

PURCHASING GUIDE 1 - FINDING THE RIGHT SUPPLIER

A1 How to find the right supplier

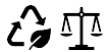
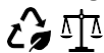
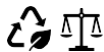
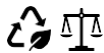
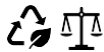
This appendix provides more detail in respect of Section 5 of the Purchasing Policy, which covers how to find the right supplier of goods, services and works to meet business needs and deliver **VFM**.




A1.1 Sources of supply

A1.1.1 Contracted Supplier agreements

University has contracted supplier agreements in place for many of the goods, services and works required routinely by staff. A contracted supplier is a supplier from whom the University buys goods or services exclusively because it has been judged that they represent good VFM. In some instances, this is a contractual obligation and there is no discretion as to which supplier to use, while in others, it is appropriate, when business need cannot be met or better VFM can be achieved from another source, to consider another supplier. In all cases, evidence of all such judgements must be retained for presentation to the authoriser and relevant documents attached to the requisition raised in the finance system.

The table below provides examples of contracted suppliers and indicates those where discretion can be exercised and whether the discretion relates to business need being met or VFM being achieved or both. Further details can be found at <http://www.sussex.ac.uk/finance/how/purchasing/existing-suppliers-agreements>

IT related equipment and software 	ITS must be consulted in all cases before buying.	Ensures integrity of University systems and data, VFM and compatibility/future proofing
Catering 	Campus catering requirements should be purchased from the catering provider unless business need cannot be met	Contractual arrangement enables a more advantageous deal with catering provider
Estates and facilities management (EFM) 	All campus EFM requirements must be purchased from the campus EFM provider (No discretion)	Allows EFM services contract monitoring and evaluation, quality standards and regulatory compliance management.
Print and reprographics 	All print and reprographics requirements must be purchased from the campus provider (No Discretion)	Allows contract management and service standards to be managed more effectively, economies of scale and VFM
Managed travel and accommodation 	The managed travel provider should be used unless business need cannot be met or better VFM can be achieved from another source.	Service scope and standards will be driven up and more advantageous terms, conditions and pricing achieved for increasing proportion of University travel requirement
Travel Insurance	Insurance provider must be used for all travel on University business (No Discretion)	Standard scope and level of cover and essential services to travellers in emergency including location record and emergency

		response, support and repatriation.
Stationery 	The stationery provider should be used and accessed via e-marketplace unless business need cannot be met	Economies of scale, service efficiencies, sustainability benefits and VFM.
Non-Permanent workers 	The Managed Service for Non-permanent workers must be used for all workers not engaged via direct employment of the University through either permanent or fixed term contracts	Workers are engaged via the most appropriate route and on appropriate terms. This avoids inequality across the workforce and ensures VFM by utilising a single strategic partner rather than multiple agencies
Lab equipment and supplies 	The Lab equipment/supplies provider should be used and accessed via e-marketplace unless business need cannot be met	Economies of scale, service efficiencies, sustainability benefits and VFM.

A1.1.2 Approved and new suppliers

In cases where there is no contracted supplier, an alternative supplier will need to be found for the goods, services or works required. More detail on this can be found in section A1.2.1 below.

A1.1.3 E-Marketplace

E-marketplace is a mechanism for accessing some contracted suppliers, via the University's finance system. Access is gained to multiple suppliers' catalogues, some cases at the same time, to select goods and create a purchase order. E-marketplace is a very efficient way to buy goods from suppliers with whom the University has agreements in place.

E-marketplace suppliers can be found on the Finance website and should be used where they are available.

A1.2 Purchase value

The value of your purchase will determine the process you follow to find a supplier. When estimating the value of your purchase you should:

- **include any applicable VAT** in line with the approach to delegated authority thresholds in the Financial Regulations. In the vast majority of cases, the University cannot recover VAT incurred on its purchases and consequently the cost to the University and the commitment against a budget is the VAT inclusive amount
- **include the cost of the full length of contracted services.** If a contract is for the ongoing delivery of goods, services or works but has no defined period or end date, then 4 years should be assumed unless it is reasonable to assume a shorter period.
- **Do not disaggregate the requirement.** A requirement must not be broken down into smaller parts to avoid financial thresholds. This is against University Procurement Policy as well as Public Contract Regulations.

Purchases over £25,000

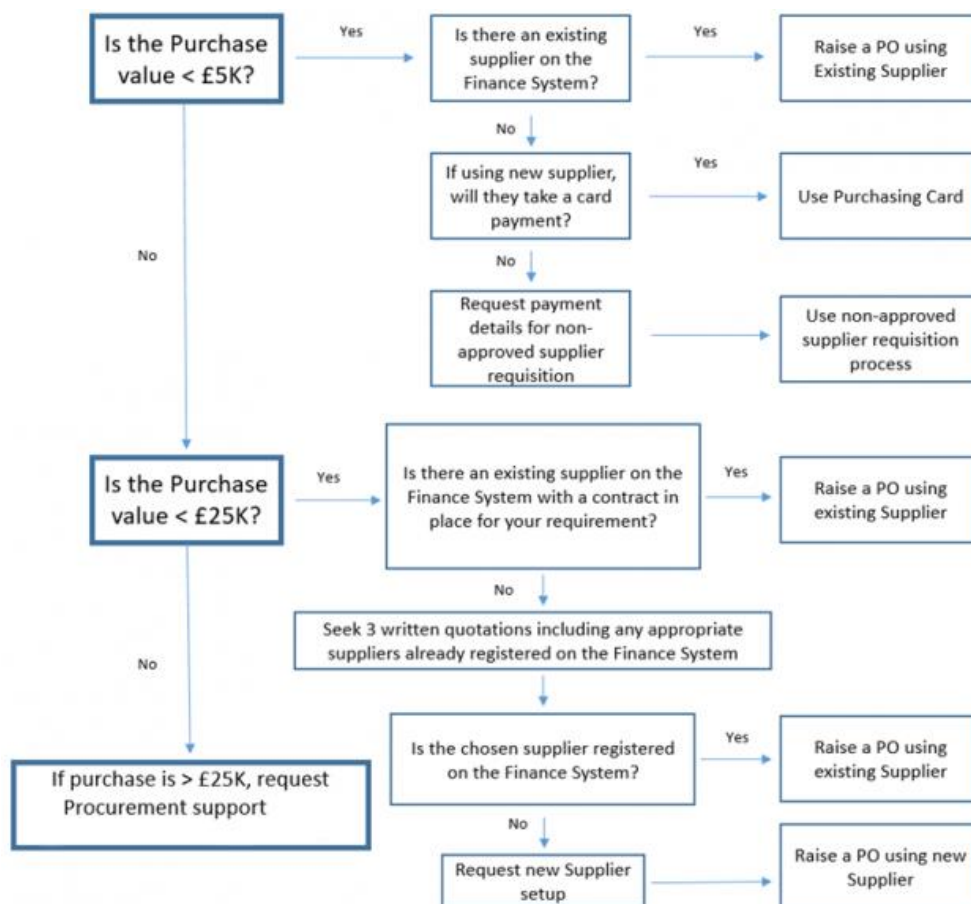
If you are intending to order goods, services or works for a value in excess of £25k, you must always consult with Procurement and Commercial Services at the earliest planning stages and always before you begin to engage with suppliers. This is likely to involve a tender exercise unless the Head of Procurement and Commercial Services considers an alternative route to be more appropriate. To engage Procurement and Commercial Services, you should contact the Finance Service Desk

Purchasing within the University is subject to the EU Procurement Directive, set out in the Public Contracts Regulations 2015. EU Directives require that all purchases above a certain threshold value are open to competition using prescribed tender processes. The prevailing threshold is subject to change and Procurement and Commercial Services can advise on what the current threshold is.

The Procurement and Commercial Services team will assess whether an EU compliant procurement process is required. Procurements for high value or complex requirements can take several months to complete so it is important that any purchase likely to exceed £25k is flagged at the earliest possible opportunity.

A1.2.1 Summary flowchart of threshold values

This chart summarises the steps to follow to identify an appropriate supplier based on the value of your purchase.



A1.2.2 New supplier evaluation and request

Where the process above requires a new supplier to be approved and registered on the finance system, it will be necessary to ensure that the supplier is acceptable to the University and meets the following requirements:

- financial security
- a track record of good service
- will trade on University terms and conditions
- ethical and sustainability standards
- is not sanctioned.

Full details of how to propose a new supplier can be found on the Finance website. It is recommended that this process is started as early as possible in advance of the supplier being required, to ensure that all due diligence checks can be completed before the requirement is due and to allow the identification of an alternative supplier if they do not pass these checks.