



## Procurement policy

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### Introduction

Good procurement is essential in order for The Neurological Alliance to deliver its strategic aims and day-to-day operations efficiently and conserve vital charity funds. All staff involved in procurement have a responsibility to conduct the procurement legally and ethically and to secure value for money.

### Scope

This policy applies to all employees of The Neurological Alliance. This policy will apply whenever items or services are procured on behalf of the charity.

### Responsibilities

The Chief Executive is responsible for the procurement of items under revenue budget control. The Chief Executive is responsible for the procurement of capital budget items.

Responsibility for the procurement of capital items is agreed during the budgeting process.

### **Our commitment**

Economy, effectiveness and efficiency are considered when procuring items. Achieving value for money does not always mean accepting the lowest price but making decisions based on the criteria below:

- Price
- Demonstrable commitment to equity, diversity and inclusion
- Quality of product or service
- Appropriateness of product
- Reputation and capacity of provider
- Range of goods and services and suppliers available
- Reliability
- Responsiveness
- Delivery times
- Environmental impact.

The person making the order must always ensure they have considered these criteria before entering into a supply agreement with any external supplier. They may be asked to evidence their decision for a particular purchase, so it is advised to note and file the reasoning at the time the decision is made, particularly if not choosing the least expensive option.

### **Formal quotes and tenders**

Generally, the following financial limits and procedures are observed. The thresholds apply to the total order and in the case of contracted services, to the annual contract cost. Contracts must not be split in order to avoid appropriate tendering.

1. **For goods and services between £3,000-£10,000** - two written quotes should be obtained. Authorisation is required by the Chief Executive and an Officer of the Board (e.g. Chair), as expenditure is over £3,000.
2. **For goods and services between £10,000-£30,000** - three written quotes should be obtained. Authorisation is required by the Chief Executive and an Officer of the Board (e.g. Chair), as expenditure is over £3,000.
3. **For goods and services over £30,000** - a tender system should be followed. Authorisation is required by the Chief Executive and an Officer of the Board (e.g. Chair), as expenditure is over £3,000.

Where the service is highly specialist and potential alternative suppliers cannot be identified, or where there is benefit or knowledge to be gained from a previous collaboration with one particular supplier, the preferred supplier can be selected. In these cases, reasonable steps should be taken to establish if the supplier's costs are acceptable e.g. by comparing their day rates from other similar business where this is practicable. Formal authorisation is required by the Chief Executive and an Officer of the Board (e.g. Chair).

## Ethical standards

Procurement processes must be fair to suppliers and the below standards should be followed:

- a. There should be no discrimination against groups protected under Equalities regulations.

- b. The selection criteria should be equal.
- c. There should be no undeclared conflicts of interest or loyalty should be followed.
- d. Suppliers should be paid at the agreed date, normally no longer than 30 days from receipt of the invoice.
- e. Payment should not be unreasonably withheld, and suppliers should be advised in writing why payments are being withheld.
- f. Purchasing managers and staff should always have regard to the status of The Neurological Alliance as a charitable organisation and avoid using any supplier with whom having a business relationship could be seen by the public or our key stakeholders as being inappropriate.

If in any doubt, this should be discussed with the Chief Executive.

## Financial management

Financial procedures are in place and must be followed for:

- Budgetary control and environment
- Purchase ordering
- Payment procedures
- Financial reporting.