the capacity and financial stability to deliver their contractual commitments over the life of the contract.

The following minimum requirements apply:

- **Procurements below £5,000:** basic supplier verification must be completed as part of the supplier onboarding process
- **Procurements £5,000 to £24,999:** supplier verification and a basic financial risk assessment must be completed, which may include credit checks or supplier self-declaration
- **Procurements £25,000 to £99,999:** a financial assessment must be undertaken for new suppliers, including credit checks and review of filed accounts or financial statements
- **Procurements £100,000 and above:** full financial due diligence must be undertaken by CPS prior to contract award. This will include credit assessment, review of audited accounts, assessment of financial ratios, trading history and any relevant risk indicators
- **Strategic or business-critical suppliers:** enhanced financial monitoring arrangements must be established throughout the contract term, including periodic re-assessment and early warning triggers

Where a procurement is assessed as high-risk or business-critical, enhanced due diligence must be applied regardless of the contract value.

4.11.3 Risk Identification and Mitigation

Where financial due diligence identifies material concerns regarding a supplier's financial stability, CPS will assess the risk and advise on appropriate mitigations. These may include:

- performance bonds or guarantees
- parent company guarantees
- escrow arrangements for software or intellectual property
- enhanced contract protections and termination rights
- milestone-based payments or retention
- restrictions on advance payments

As a general principle, the University should not represent more than 25% of a supplier's annual turnover, to reduce the risk of supplier dependency and potential supply chain failure. Where this threshold is likely to be exceeded, additional assurance measures must be considered and documented.

4.11.4 Other Due Diligence Requirements

In addition to financial due diligence, the following checks must be completed as appropriate to the nature and risk of the procurement:

- **Sanctions screening:** all suppliers must be screened against relevant sanctions lists before contract award and at contract renewal
- **Anti-bribery and corruption:** suppliers must confirm compliance with the Bribery Act 2010 and the University's Anti-Bribery Policy
- **Modern slavery:** for relevant procurements and company revenue threshold, suppliers must confirm their compliance with the Modern Slavery Act 2015 and provide their Modern Slavery Statement where applicable
- **Insurance:** suppliers must hold appropriate insurance cover for the services or goods being provided, including public liability, professional indemnity and employer's liability as relevant
- **Health and safety:** where suppliers will work on University premises or provide services with health and safety implications, appropriate competence and compliance must be verified

CPS will maintain due diligence templates and guidance to support consistent application of these requirements. Due diligence findings must be documented and retained on the procurement file.

4.12 IT & Technology Procurement

IT Services must be engaged as part of the procurement process for any IT product, software, system or technology-related service. This includes, but is not limited to:

- software applications, platforms and licences (including SaaS, PaaS and IaaS)
- hardware, devices and infrastructure
- IT support, development and consultancy services
- cloud services and data hosting
- systems integration, implementation and managed services
- any product or service that will process, store or transmit University data

IT Services engagement is required to ensure that technology procurements are aligned with the University's IT strategy and architecture, meet security and technical standards, and do not create integration, support or licensing risks.

For procurements with a value of £25,000 or above, IT Services must provide written confirmation of technical approval prior to contract award. For procurements below £25,000, IT Services should be consulted where the product or service will connect to University systems or handle University data.

Exceptions to IT Services engagement must be approved in advance by the Chief Information Officer (or nominee) and recorded on the procurement file.

4.13 Information Security and Data Protection

Where a supplier will process, store, access or transmit University information or data, the Information Security team and the Information Governance Office (IGO) must be engaged as part of the procurement process.

This requirement applies where the supplier will:

- access, process or store personal data on behalf of the University (as a data processor)
- have access to University systems, networks or infrastructure

- handle confidential, sensitive or research data
- provide cloud-based, hosted or managed services
- have physical access to University premises where sensitive information is held

High-risk procurements: Where the procurement involves special category personal data (such as health data), large volumes of personal data, data relating to vulnerable individuals, or data subject to specific regulatory requirements, enhanced due diligence is required and must be coordinated through the Data Protection Officer.

Information Security and Information Governance Risk Review (IGRR) assessments must be completed before contract award for relevant procurements. Where assessments identify unacceptable risks that cannot be adequately mitigated, the procurement must not proceed without escalation to the Director of Procurement and the relevant risk owner.

Staff must notify the Information Governance Office (IGO) immediately if they become aware of any actual or suspected data breach involving a University supplier.

4.14 Consultancy and Contingent Worker Procurement

The engagement of consultants, interim workers, contractors and other contingent workers is within scope of this Policy and must be managed in accordance with university procurement requirements.

For the purposes of this section:

- **Consultancy:** the provision of expert advice, analysis or recommendations by an external individual or organisation, typically to support decision-making, strategy development, change programmes or specialist projects
- **Contingent worker:** an individual engaged on a temporary or fixed-term basis through an agency, intermediary or directly, to provide services that could otherwise be performed by an employee

The following additional requirements apply to consultancy and contingent worker engagements:

- **Business case:** For consultancy engagements with a value of £25,000 or above, a business case must be completed setting out the requirement, expected outcomes, why external resource is needed, and the anticipated return on investment
- **IR35 compliance:** All engagements must be assessed for IR35 (off payroll working) status in accordance with university procedures. Engagements must not proceed until IR35 status has been determined
- **Rate benchmarking:** Day rates and fees must be benchmarked against market rates and approved University rate cards where available
- **Approvals:** Consultancy engagements with a total value of £50,000 or above require approval from the relevant Faculty or Professional Services Director (or equivalent) in addition to standard financial approvals

CPS maintains approved supplier arrangements for temporary staffing and should be consulted for consultancy requirements above £25,000 for advice.

4.15 Tax and Financial Considerations

The University's Tax, Financial Control, Banking Operations and Corporate Finance teams must be consulted for procurements that have specific financial, tax or accounting implications.

- **Lease agreements:** any arrangement involving the lease of equipment, vehicles, property or other assets, to ensure appropriate accounting treatment under IFRS 16 and assessment of lease vs buy options
- **Major capital expenditure:** significant capital purchases where VAT recovery, capital allowances or funding implications need to be assessed
- **Property transactions:** purchase, sale, lease or licence of property or land
- **International suppliers:** engagements with overseas suppliers where withholding tax, VAT reverse charge or other cross-border tax considerations apply
- **Payment terms:** any proposed deviation from university standard payment terms that may have working capital or cash flow implications

CPS will coordinate engagement with the appropriate Finance teams as part of the procurement process. Contract Owners must identify and flag any potential financial or tax implications at the earliest planning stage to ensure appropriate review and compliance.

4.16 HR and TUPE Considerations

The People Directorate (HR) must be engaged for any procurement activity that could impact the University's operating model or give rise to potential Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) implications.

This includes, but is not limited to:

- **Outsourcing:** the transfer of activities or services currently performed by university staff to an external provider
- **Insourcing:** bringing activities or services currently provided by an external supplier back in-house
- **Re-procurement:** changing from one external supplier to another for services where staff may transfer between providers
- **Service changes:** significant changes to the scope, location or delivery model of outsourced services that may affect the workforce

TUPE is a complex area of employment law. Early engagement with HR is essential to ensure that the University meets its legal obligations, that workforce implications are properly assessed, and that appropriate provisions are included in procurement documentation and contracts.

HR engagement should take place at the earliest planning stage, before any procurement activity commences or any communication with potential suppliers that could affect the workforce.

4.17 HOW WE BUY

When a purchasing need arises Staff should firstly consider if there is an existing agreement that can be used under agreed Terms and Conditions. These purchases result to a faster purchase and might be completed via a further competition, a call off order via Framework agreements, or purchased on the e-Market Place.

Where there is no agreements in place, purchasing should be undertaken using a competitive process wherever this is appropriate and proportionate. Competition improves quality, reduces cost, encourages innovation and ensures the University secures the best commercial outcome available in the market.

Where competition is not undertaken, the University must be able to demonstrate that value for money has been achieved, that commercial alternatives have been considered, and that the approach taken is justified, appropriately authorised and supported by a clear audit trail. In such circumstances a purchase exemption form needs to be written, approved and submitted with the Purchase Requisition.

The following are examples of circumstances where a competitive process may not be appropriate:

- the University has already identified an appropriate source of supply following a process intended to secure value for money (for example, through an approved framework agreement or existing contractual arrangement)
- a non-competitive action is required and has been justified and approved in accordance with University procedure
- the value of the purchase is low in relation to the cost and time required to run a competitive process, and an alternative proportionate approach is applied
- expenditure is incurred where an individual is temporarily unable to follow the University's normal purchasing processes (for example while travelling). Such expenditure should normally be of low value and must be capable of justification

Applying this Policy and associated procedures supports the University by ensuring that:

- purchases are effective, appropriate and aligned to business need
- competitive tendering and quotation processes are applied proportionately and managed consistently, with exceptions subject to appropriate review, justification and authorisation
- suppliers are appropriately selected and approved for use
- supplier relationships and contracts are monitored and managed so that performance is maintained and value for money is achieved throughout the contract lifecycle
- goods, services and works are correctly received, recorded and confirmed as fit for purpose
- payments are made only for goods, services and works received in accordance with agreed standards, contract terms and appropriate approvals

4.17.1 Authorisation and financial thresholds

Procurement activity must also comply with the University's wider approvals and governance requirements for expenditure. Where a requirement meets the definition of **capital expenditure** or **special revenue expenditure**, the University's **Approval Process for Capital and Special Revenue Expenditure** must be followed in addition to the requirements of this Policy. Budget provision does not in itself constitute approval to proceed.

Planned high-value or complex procurements can take significant time to complete. Budget Holders and Contract Owners must therefore engage CPS at the earliest planning stage to ensure that procurement timescales, governance approvals and implementation requirements are reflected appropriately in plans and budgets.

The following requirements apply for obtaining competitive quotations or tenders for works, goods and services purchase transactions with an estimated total value inclusive of VAT. For further info refer to Approvals Matrix.

Estimated value (incl. VAT)	**Minimum requirement**
Up to £5,000	Minimum of one verbal or written quotation
£5,000 to £25,000	Minimum of three competitive quotations
£25,000 to £100,000	Approach CPS for guidance and a minimum of three competitive quotes.
£100,000 and above	Requirement must be referred to CPS

Where a staff member is intending to purchase goods, services or works with a value of **£100,000 or above**, CPS must be without exception be consulted at the earliest planning stage and always before engaging with suppliers. This will normally involve a competitive tender exercise unless CPS confirms that an alternative route to market is more appropriate (for example, use of an existing University contract or framework agreement).

Not applicable where an appropriate University contract or framework agreement is in place.

The estimated value is the total value the University expects to pay over the full term of the requirement, including any extension, renewal or optional periods. Requirements must not be artificially split into multiple purchases or contracts to avoid the application of thresholds or governance requirements.

Procurements for high-value, high-risk or complex requirements can take several months to complete. It is therefore essential that any requirement likely to exceed **£100,000** is flagged and discussed with CPS at the earliest possible opportunity.

4.17.2 Purchasing routes for goods, services and works below £100,000

The first step in achieving value for money is to identify an appropriate supplier for the goods, services or works required. To support this, the University has established a number of supplier arrangements, together with a framework for when they should be used.

The framework for identifying the appropriate supplier (set out below) applies to all purchasing mechanisms outlined in this Policy, including Purchase Orders and Departmental Purchase Cards.

The University has a number of contracted suppliers and approved supplier arrangements established through a competitive process. Contracted suppliers should be used wherever available and appropriate. Use of University and consortium contracts supports the University in maximising purchasing value, achieving value for money, supporting consistent contract terms and service delivery, and ensuring alignment with the University's Financial Regulations and governance requirements.

Further guidance on identifying and engaging appropriate suppliers, including sources of supply and other considerations, is available via the Finance SharePoint Hub.

4.17.3 Exceptions Process: Purchasing Exemptions (Purchasing Outside Standard Procedures)

The expectation is that all purchases will be made in line with the University's Financial Regulations and Financial Procedures and this Procurement Policy. Where this is not possible, an exemption may be permitted in exceptional circumstances, provided value for money is demonstrated and risks are appropriately managed.

For purchases in the range **£5,000 to £99,999**, where it has not been possible to obtain quotations in line with the Financial Procedures, a written justification must be attached to the Oracle requisition in accordance with the University's procedures.

For proposed purchases of **£100,000 or above**, where the purchase is not being made in line with the Financial Regulations, Financial Procedures and Procurement Policy (including where the requirement is not being procured through a formal contract or has not been subject to competition), the University's **Purchasing Exemption Approval** process must be followed and the relevant exemption form must be completed and approved in advance of commitment.

Requests must:

- be made in advance of committing the University to any expenditure
- include a clear justification for the proposed approach, including why competition or a contracted route is not available or appropriate
- demonstrate how value for money will be achieved
- evidence market evaluation and appraisal undertaken (where applicable)
- demonstrate accountability and transparency, including retention of an appropriate audit trail
- confirm conflicts of interest have been declared and managed
- confirm appropriate due diligence and risk management has been undertaken (for example health and safety compliance, supplier due diligence including sanctions considerations, data protection, intellectual property, contract terms, and any pre-payment protections)

Approval will be provided in accordance with the Purchasing Exemption Approval process:

- requests **up to £1m** must be authorised by the **Director of Procurement** (or nominee)
- requests **over £1m** must be authorised by the **Director of Procurement** and the **Chief Financial Officer** (or nominee)

Where approval is granted, the approved exemption form must be attached to the relevant requisition on the University's finance system for audit purposes and to support appropriate authorisation of the transaction.

All procurement decisions must be supported by an appropriate audit trail, proportionate to the value and risk of the requirement.

4.17.4 Authorisation of Purchase Orders and Contracts

Approval and authorisation of Purchase Orders, contracts and expenditure must be undertaken in accordance with the University's **Financial Regulations**, **Financial Procedures** and the accompanying **Approvals Matrix**. Procurement thresholds set out in this Policy do not replace, or override, financial approval requirements.

4.17.5 Evaluation Criteria

Evaluation criteria and questions for procurement exercises must be established in advance of tenders being published and must be appropriate to the nature, value and risk of the requirement. Criteria should be weighted to reflect the University's priorities for the specific procurement.

Evaluation criteria may include, but are not limited to:

- commercial value and total cost of ownership
- quality, service levels and fitness for purpose
- technical capability and compliance with specification
- supplier experience, track record and references
- financial stability and organisational capacity
- implementation approach, timescales and risk
- account management and escalation arrangements
- innovation, continuous improvement and added value
- sustainability, social value and environmental impact
- compliance with regulatory, legal and policy requirements

CPS will advise on appropriate evaluation criteria and weighting for procurements within scope.

4.18 HOW WE PAY

4.18.1 Purchase Orders

In order to support effective financial and budgetary control, contractual compliance and the delivery of value for money, the University's Financial Regulations require purchasing activity to be undertaken using a Purchase Order (PO).

A Purchase Order must be raised on the University's finance system for the purchase of all goods, services and works **before** the purchase is made, except where:

- a Departmental Purchase Card is used for one-off, low value purchases
- a small number of spend categories operate under pre-arranged contractual arrangements where it is impractical to raise a Purchase Order (for example, certain utilities and energy contracts)
- expenditure is incurred through out-of-pocket expenses reclaimed from the University

Purchase Orders raised through the finance system are the principal mechanism for the purchase of goods, services and works by the University. It provides financial commitment control by ensuring spend is approved before a product or service delivery occurs.

By issuing a Purchase Order, the University confirms its requirement to the supplier and formally authorises the purchase in accordance with the applicable approvals and delegated authority. A Purchase Order will normally place the order on the basis of the University's standard terms and conditions, unless alternative contract terms have been formally agreed.

Purchase Orders must include sufficient detail to enable the supplier to fulfil the requirement, including the type, quantity, quality, delivery location and agreed price of the goods, services or works being purchased. It is essential that suppliers receive full details of the Purchase

Order to ensure that invoices can be matched to the Purchase Order and that payments are made only for goods, services and works received in accordance with agreed terms.

4.18.2 Terms & Conditions

All non-pay spend with a supplier for goods, services and works must not be committed without a valid Purchase Order being issued to the supplier, except where payment is made using a Departmental Purchase Card or another approved purchasing route applies.

A University Purchase Order incorporates the University's standard terms and conditions for the supply of goods and services. Alternative or supplier terms and conditions must not be accepted unless they have been reviewed and formally approved through the appropriate governance route, this includes supplier terms referenced in Supplier quotations.

Any agreement to non-standard terms and conditions must be confirmed in writing by CPS. Approval must be provided by the relevant Category Manager (below £100,000) or by the Director of Procurement (for £100,000 and above), unless an alternative approval route applies in accordance with the Contracts and Governance Policy.

Where non-standard terms and conditions are proposed, the documentation must be referred to CPS for review, as appropriate.

4.18.3 Signing Contracts for Goods and Services

A contract is formed when an offer is accepted. Contracts may be formed verbally or in writing. Staff must therefore not make verbal offers or acceptances, or otherwise commit the University, until the required written approvals have been obtained and the appropriate procurement and governance route has been followed.

In practice, most University contracts will be documented in writing. A contract is legally binding, and breach by one or other of the parties may give rise to remedies and liabilities. Contracts entered into without appropriate review or approval can expose the University to financial loss, operational harm and reputational risk. Risks can also arise where there is no formal contract in place and expenditure is committed on an ongoing informal basis.

Signing any document, accepting supplier terms, or making any verbal undertaking may constitute a contract. Staff must therefore exercise particular caution when engaging with suppliers. Staff must not sign contracts, accept contractual terms, or otherwise commit the University (including verbally), unless the arrangement has been reviewed and approved in accordance with the University's procurement and contract governance requirements.

Where CPS is required to be engaged under this Policy, contract documentation and terms and conditions must be reviewed by CPS prior to signature or acceptance. Staff must also ensure that the individual signing the contract has appropriate delegated authority to do so on behalf of the University, in accordance with the Financial Regulations, Financial Procedures and the Contracts and Governance Policy.

Signed agreements must be shared with CPS to be retained in the University's approved contract repository and be accessible for audit and contract management purposes. Contract management responsibility remains with the Contract Owner (normally the Budget Holder), who is accountable for ensuring that the contract is managed in line with agreed terms and that value for money is maintained throughout the contract lifecycle.

Online purchases and "click-through" terms

When purchasing web-based software or online products, there is often a requirement to accept supplier terms and conditions (including “click-through” agreements) as part of the purchase process. Accepting such terms constitutes a legally binding contract and may also override terms previously agreed with the supplier.

Supplier online terms and conditions must therefore be treated as contractual documentation and must not be accepted without appropriate review and approval. Where required under this Policy, CPS must review the terms prior to acceptance.

4.18.4 Scheme of Delegation and Key Decision-Making

The University’s Scheme of Delegation sets out the responsibilities and delegated authorities for making decisions and approving commitments on behalf of the University. Procurement and contract approvals must be exercised in accordance with the Scheme of Delegation and the relevant governance framework.

The University’s Financial Regulations, supporting Financial Procedures and the accompanying Approvals Matrix (including the Financial Threshold Schedule) set out the requirements for the authorisation of Purchase Orders and contracts, and must be complied with for all procurement activity.

4.18.5 No PO, No Pay

Appropriate segregation of duties must be maintained between requisitioning, approval, receipting and payment, in accordance with Financial Procedures.

The University operates a “No PO, No Pay” control. Invoices will not be paid unless they can be matched to a valid Purchase Order raised on the University’s finance system and supported by confirmation that the goods, services or works have been received (goods receipt), in accordance with the Financial Procedures.

Suppliers must be provided with a Purchase Order number before goods, services or works are supplied, and must quote the Purchase Order number on all invoices. Invoices received without a valid Purchase Order reference will be rejected, unless an exception has been approved in advance in accordance with the Financial Regulations and Financial Procedures.

It is therefore essential that orders must not be placed with a supplier, and the University must not be committed to any expenditure, until an approved Purchase Order is in place.

4.18.6 Payment of Invoices

All supplier invoices must be submitted to the University’s Accounts Payable team via supplier.invoices@manchester.ac.uk.

Unless alternative payment terms are formally agreed in writing, invoices will be paid in accordance with the University’s standard payment terms and the Financial Procedures.

The Chief Financial Officer (or nominee) is responsible for determining the appropriate method for payment of invoices, in line with the University’s financial controls and banking arrangements.

Invoices will be paid only where the expenditure has been appropriately authorised in accordance with the University's Financial Regulations, Financial Procedures and the accompanying Approvals Matrix (including the Financial Threshold Schedule).

4.18.7 Departmental Purchasing Card

The purpose of a Departmental Purchase Card is to provide an efficient and proportionate purchasing route for low value, one-off departmental expenditure on goods and services, where use of the University's standard Purchase Order process is not practical or appropriate.

Use of a Departmental Purchase Card may be appropriate where:

- the supplier cannot accept University Purchase Orders raised through the University's finance system, or the supplier is "online only" (for example training or conference bookings)
- the transaction is low value and one-off or low volume
- immediate purchase is required due to unforeseen circumstances
- there is no suitable existing University contract or approved supplier arrangement in place

The use of a Departmental Purchase Card does not alter the core procurement principles of value for money, fairness, appropriate competition and integrity. Purchase cards must not be used as a means of circumventing procurement procedures, contract arrangements or delegated approval requirements. In particular, purchase cards must not be used where a relevant University contract or agreement exists.

Departmental Purchase Cards are issued and managed under a separate Departmental Purchase Card Policy and operating instructions, which set out controls including spend limits, appropriate use, record keeping and audit requirements. Purchasing card transaction limits apply (including a standard limit of £1,000 per transaction), and any variation must be approved in accordance with the purchase card operating instructions.

Owing to the risks and limitations associated with purchasing cards (including reduced segregation of duties and the increased risk of inappropriate supplier terms being accepted), purchase card usage may be subject to review and audit and may be reported to the University's Audit and Risk Committee where appropriate.

4.19 Communications and Training

The University operates devolved budget arrangements across Faculties and Professional Services. Effective procurement therefore relies on clear, consistent and two-way communication between CPS and Primary Organisational Units to:

- increase awareness of, and access to, CPS, including how and when to engage support
- ensure staff are aware of current issues, changes to University requirements and guidance, new contracts and supplier arrangements, and priorities for future activity
- listen to the needs of users to inform priorities and support continuous improvement
- maintain an appropriate and positive profile and reputation for procurement across the University

- encourage an informed and engaged workforce through effective internal communication within CPS and the wider University

Procurement activity can expose the University to financial, operational and reputational risk if not undertaken in accordance with University requirements. It is therefore essential that staff authorised to commit expenditure understand the relevant procurement routes, controls and approval requirements, and are able to access appropriate guidance and support.

CPS will maintain procurement guidance and communications to support staff, including information relating to:

- procurement routes and thresholds
- purchasing exemptions (Exceptions Process)
- sustainable and responsible procurement expectations
- purchase-to-pay requirements and finance system processes

Procurement guidance and key communications are available via StaffNet (Finance)

4.20 Monitoring and Compliance

This Policy and its implementation will be subject to appropriate monitoring, assurance and audit activity across the University. The outcomes of monitoring and audit will be used to inform improvements to procurement practice and support the University's commitment to continual improvement. The University may also undertake benchmarking activity where appropriate and procurement activity may be subject to review or audit by external bodies.

Non-compliance with this Policy will be identified, managed and reported by CPS in accordance with the University's governance arrangements. Material non-compliance will be escalated through the Procurement Leadership Team and reported to the Chief Financial Officer and may be reported to the University's Audit and Risk Committee where appropriate. Failure to comply with this Policy may result in disciplinary action under the relevant University procedures.

Concerns relating to suspected wrongdoing, fraud, improper conduct or breaches of procurement requirements should be raised in accordance with the University's Public Interest Disclosure (Speak Up/Whistleblowing) arrangements.

4.20.1 Consequences of Non-Compliance

Non-compliance with this Policy can expose the University to significant risk, including:

- financial loss through sub-optimal commercial terms, missed savings or contractual liabilities
- legal and regulatory risk, including breach of public procurement regulations
- fraud, bribery and corruption risk
- data protection and information security breaches
- reputational damage to the University
- inadequate contractual protection and unmanaged supplier risk
- operational disruption from supplier failure or poor performance

Staff are expected to comply with this Policy. Failure to do so may result in disciplinary action in accordance with the statutes and ordinances.

5. Exceptions to Policy

Exceptions to this Procurement Policy should be rare and will only be permitted where there is a clear and demonstrable business need, and where risks are understood and mitigated.

An exception to policy is defined as any instance where a mandatory requirement or control set out in this Policy cannot be complied with, including where:

- the required procurement route, controls, or authorisation cannot be followed
- the University is asked to accept an approach or commitment that would bypass key governance requirements
- the normal purchasing and contract controls cannot be applied

Any proposed exception to this Policy must:

- be requested in advance of any commitment to spend, wherever possible
- be supported by a documented risk assessment, including financial, legal, operational and reputational considerations
- identify compensating controls or mitigations where relevant
- be formally approved in writing by the appropriate accountable officer

Approval of exceptions to this Policy must be provided by the Chief Finance Officer (or nominee) and may require escalation to the Executive Leadership Team depending on the nature and materiality of the exception.

All approved exceptions must be recorded and retained to maintain an appropriate audit trail, and must be available for review by Finance, CPS, Internal Audit and the University's Audit and Risk Committee.

Where an exception is assessed as high risk or materially impacts University governance arrangements, it will be escalated through the Procurement Leadership Team and reported to the Chief Finance Officer and, where appropriate, the Audit and Risk Committee.

6. Policy Content

6.1 Document Control Table

Document Control box	
Policy / Procedure title:	Procurement Policy V2 2026
Lead contact email	procurement@manchester.ac.uk
Date updated / effective:	July 2026
Approving body:	Finance Committee
Version:	V2
Supersedes:	Procurement Policy V2
Previous review dates:	September 2024
Next review date:	July 2027
Revision frequency:	Annually
Equality impact outcome:	Approved ID Number: 252
Related policies /procedures /guidance etc	See appendix
Policy owner:	Ross Kellet
Lead contact:	Lee Dewhurst

6.2 Revision History

Status	Version	Author	Date	Reason for change
Draft	V 0.1	Lee Dewhurst	Jan 2026	Initial draft
Draft	V0.2	Lee Dewhurst / Ross Kellet	Feb 2026	Ross suggested amendments
Draft	V0.3	Lee Dewhurst / Ross Kellet	Mar 2026	Louise Bissel Review
Final	V2	Finance Committee	July 2026	Approved V1

Appendix A – References

	Policy/Procedure/ Guidance/Act	Description	Link
Financial Regulations	Policy	Sets out the University's core principles, governance requirements and mandatory controls for financial management, including authorisation, value for money, risk management and standards of conduct.	Financial Regulations
Financial Procedures	Policy	Provides detailed requirements and processes which underpin the Financial Regulations, including operational controls, approvals, documentation and system requirements for financial transactions.	Financial Procedures
Supply Chain Code of Conduct	Policy	Defines the University's expectations of suppliers relating to ethical behaviour, labour standards, modern slavery, human rights, environmental responsibility, and compliance with applicable laws and University requirements.	Supply Chain Code of Conduct
Modern Slavery	Guidance	Sets out the University's commitments and approach to preventing modern slavery and human trafficking within its operations and supply chains, including expectations for suppliers and procurement activity.	Modern Slavery Statement
Scheme of Delegation and Key Decision-Making	Guidance	Explains the University's delegated authority framework and governance arrangements for key decisions, including who can approve expenditure and contract commitments at different thresholds.	display.aspx
Purchasing Card Operating instructions	Guidance	Provides mandatory controls and practical instructions for the appropriate use of University purchasing cards, including spend limits, permitted transactions, record keeping and audit requirements.	Purchasing Card Operating Instructions

Declare any personal interests	Procedure	Sets out the process for declaring and managing conflicts of interest, including requirements for recording interests and maintaining transparency in decision-making.	**Handy Guide to Registers of Interest (The University of Manchester)**
Approval Process for Capital and Special Revenue Expenditure	Procedure	Defines the approval route, documentation requirements and governance process for capital and special revenue investments, including business case requirements and committee approvals.	**Approval Process for Capital and Special Revenue Expenditure**
Contracts and Governance Policy	Policy	Establishes the governance framework for contract creation, review, approval, signature and management, including responsibilities, approvals, and required assurance activities.	**display.aspx**
Gift Acceptance Policy and Process	Policy	Sets out how philanthropic gifts and donations to the University are assessed and approved, including due diligence and reputational risk controls through the Gift Oversight Group.	**display.aspx**
Policy for Socially Responsible Investment	Policy	Sets out the University's principles and approach to socially responsible investment, including how environmental, social and governance (ESG) factors are considered in investment decisions to align with the University's values and responsibilities.	**Policy for Socially Responsible Investment**
Approvals Matrix	Procedure	Sets out the University's required approval routes and delegated authorisation levels for expenditure and procurement commitments, including who can approve different types and values of spend in line with the Financial Regulations and Financial Procedures.	**display.aspx**

Appendix B – Procurement Best Practice Checklist

Tick icons indicate the procurement principles supported by each best practice activity.

Best Practice	Integrity & Ethics	Transparency & Audit Trail	Proportionate Competition	Governance & Approvals	Risk & Due Diligence	SDG
Personal Conduct – Personal and Business Integrity						
Do not use a position for personal gain	✓	✓		✓	✓	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Declare any personal interests that may affect impartiality	✓	✓		✓	✓	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Do not accept inducements, or gifts (other than those which are small or of low intrinsic value)	✓	✓		✓	✓	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Declare hospitality and ensure it does not compromise impartiality	✓	✓			✓	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Ensure procurement decisions are fair, objective and evidence-based	✓	✓	✓	✓	✓	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Provide accurate information and protect confidential/commercially sensitive information	✓	✓		✓	✓	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Procurement Practice – Plan Properly						
Identify needs in good time		✓		✓	✓	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Only buy what you need (demand challenge / low consumption model)		✓		✓		12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Use internal services and existing arrangements where appropriate		✓		✓		12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Consider alternatives to outright purchase (reuse, refurbish, lease, share)	✓	✓		✓		12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Use formally contracted suppliers / approved supplier arrangements where available		✓	✓	✓	✓	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Understand the market and consider supplier options proportionately		✓	✓	✓	✓	8 DECENT WORK AND ECONOMIC GROWTH
Procurement Practice – Specification and Sourcing						
Be clear and accurate in detailing what you need		✓	✓	✓	✓	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Do not over- or under-specify what you need		✓	✓	✓	✓	12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Best Practice	Integrity & Ethics	Transparency & Audit Trail	Proportionate Competition	Governance & Approvals	Risk & Due Diligence	SDG
Purchase "off the shelf" / standard items where appropriate		✓	✓	✓	✓	12
Set requirements fairly and proportionately	✓	✓	✓	✓	✓	12
Use appropriate external standards and University requirements		✓		✓	✓	12
Consider relevant environmental, social and ethical factors	✓	✓		✓	✓	11
Select suppliers/products through appropriate and thorough market testing		✓	✓	✓	✓	12
Obtain quotations / tenders appropriate to value and risk		✓	✓	✓	✓	8
Avoid activity that distorts markets or damages supply chains	✓	✓	✓	✓	✓	9
Undertake due diligence to confirm supplier capability and suitability		✓		✓	✓	12
Engage suppliers using clear documentation without exposing UoM to undue risk		✓		✓	✓	12
Use appropriate contract terms and ensure review of non-standard terms		✓		✓	✓	12
Procurement Practice – Integration and Collaboration						
Incorporate legal, regulatory and University requirements within specifications		✓		✓	✓	12
Collaborate internally to maximise value and reduce duplication		✓		✓		17
Make use of sector frameworks and collaborative agreements where appropriate		✓		✓	✓	17
Procurement Practice – Continuous Management						
Understand spend, challenge demand and support a lower consumption approach		✓		✓		12
Manage spend and supplier performance on a category basis		✓		✓	✓	12
Maintain good supplier relationships	✓	✓		✓	✓	8

Best Practice	Integrity & Ethics	Transparency & Audit Trail	Proportionate Competition	Governance & Approvals	Risk & Due Diligence	SDG
Manage contracts rigorously and fairly throughout the lifecycle	✓	✓		✓	✓	
Manage stocks and stores safely and efficiently		✓		✓	✓	
Manage disposals responsibly and in legally compliant ways		✓		✓	✓	