



Street Paws – Expenditure and Procurement Policy

Lead responsibility:	Street Paws Chair Person
Approved by:	Street Paws Trustees
Operational from:	January 2018
Review due:	January 2019
Legal framework:	The Public Contracts Regulations 2015

Good procurement is essential in order for our organisation to deliver its charitable aims and ensure that day-to-day operations efficiently deploy, and conserve, charity funds.

1. Responsibility for Procurement

Street Paw's Chair Person Michelle Southern is responsible for controlling the procurement of all revenue and capital expenditures. The charity is run from one central bank account and all invoices are paid centrally by the Chair Person from this account. Michelle may delegate the procurement of specific items to others within Street Paws, including trustees, regional Co-ordinators and volunteers, as is deemed appropriate and in adherence with the protocols set out in this policy. When delegation occurs, it will be within agreed parameters e.g. minimum/maximum expenditure ranges.

2. Expenditure Policy

Day-to-day expenditure to facilitate the smooth running of the organisation, up to the threshold of £1,000 per item/service, can be undertaken without formal process other than the consideration of value for money as per Section 2.1 of this policy.

Where expenditure is unplanned, one-off in nature, or relates to a capital project, it will require preparation of a simple business case and sign-off as per the process listed in Section 3 of this policy.

2.1 Value for Money

When judging value for money we will consider economy, effectiveness and efficiency.

Achieving value for money does not always mean accepting the lowest price but, making decisions based on the following criteria:

- Whole life cost of the product or service
- Quality of product or service
- Fit of product with need

- Fit of provider with our organisation
- Reputation and capacity of provider
- Range of goods and services and suppliers available in the marketplace
- Reliability
- Responsiveness
- Delivery and/or turnaround times
- Environmental impact

In relation to veterinary medications and supplies, we expect all practices who support us to do so at cost price (plus VAT).

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

3. Formal quotes for high value expenditure

For any purchase of over £1,000, such a decision requires the prior written authorisation of the Chair Person or a majority vote of the board of trustees.

Generally the following financial limits and procedures should be observed:

- 1) For goods and services between £1,000-£10,000, two written quotes should be obtained.
- 2) For goods and services over £10,000, three written quotes should be obtained.
- 3) Where the service is highly specialist and we cannot identify potential alternative supplies, or where there is benefit to be gained from knowledge from a relevant previous collaboration with one particular supplier, we may select a preferred supplier. In these cases we will take reasonable steps to establish the supplier's costs are acceptable e.g. by comparing their day rates from other similar business where this is practicable.

The above thresholds apply to the total order and in the case of contracted services to the annual contract cost. Contracts must not be artificially split in order to avoid appropriate tendering. For any large expenditure above Official Journal of the EU levels (financial thresholds set annually at EU level), we will follow competitively tender services/products in accordance with the EU Procurement Directives.

These thresholds may be overridden by agreement of the Chair Person for specific instances of purchase by particular services.

3.1 Process for obtaining quotations

When obtaining supplier quotes as required within Section 3 above, the following process should be followed:

Specify the product or service in the light of experience and research

- Identify potential suppliers from a range of sources, including research, previous suppliers, local knowledge and personal recommendations
- Request quotations from a shortlist of potential suppliers
- Evaluate quotes on the basis of the specification 5. Select supplier based on cost and quality

4. Ethical Standards

Procurement processes must be fair to suppliers as follows:

- There should be no discrimination against groups protected under our Equalities obligations.
- The selection criteria should be equal.
- There should be no conflicts of interest.
- Suppliers should be paid at agreed date, normally no longer than 30 days from receipt of invoice.
- Payment should not be unreasonably withheld and suppliers should be advised in writing why payments are being withheld.
- Consideration should always be given to third sector suppliers where available by including them in shortlists.