

## Policy Objective

To ensure the selection of suppliers for goods and services is conducted fairly, free of bias or conflict of interest, for the protection of Blue Marine and its staff.

## Introduction

- 1.1 All purchases of goods or services by or on behalf of Blue Marine must follow this procurement policy to ensure probity and transparency as well as value for money (VFM). VFM means minimising cost while ensuring that the goods or services you purchase are:
  - 1.1.1 Governed by consideration of the quality necessary for Blue Marine to meet its objectives; and
  - 1.1.2 The price you pay for those goods or services is appropriate to that level of quality. It does not mean that we must always simply select the cheapest option.
- 1.2 Any expenditure will need to be approved by the budget holder and authorised in accordance with authorisation limits set in Blue Marine's Financial Authorisation Policy.

## Consideration of environmental and sustainability principles

- 2.1 The principles of Blue Marine's Sustainability Policy should be followed when making purchasing decisions.
- 2.2 It is difficult to set hard and fast rules with regard to the environmental impact of purchasing decisions. There is a need to strike a balance between environmental considerations and the other principles outlined in this policy and this is a judgement call for the purchaser. Any purchasing should consider the impact on the environment of both the actions of the supplier and the nature of the goods themselves. Products, or suppliers of products, who are known to have caused environmental damage should not be used.
- 2.3 The purchaser must apply common sense in their purchasing decisions. Where there is a conflict between the principles laid out in the policy, for example between cost and environmental impact, they should discuss this with their line manager and if appropriate the head of department.

## Conflicts of Interest

- 3.1 Any personal or close family interest of either members of staff or trustees that is likely to influence the outcome of business negotiations, or which might be thought by others to be likely to influence the outcome, must be declared to management and recorded by the **Director of Finance, Operations and Governance (DFOG)**.
- 3.2 Any member of staff or Trustees who are conflicted should not ideally participate in the related procurement process, or if they do then the process must be reviewed by their line manager as a second pair of eyes before Blue Marine makes a commitment.

## Corporate Donations

- 4.1 It is possible that chosen suppliers may make, or have made, corporate donations. If this is the case any procurement decision made should be approved by the **Head of Partnerships** or **DFOG** at Blue Marine to ensure transparency of the transaction.

## Preferred Suppliers

- 5.1 A preferred supplier e.g. a stationery supplier is one who has been selected because they provide services or goods that are frequently required and they had been judged to provide good service and value for money.
- 5.2 When selecting preferred suppliers, consideration should be given to value for money, quality, environmental and sustainability credentials, and good references.
- 5.3 Preferred suppliers must be reviewed to ensure they are providing value for money every three years.

## Policy Details

- 6.1 The policy limits for levels of expenditure (amounts excl. VAT) are as follows:
- 6.1.1 **Up to £10,000** - competitive quotes are not required although it could be good practice to shop around to compare prices and ensure value for money can be demonstrated. Use preferred supplier where possible (e.g. Stationery suppliers)
  - 6.1.2 **£10,001 plus** – A minimum of three written quotations (e-mail is acceptable) are required, based on a clear specification of requirements (including our standard terms & conditions for contractors where relevant). If there is a good reason why Blue Marine cannot or should not obtain three quotes then this must be explained and approved by the relevant Line Manager. Industry standard contract required (where applicable).
- 6.2 Staff making purchases on behalf of Blue Marine should bear in mind that an order placed in person, by telephone, fax, or e-mail, constitutes a binding contract to the same extent as a formal written agreement.
- 6.3 Suppliers may seek to impose their own conditions of contract, which may be disadvantageous to Blue Marine, in particular those governing rental or lease contracts. It is the responsibility of the purchaser to check the conditions and ensure that they are not committing Blue Marine to anything unreasonable or open-ended. If in any doubt, purchasers should seek advice from their Line Manager before committing to a purchase.

## Additional conditions

- 7.1 All purchases must comply with any relevant legislation; and, if a purchase is made with restricted funds, with the rules of the relevant funder. Where this policy falls short of a particular funder's requirements then it is the responsibility of the person managing the relationship to ensure the funder's requirements are met.

## Exceptions

