



Purchasing policy

Policy Owner:	Director of Finance
Policy Lead Contact	Head of Financial Services
Approving body	University Executive Group
Section / Department:	Finance
Version no.	1
Date effective from:	March 2018
Date of next review:	September 2018
Related policies:	Financial Regulations Anti-Bribery Counter-Fraud
Policy history:	This policy supersedes all previous policies relating to Purchasing. It replaces, consolidates and simplifies previous policies in force to March 2018

Contents

Policy

1.0	Introduction	Page 3
2.0	Value for Money	Page 4
3.0	Responsibility	Page 4
4.0	Principles of Purchasing	Page 6
5.0	Where to buy goods and services	Page 6
6.0	Mechanisms for purchasing goods and services	Page 7
7.0	Compliance	Page 13

Appendices

A1	How to find the right supplier	Page 16
A2	Use of purchasing cards	Page 22
A3	Out of pocket expenses and advances	Page 25
A4	Expenditure incurred while travelling away from the university	Page 28
A5	Business entertainment, hospitality and incidental expenditure	Page 35

1.0 Introduction

1.1 Purpose

This Purchasing policy sets out the University's expectations with regards to the purchase of all goods and services in order to achieve the best possible **value for money** for the University.

The policy sets out guidance and rules to ensure the requirements of the Financial Regulations are met along with the University's external regulatory obligations. It has the same authority as the Financial Regulations and as a key financial policy forms part of the "financial framework" (Financial Regulations, financial policies and financial systems).

1.2 Scope

This policy applies to all purchases of goods and services by the University and its subsidiary undertakings and joint ventures, 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 for a purchase and to purchases undertaken by all members of staff in connection with their University duties. Members of staff includes staff and any other individual authorised to undertake purchasing activity on behalf of the University.

This policy sets out all approved ways of purchasing at the University and when it is appropriate to use them. For the purposes of this policy, the words 'purchasing' and 'purchases' refer to the following means of buying goods and services:

- University purchase orders
- University purchasing cards
- out of pocket expenses
- advances
- petty cash
- any other purchasing method subject to specific written dispensation of the Director of Finance.

The direct employment of staff is not considered to be a purchase of goods and/or services and is covered by Human Resources policies. However, the appointment of staff from agencies or through commercial contracts with individuals to provide consultancy or other services (often through Personal Service Companies) is covered by this policy. As part of the engagement of staff, through agencies or other contractual routes, an assessment of their tax status and consideration of whether they come under HMRC IR35 regulations is required.

Purchases and other expenditure by members of staff undertaking consultancy on behalf of the University (i.e. where the consultancy contract is between the University and the client) are covered under this policy. Where members of staff undertake private consultancy or other activity for which they are remunerated directly by a client, including other universities as an external examiner or visiting lecturer, expenditure should be charged directly the client by the member of staff.

Expenditure on behalf of any partner, family member or anyone else, including where they accompany an individual on a business trip or other event is not considered to be an appropriate use of University funds unless there is a specific operational requirement to do so and this has been approved, in advance and in writing, by the Director of Finance.

1.3 Fraud

The University is funded predominantly from public sources or tuition fees paid by students and must ensure that all funds (whatever the source) are used appropriately and that any expenditure can be justified in the event of interest from students, funders, government or members of the public.

Any purchase that appears to be deliberately falsified, inflated or otherwise fraudulent will be investigated under the procedures outlined in the Counter-Fraud Policy and/or the disciplinary procedures for staff or students, depending on the particular circumstances.

Purchases funded by the University must only be paid once and must not be the subject of a further personal claim presented to either the University or another external body.

2.0 Value for money

The University aims to achieve **value for money** in all of its activities. In purchasing this is through acquiring the goods and services required from the right supplier in the most cost effective way.

Achieving **value for money** requires judgements to be made which balance the benefits derived from goods and services against the total costs of buying and using them. These total costs of ownership include the purchase cost, maintenance and running costs (including staff resource required) and any costs of disposal, as well as the cost of the buying process itself. Therefore, **value for money** is not always achieved by purchasing the cheapest product or service.

Heads of School and Directors of Service should exercise judgement in respect of the **value for money** of purchasing to ensure that the University gets the best deal overall, taking all these factors into account. This may be delegated to budget holders in accordance with the University's delegation policy.

Some types of expenditure are the subject of specific rules and guidance to ensure the best use of University funds and these are contained in Appendix A4 and A5 to this policy.

3.0 Responsibility

3.1 Director of Finance

The Director of Finance is responsible for considering all exceptions to the terms of this policy and approving these where there is a demonstrable business need. This

should normally be in advance of the purchase being made unless this is not possible for justifiable operational reasons.

The Director of Finance provides support and advice to those involved in purchasing to help them achieve **value for money**.

3.2 Heads of School and Directors of Professional Services

Heads of Schools and Directors of Professional Services are responsible for compliance with this policy in their areas and for ensuring that those acting under this policy for whom they have management or contractual responsibility are appropriately trained and made aware of their obligations under this policy.

Heads of School and Directors of Professional Services are responsible for purchasing goods and services within defined budgets and for ensuring that this policy is followed within their School or Division.

Heads of School and Directors of Professional Services are responsible for the purchasing arrangements in a School or Division and will recommend the appropriate access to the Finance System for staff who undertake purchasing and the distribution and use of purchasing cards.

3.3 Budget Holders

All Budget Holders are required under the University's Financial Regulations to comply with its policies and procedures regarding the authorisation of expenditure and, in respect of purchasing, with this Purchasing policy and related procedures. Budget Holders must ensure sufficient funds are available before committing the University to any expenditure for goods and services.

Budget Holders are Heads of School, Directors of Professional Services and any other individual acting under delegated authority from a Head of School or Director of Professional Services.

Budget Holders must ensure that purchases of goods and services at the lowest possible cost consistent with the level of quality, timeliness of delivery, appetite for risk and the social and ethical considerations which are commensurate with the University's aims and objectives and within the rules of funding organisations. This applies irrespective of the source of funds, e.g. University, Research Council, etc.

Budget Holders who approve purchases and who are responsible for budgets under delegated authority, are responsible for ensuring that expenditure paid from the budgets under their authority is in accordance with the provisions of this policy.

3.4 Members of staff

It is the responsibility of all staff to ensure that they follow the requirements of the Financial Regulations and of this policy and associated guidance when undertaking purchasing activity. Staff are responsible for ensuring that all purchases provide good **value for money** for the University.

Anyone claiming reimbursement for out of pocket expenses has a responsibility to make bona fide claims in accordance with this policy.

3.5 Delegation

The Financial Regulations make provision for the delegation of responsibilities including purchasing by Heads of School and Directors of Professional Services.

Where these are delegated, the Head of School or Director of Professional Service retains overall responsibility for ensuring the requirements of this policy are met and that **value for money** is achieved. This aims to put control and responsibility as near as possible to the point of need.

4.0 Principles of purchasing

Purchasing should be conducted using a competitive process as this will drive up quality, drive down prices and introduce innovation into the products and services offered to the University. The following limited exceptions to a competitive process are explained further in this policy:

- the University has already identified an appropriate source of supply of goods or services following a process intended to secure **value for money**.
- the value of the purchase is small in relation to the cost of the buying process.
- the expenditure is incurred while an individual is prevented from following the University's normal processes, for example while travelling away from the University. The value of these purchases should normally be small.

Applying this policy and associated processes ensures:

- all purchases are effective and appropriate to the University's diverse needs.
 - competitive bidding and tender processes are performed transparently and exceptions properly reviewed, authorised and justified.
 - suppliers are properly selected and authorised for use.
 - supplier relationships and contracts for the supply of goods and services are monitored and managed to ensure performance and **value for money** is maximised.
 - goods and services are correctly received and recorded.
 - payments are only made for goods and services received in accordance with agreed standards and terms.
 - goods and services received are fit for purpose.
-

5.0 Where to buy goods and services

The first step in achieving **value for money** is to find the right supplier for goods or services. In order to do this, the University has put in place a number of arrangements with suppliers, together with a framework for when they should be used.

The framework for identifying the right supplier, set out in order below, and the requirements for competitive quotes outlined in Appendix A1, apply to all of the

mechanisms of purchasing outlined in this policy, including purchase orders, purchasing cards and, where appropriate, to out of pocket expenditure.

1. the University has a number of **nominated suppliers** who have been appointed on the basis that they will be the only supplier of certain goods and services to the University. Nominated suppliers should be used where they have been put in place providing they can meet the University's business need. These arrangements have been competitively tendered and use the combined size of the University to offer the best price possible.
2. if there is no nominated supplier available, it is possible that the required goods or services can be obtained from a supplier available on a **Framework Agreement**. Framework suppliers should be used when they are available and there is no nominated supplier, providing they meet the University's business need. These arrangements have been set up under competitive conditions either by a sector or other consortium and as such provide **good value for money**.
3. if goods and services cannot be sourced from either a nominated supplier or a framework agreement supplier, other suppliers can be considered. Where possible a University **Approved Supplier** should be used where they are able to meet business need. If there is no approved supplier of the goods and services required or there are insufficient numbers of approved suppliers to facilitate a competitive process, then suppliers who are as yet not approved can be approached. A new supplier presents significant risk to the University and must only be considered if, in addition to providing better **value for money** to the University, it can be demonstrated that they are financially secure; have a good service record; have high ethical and sustainability standards and as a result is an acceptable business partner for the University.

The use of contracts negotiated by both the University and consortia along with delegated purchasing responsibility to exercise **value for money** judgements where appropriate, will maximise purchasing power for the whole University, optimise **value for money**, support easier resolution of disputes and maintain legal compliance.

The value of your purchase can also influence the decision making process; Appendix 1 sets out in more detail how to identify the right supplier according to purchase value.

6.0 Mechanisms for purchasing goods and services

In order to support financial and budgetary control and the delivery of **value for money** from University funds the University's Financial Regulations require all purchasing to be carried out using a purchase order.

The only exceptions to this are defined by the Director of Finance in order to meet business need and/or to support the achievement of **value for money**, as follows:

- University purchasing cards (section 6.2)
- out of pocket expenses reclaimed from the University (section 6.3)
- advances of University funds (section 6.4)
- petty cash (section 6.5)
- purchasing subject to specific written dispensation of the Director of Finance (section 6.6)

This Policy sets out the circumstances in which these mechanisms should be used and the key considerations to be taken into account in each case. Further details on processes to be followed and requirements and guidance with regards to specific personal and travel and related expenditure is set out in appendices to this policy.

6.1 Purchase ordering

Purchase orders raised using the Finance System are the principal mechanism for the purchase of goods and services in the University.

Unless purchasing through an approved alternative route any verbal or written request for the supply of goods and services, whether person to person, by telephone, email or fax may constitute a contract with the supplier and must be supported by a University purchase order.

Financial and budgetary control and value for money considerations

Adherence to the purchase ordering process enables the user to meet all of the University's financial control requirements and also supports them in delivering **value for money** as set out below.

With respect to financial and budgetary control the use of purchase ordering ensures

- up front budget holder authorisation before a commitment is made
- segregation of duties and audit trail
- immediate and accurate recording of a commitment and the type of expenditure
- real time tracking of transaction status

With respect to **value for money** the use of purchase ordering ensures

- upfront due diligence of supplier by the Finance Division
 - University terms and conditions are in place guaranteeing the most advantageous terms for the University
 - shared and documented understanding of the goods or services being purchased
 - a documented check over quality received before payment is made
 - Access to e marketplace and frameworks, where **value for money** judgements can be made to purchase the most appropriate goods and services from an increasing number of suppliers,
-

Information and guidance

In common with all purchasing mechanisms the efficiency and effectiveness of the purchase ordering process is reliant on the members of staff involved in the purchasing and authorisation process. Appropriate training and guidance is offered by the Finance Division to support this.

Purchasing of travel and associated goods and services and other incidental expenditure is subject to further guidance and requirements – see appendices 4 and 5.

6.2 University purchasing cards

The University's policy is that a University purchasing card should be used when

- a supplier is not set up on the University Finance System and the purchase is a one off
- a supplier only accepts card payments either on-line, by telephone or in person
- services are being purchased from the University's managed travel provider, in order to secure the price on offer
- the individual does not have access to the University Finance System at the point when the purchase is needed.

Financial and budgetary control and value for money considerations

Purchasing cards should be used in preference to out of pocket expenses where access to both alternatives exists. Whilst they are intended to provide quick and easy access to purchasing it is important that wherever possible staff and budget holders take a planned approach to purchasing and do not use purchasing cards as a routine 'emergency' alternative to purchase ordering.

Heads of School and Directors of Professional Service are responsible for the purchasing arrangements in their school or division and should be aware that whilst the use of a University purchasing card can offer certain **value for money** benefits to the University in comparison to purchase ordering there are a number of financial and budgetary control considerations which must be kept in mind when determining the appropriate arrangements.

With respect to financial and budgetary control the use of a University purchasing card offers reduced control:

- the University has already been committed to the purchase before involvement of the budget holder – their control is retrospective
- recording in the Finance System is a manual process which is delayed until statements are processed and approved
- the risk of fraud or misuse is higher, placing additional requirements for vigilance on staff and budget holders

With respect to **value for money** the use of a University purchasing card can support good **value for money**:

- cards enable simple and immediate purchasing with low maintenance cost and effort
- reduced administration burden for one off purchases
- some protection for the University against supplier issues and third party fraud (as for a personal credit card)
- where approved, enables cash withdrawal overseas, reducing the administration and security burden attached to advances
- enable 'a better deal' for the University for example with card only suppliers or where prices are changing rapidly

It should however be noted that when purchasing 'off system', supplier terms and conditions will apply in most situations and the member of staff concerned will usually be responsible for due diligence around the supplier, including the **value for money** they offer. Evidence to support **value for money** judgements made should be retained for presentation to the authoriser.

Specific arrangements for staff based overseas

Where staff are based overseas and do not have access to the University's Finance System purchasing should wherever possible be carried out using a purchasing card which will be issued to them for this purpose. Staff should at all times aim to achieve value for money in purchasing in accordance with this policy and irrespective of the method of purchasing.

Further information and guidance

Further guidance and requirements with regards to the use of University purchasing cards, including items which should not normally be purchased in this way is set out in Appendix 2

Purchasing of travel and associated goods and services and other incidental expenditure is subject to further guidance and requirements – see appendices 4 and 5

Internal Audit review

Owing to the limitations and risks to financial and budgetary control and **value for money** outlined above all use of purchasing cards may be subject to regular review by the University's Internal Auditors and reported onwards to the University's Audit and Risk Committee.

It is the policy of the University that out of pocket expenses, which is the up-front purchasing of goods and services using an individual's own funds should only be carried out where the individual

- does not have access to the University Finance System or a purchasing card in their own name or held by a member of staff with authority to purchase on their behalf, or
- is required to make a payment in cash, for example when travelling or for experimental subject payments, or
- is required to use personal assets for business purposes, such as personal vehicle usage.

Whilst out of pocket expenses is intended to provide quick and easy access to purchasing when required, it is important that, wherever possible, staff and budget holders take a planned approach to purchasing and do not use out of pocket purchasing as a routine 'emergency' alternative to purchase ordering.

Financial and budgetary control and value for money considerations

In common with the use of a University purchasing card, the use of out of pocket purchasing limits financial and budgetary control and the ability to ensure **value for money**.

With respect to financial and budgetary control the use of out of pocket expenses offers reduced control:

- the budget holder's control is retrospective and dependent on the timing of the purchaser's claim for reimbursement
- financial records are not updated until a claim for reimbursement is made
- the risk of fraud or misuse and associated public scrutiny (for example through Freedom of Information requests) is high, placing additional requirements for vigilance on staff and budget holders

With respect to **value for money** the use of out of pocket expenses offers increased business flexibility but is generally a less '**value for money**' solution:

- administration is onerous for staff and relatively costly for University
- the purchaser always takes responsibility for due diligence around the supplier including the **value for money** they offer.

In addition, the purchaser's personal funds are at risk until the claim is approved.

Evidence to support **value for money** judgements made should be retained for presentation to the authoriser.

Specific arrangements for staff based overseas

Where staff are based overseas and do not have access to the University's Finance System purchasing should wherever possible be carried out using a purchasing card which will be issued to them for this purpose. Staff should at all

times aim to achieve value for money in purchasing in accordance with this policy and irrespective of the method of purchasing.

All out of pocket expenses must be reclaimed in accordance with this policy, unless any more restrictive statutory or taxation provisions apply to these staff in the country in which they are based, which will take precedence.

Further information and guidance

Further guidance and requirements with regards to the use of University out of pocket purchasing are set out in Appendix 3.

Purchasing of travel, and associated goods, and services, and other incidental expenditure is subject to further guidance and requirements – see appendices 4 and 5.

Internal Audit review

Owing to the limitations and risks to financial and budgetary control and **value for money** outlined above, all use of out of pocket purchasing may be subject to regular review by the University's Internal Auditors and issues identified reported to the University's Audit and Risk Committee.

6.4 Advances

Any advance which relates to pay or salary is the responsibility of the Director of Human Resources and is outside of the scope of this policy.

It is the policy of the University that University funds may be advanced to staff, students and visiting researchers who are purchasing goods or services on behalf of the University and who

- do not have access to the Finance System or to a purchasing card in their own name or held by a member of staff with authority to purchase on their behalf, and
- are unable to make purchases or cash withdrawals using a personal credit card and receive reimbursement without incurring any additional personal costs.

Where a purchase card holder is required to hold an amount of cash, for example because they are travelling in an overseas location with a prevailing 'cash culture', this card should be authorised to withdraw cash and no alternative advance will be granted unless there are exceptional circumstances.

Any advance in any situation will be always limited to the anticipated expenditure and should not be regarded as a cash 'float'.

Financial and budgetary control and value for money considerations

In common with out of pocket expenses, the use of advances entails significant limitations to financial and budgetary control and **value for money**, with additional

administrative burden and additional security risks for any cash advanced. For this reason, the use of advances is strictly limited and controlled.

Further information and guidance

The Director of Finance puts in place rules with regards to the amount of an advance which can be requested and defines processes to ensure the prompt recording of expenditure incurred and the recovery of any surplus funds. Details of these processes can be found on the Finance website.

Failure to comply with University requirements set out by the Director of Finance will result in appropriate follow up action being taken to recover the value of the advance:

- staff: salary deduction
- students: a charge to the Student account
- others: a charge to a nominated budget

Purchasing of travel and associated goods and services and other incidental expenditure is subject to further guidance and requirements – see appendices 4 and 5.

Internal Audit review

Owing to the limitations and risks to financial and budgetary control and **value for money** outlined above all use of out of advances to fund purchases may be subject to regular review by the University's Internal Auditors and issues identified reported to the University's Audit and Risk Committee .

6.5 Purchasing using petty cash

The University aims to create a cashless environment as far as can practically be achieved and therefore purchasing by petty cash should only be used where there is no other workable alternative.

In limited cases the Director of Finance may authorise a petty cash fund to be provided at the written request of a Head of School or Director of Professional Service.

Petty cash must always be used for business expenses of the area in question and must never be used for personal loans or expenditure, to encash personal cheques or for the payment of fees, wages or salaries.

The Head of School or Director of Professional Service is responsible for ensuring the security and administration of the cash in accordance with the University Petty Cash Process.

6.6 Dispensation by the Director of Finance for certain supplies

Where the Director of Finance has given specific written dispensation for purchases to be made outside of the mechanisms described above this will be published on the Finance website.

Existing dispensations include energy suppliers who deliver a continuous supply of gas or electricity and provide regular invoices based on energy consumed and purchasing from the on-campus catering supplier via the approved system.

7.0 Compliance

7.1 Legal context

The primary legislation impacting University purchasing includes:

[Public Contracts Regulations 2015](#)

[Bribery Act 2010](#)

[Modern Slavery Act 2015](#)

7.2 Ethical obligations

7.2.1 Gifts and hospitality offered by suppliers

All members of staff involved in any way in the purchasing process must adhere to the University's rules on gifts and hospitality as set out in the University's Financial Regulations and Anti-Bribery policy.

7.2.2 Conflicts of interest

Members of staff who are engaged in purchasing decisions through their participation in tender evaluation or other processes leading to the purchase of goods and services must declare any conflicting interest that may influence or be perceived as having the potential to influence that person's ability to act impartially within the process. Any person declaring such an interest must not participate in or seek to influence any decision relating to the matter concerned. Further details can be found in the Financial Regulations.

7.2.3 Modern Slavery Act 2015

Under the Act, the University is committed to ensuring there are no instances of modern slavery, human trafficking, forced and bonded labour and labour rights violations in its supply chains and that the following principles are adhered to:

- Employment is freely chosen
 - Freedom of association and the right to collective bargaining are respected
 - Working conditions are safe and hygienic
 - Child labour shall not be 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 can be found at

<http://www.sussex.ac.uk/finance/policies>

Further information and the Procurement and Commercial Services modern slavery plan can be found on the Finance website.

7.3 Sanctions, embargoes and restrictions

Under the Financial Regulations, unless authorised by the Director of Finance, transactions are not permitted with any individual or organisation that is the subject of sanctions, embargoes or restrictions imposed by the United Nations Security Council, European Union, UK Government or any other government or organisation with whom the University is required to comply by virtue of a contractual or regulatory obligation.

An individual or organisation may be the subject of sanctions, embargoes or restrictions by express inclusion on a published list or by association with another individual or organisation appearing on a published list. Individuals and organisations may be the subject of sanctions, embargoes or restrictions because they originate from, operate in or have association with a particular industry, regime, and country or otherwise defined geography appearing on a published list.

The inclusion of terms in a contract that bind the University to apply sanctions imposed by any other authority than the United Nations, European Union or the United Kingdom Government must be authorised by the Director of Finance in advance.

If there are any doubts or concerns about whether or not a supplier is subject to sanctions or whether a contract term imposes an obligation to apply sanctions, Procurement and Commercial Services must be contacted immediately.

Information on sanctions can be found on the Finance website.

A1 How to find the right supplier

This appendix provides more detail in respect of the Purchasing Policy section 3 which covers how to find the right supplier of goods and services to meet business needs and deliver **value for money**.

A1.1 Sources of Supply

A1.1.1 Nominated supplier agreements

The University has nominated supplier agreements in place for many of the goods and services required routinely by staff. A nominated supplier is a supplier from whom the University buys goods or services exclusively because it has been judged that they represent good **value for money**. 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 value for money can be achieved from another source, to consider another supplier. Depending on the value of the purchase, these judgements are reserved to either Heads of Schools and Directors of Professional Services (£5k-£25k), or Budget Holders (up to £5k). 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 nominated suppliers and indicates those where discretion can be exercised and whether the discretion relates to business need being met or value for money being achieved or both.

IT related equipment and software	ITS must be consulted in all cases before buying.	Ensures integrity of University systems and data
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 value for money
Managed travel	The managed travel provider should be used unless business need cannot be met or better value for money 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 and Value for money .

A1.1.2 Framework Agreements

In cases where there is no nominated supplier of the goods and services required a supplier should be identified through a framework agreement and used unless business need cannot be met.

The University has access to a number of Framework Agreements. A Framework agreement is an arrangement which lists suppliers who can be used to supply goods and services, provided they are able to meet business need, having been pre-selected by a tender process. Some of the Framework agreements used by the University include:

- The Southern Universities Purchasing Consortium (SUPC)
- Crown Commercial Services; a central government agency
- others, as hosted by other consortia and public sector agencies

Quotes and tenders - The rules of each framework may differ and you may be required to seek competitive quotes and tender for goods and services from the suppliers named in the framework agreement.

Details of these agreements and how they can be accessed can be found on the Finance website. The Procurement and Commercial Services team can provide advice in relation to the use of frameworks if required.

A1.1.3 Approved and Other Suppliers

In cases where there is no nominated supplier and no appropriate supplier identifiable through a framework agreement an alternative supplier will need to be found for the goods and services required. More detail on this can be found in section A1.2 below.

The University has a large number of **approved suppliers** from whom goods and services can be purchased. An approved supplier has supplied goods and services to the University before, following a University procurement process which established appropriate terms and conditions of business. University approved suppliers are subject to quality and performance review.

If an approved supplier of the goods and services required cannot be identified or does not meet business need, then a supplier that has not yet been approved for use can be approached. This will also be the case if there are insufficient approved suppliers amongst whom a competitive procurement can be conducted. Potential new suppliers must be acceptable to the University as trading partners and must be evaluated (see section A1.2.5) and set up on the supplier database before a purchase order can be raised. The process of setting up a new supplier is onerous, requiring time to ensure suppliers meet the financial, ethical and other standards required by the University.

The Finance website has information on approved suppliers and the goods and services that can be sourced from them.

A1.1.4 E-Marketplace

E-marketplace is a mechanism for accessing some nominated suppliers and some suppliers available on framework agreements, 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-market place 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 it is 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 continuous service but has no defined period or end date, then 4 years should be assumed unless it is reasonable to assume a shorter period

Different requirements apply within different value thresholds as set out below.

Purchases up to £5000

You should use a nominated supplier or a framework supplier available through the e-market place in the first instance. For some nominated suppliers (See A1.1.1 above) if business need cannot be met, or in the case of the managed travel provider a better **value for money** solution can be found, the Budget Holder may judge it appropriate to consider an alternative source of supply.

If neither are available a framework supplier should be considered next. However a Budget Holder may judge that the process involved in selecting a supplier through a framework is onerous and outweighs the achievable **value for money**. In this

case a University approved supplier should be used or included in the process of seeking quotes. If there is no approved supplier able to meet the University's needs, or insufficient suppliers to allow more than one quote to be obtained it would then be appropriate to approach an as yet not approved supplier.

It is recommended that quotes are obtained from more than one supplier but the budget holder should exercise judgement and may conclude that **value for money** can be achieved and the University's business needs met by approaching only one supplier, balancing efficiency of process with achievable **value for money**. The time and cost of setting up a new supplier should be considered when making this judgement.

Purchases from £5001 to £25,000

In this case you should use a nominated supplier or a framework supplier available through e-marketplace in the first instance. For some nominated suppliers (See A1.1.1 above) if business need cannot be met, or in the case of the managed travel provider a better **value for money** solution can be found, the Head of School or Director of Professional Services may judge it appropriate to consider an alternative source of supply.

If neither are available you should use a framework agreement. If no supplier is available through a framework that is able to meet your business need then seek three written quotes from different suppliers. Existing approved suppliers should always be asked to quote

The Head of School or Director of Professional Services has authority to judge whether obtaining a quote from fewer than three or only one supplier will maximise **value for money** and meet the University's business needs. For example using an existing approved supplier that is known to provide value for money and can meet your business needs will avoid the significant time and effort required to set up a business relationship with a new supplier.

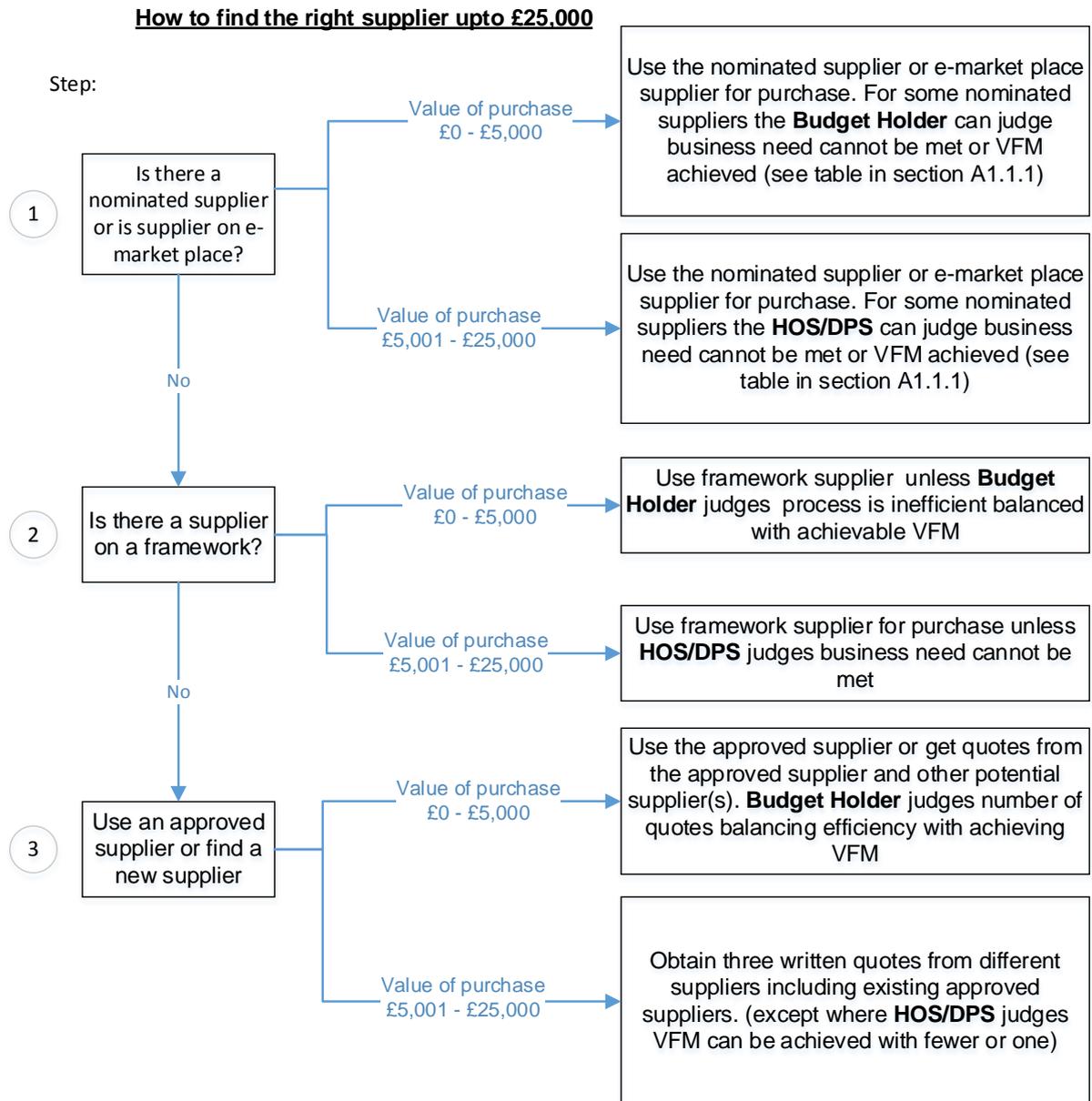
Purchases over £25,000

If you are ordering goods or services for a value in excess of £25k you must always consult with Procurement and Commercial Services 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.

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 published on the Procurement web pages.

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

This chart summarises the steps to follow to identify an appropriate supplier having regard to the value of your purchase transaction.



Evidence of business need/value for money judgements made in the purchasing steps above must be retained for presentation to the authoriser along with quotes and should be scanned and attached to a requisition and retained for inspection.

A1.2.6 New supplier evaluation and request

Where the required review has been undertaken to establish the availability of nominated suppliers, framework suppliers and approved suppliers (following the process set out in this appendix and in the table above) and this has determined

that there is no supplier who can meet business need and provide value for money, it will be necessary to identify a new supplier.

Once a proposed new supplier has been identified 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 undertake a supplier evaluation can be found on the Finance website and it is recommended that Procurement and Commercial services are contacted to support this process as early as possible. When the evaluation has been performed a new supplier request can be submitted with appropriate evidence of the process followed and supporting the choice of supplier. This will be reviewed by the Procurement and Commercial Services team who will ensure that the value for money process has been properly followed and that the proposed new supplier is acceptable to the University. Information on how to submit a new supplier request can be found on the Finance website.

A2 Use of Purchasing Cards

This appendix provides more detail in respect of the Purchasing Policy section 6 which covers how to buy goods and services.

A2.1 When is it appropriate to use a purchasing card

There are some circumstances when it is considered appropriate to use a purchasing card. Purchasing cards are a very efficient way to purchase goods and services and should be used in the following circumstances:

- a supplier is not set up on the University Finance system and the purchase is a one off
- a supplier only accepts card payments either on-line, by telephone or in person. This typically would be an internet seller or high street retailer
- services are being purchased from the University's managed travel provider, in order to secure the price on offer
- the individual does not have access to the University Finance System at the point when the purchase is needed. For example, when you are travelling on University business and you buy goods and services in accordance with this policy you should use a purchasing card if you have one.

The Head of School or Director of Professional Service is responsible for the purchasing arrangements in the School or Division and should determine the appropriate number and distribution of purchasing cards having regard to section 6.2 of this policy.

Purchasing cards should be used in preference to out of pocket expenses where access to both alternatives exists. Whilst they are intended to provide quick and easy access to purchasing it is important that wherever possible staff and budget holders take a planned approach to purchasing and do not use purchasing cards as a routine 'emergency' alternative to purchase ordering.

All purchases and any judgements made in respect of business need and/or value for money must be in accordance with the flowchart in appendix A1.2.4.

Before travelling overseas it is important to establish whether any sanctions, embargoes or restrictions (see section 7.3) are effective in your travel destination as this may affect the functionality and use of your purchasing card or your personal credit or debit card. How you pay for goods and services when you are travelling away from the University should form part of your travel risk assessment. All travellers are required under Health and Safety policy to complete a risk assessment for their trip both in the UK and overseas and this should include an assessment of travel and accommodation arrangements.

A2.2 Who can use a purchasing card

The Head of School or Director of Professional Service may authorise an application by a member of staff for a purchasing card where he/she judges it appropriate to the business needs of the School or Division. The application can be found on the Finance website. The intended use of a purchasing card must exceed a minimum of 12 transactions and £1000 annually.

Heads of School and Directors of Professional Services should consider the financial control impact of purchasing cards as follows:

- Purchasing card transactions reduce financial control as the University is committed to expenditure without the usual budgetary approval process which is inherent to the requisition and ordering system
- The transaction information captured in the University's Finance System for card transactions is far less than that held for invoiced expenditure.

The recommended use of purchasing cards is as follows:

User category	Use	Description
Administrator	Performing card transactions for the School/Directorate	A small number of card holders may be required in each school or Division depending on the size of the School/Division, the number/values of transactions, and the nature and pattern of activities.
Project Administrator	Specific purchasing role on a project	Certain projects, academic/research or administrative may warrant the identification of a cardholder to perform purchasing transactions for project team members where these are sufficiently high volume
Any individual frequent traveller	To buy travel, subsistence and incidental expenditure.	Frequent travellers can use a purchasing card to buy services from the managed travel provider and to meet other expenditure needs while travelling on University business. Regular overseas travellers will qualify for purchasing card irrespective of the frequency and value of transactions.

Purchasing cards may be used for all or some of the purposes set out above. The use of specific cards and the role of cardholders within these parameters is a matter which is reserved to the judgement of the Head of School or Director of Professional Services.

A2.3 Cash Withdrawals

It is recognised that travellers overseas may need to withdraw cash in order to facilitate the payment of expenses in certain places where a cash culture exists. Temporary or longer term cash withdrawal facilities are available for purchasing cards. The application process is detailed on Finance website. Users should be aware that cash expenditure incurred will require the completion of an out of pocket expense claim and the return of any unspent cash to the University within one month of the date of returning to the University. Cash withdrawal facilities should be used in preference to a cash advance as

they are more secure and avoid the need to transfer money into an individual's personal bank account.

A2.4 Financial limits

In order to ensure financial control, maximum financial limits are set for each card and agreed prior to the issue of the card in line with the following table and the required business usage:

Level	Single Transaction Limit	Monthly Credit Limit	Indicative Usage
1	£1,000	£5000	Standard use
2	£2,500	£10,000	Significant use
3	£5,000	£15,000	Heavy use

The Director of Finance sets limits that are applicable to cards held by specific members of the Finance Division for defined purposes.

The Head of School or Director of Professional Service is responsible for monitoring annually the use of purchasing cards to ensure those in circulation are still required and have the correct limits. Use falling below twelve transactions per year or £1,000 total transactions value in a year will be brought to the attention of the Head of School by Procurement and Commercial Services.

A2.6 Authority to use a purchase card

The named cardholder is the only person authorised to buy goods or services on their purchasing card. On no account should they divulge details of their card or its security number to another person. The card is the cardholder's personal responsibility. Barclays issue cards to nominated individuals for use in accordance with this policy. The card remains the sole responsibility of the cardholder and misuse, including sharing the card and PIN, may result in disciplinary action.

A2.8 Loss or theft of a purchasing card

In the event of the loss or theft of an individual's purchasing card, he or she must report it immediately to the Barclaycard Centre – telephone 01604 230230 (24 hours, 7 days). They should also report it to the procurement@sussex.ac.uk.

A2.9 Purchasing card procedures

The procedures for the use of purchasing cards can be found on the Finance website. The procedures tell you how to:

- Apply for a purchasing card
 - Record and process card transactions
 - Approve card transactions in the Finance System
 - Dispute items on your statement
 - Discharge your card holder responsibilities including card security
-

A3 Out of pocket expenses and advances

This appendix provides more detail in respect of the Purchasing Policy section 6 which covers mechanisms for purchasing goods and services.

A3.1 When can purchases be made using the out of pocket expenses process?

There are some circumstances when it is appropriate to buy goods and services using personal funds and claim reimbursement from the University. These are

- when the University's Finance System cannot be accessed to generate a purchase order because for example you are travelling on University business.
- when a purchasing card transaction cannot be performed, because the buyer doesn't have a card and is unable to find another cardholder to buy the item.
- when expenditure must be paid in cash for example payments to research volunteers.
- the claim is for an allowance such as mileage.

Those engaged in purchasing activity must always plan expenditure in advance wherever possible and must always aim to achieve the best possible **value for money**. Purchases should be made using the University's purchase ordering process unless a purchasing card transaction is appropriate in accordance with Appendix 2.

Before travelling overseas it is important to establish whether any sanctions, embargoes or restrictions (see section 7.3) are effective in your travel destination as this may affect the functionality and use of your purchasing card or your personal credit or debit card. How you pay for goods and services when you are travelling away from the University should form part of your travel risk assessment. All travellers are required under Health and Safety policy to complete a risk assessment for their trip both in the UK and overseas and this should include an assessment of travel and accommodation arrangements.

While out of pocket expenses provide quick and easy access to purchasing it is important that wherever possible staff and budget holders take a planned approach to purchasing and do not use out of pocket expenses as a routine 'emergency' alternative to purchase ordering.

All purchases and any judgements made in respect of business need and/or value for money must be in accordance with the flowchart in appendix A1.2.4.

A3.2 Process for claiming out of pocket expenses

Claims should be made within three months of the expenditure being incurred. In summary, out of pocket expense claims should be completed in accordance with the following table:

Members of staff and others with Finance System access	An online expense claim should be submitted via the Finance System accompanied by scanned receipts* for each transaction
Students and other claimants with no access to the Finance System	A paper expense form/student expense form should be submitted accompanied by paper receipts* for each transaction

*The University recognises that it is more difficult in some overseas countries to obtain receipts. Where it is not possible, the University will meet the identified cost of out of pocket expenses to a maximum of £20 per day without receipts. Any claim must demonstrate that the amount is reasonable in the circumstances.

You should refer to the procedure and system procedure notes available on the Finance website.

The University will not reimburse any claim that does not comply with this policy.

A3.3 Approval of out of pocket expenses

All out of pocket expense claims are authorised by the budget holder in accordance with the University's Financial Regulations as set out in this policy.

Expense claims with a value of over £500 must be approved by a Head of School or Director of Professional Service.

Claims from budget holders, Principal Investigators, Heads of School, Directors of Professional Service Division and other senior staff will be authorised by their line manager.

Expenses claimed by members of staff on the Finance System will automatically be routed to the appropriate approver.

It is the approver's responsibility to ensure that any claim is in accordance with this policy.

Schools or Professional Service Divisions may have their own procedures regarding the authorisation of expenses within their units. This Policy and associated procedures outline the minimum controls expected.

A claim that is authorised in accordance with the University's delegated approval authorities may still be refused if, in the view of the Director of Finance, it does not conform to this policy.

A3.4 Advances

Advances against proposed expenditure are available for those who incur significant out of pocket expenses in the course of their duties. Advances are only available if the individual is unable to pay or access cash using a university purchasing card. Advances are exceptional arrangements and are only provided until an alternative solution can be put in place.

Any advance should be cleared within one month of the date of returning to the University. Failure to do this will result in appropriate follow up action being taken to recover the value of the advance:

- staff: salary deduction
- students: a charge to the Student account
- others: a charge to a nominated budget

Individuals may only hold one advance at a time save in exceptional circumstances. The Director of Finance must approve more than one advance in advance . New travel claims will remain unpaid if an existing travel advance remains outstanding.

The process for advances can be found on the Finance website.

A4 Expenditure incurred while travelling and working away from base

A4.1 Scope

This appendix sets out rules and guidance relating to specific types of expenditure as referred to in section 2 of the Purchasing Policy, and in particular expenditure incurred while travelling or working away from the University. The appendix covers expenditure on the following:

- travel
- accommodation
- subsistence
- telephone calls and internet access while travelling
- internet and phones Home use
- extensions to business trips
- alcohol

All of these categories of expenditure are an appropriate use of University funds when wholly, exclusively and necessarily incurred in order to perform University business. There is particular public scrutiny over the types of expenditure dealt with in this appendix so it is of the utmost importance that **value for money** in purchasing can be demonstrated and expenditure is met only where it is an appropriate use of University funds.

Anyone purchasing goods and services in these categories is subject to the provisions of this Appendix; this includes anyone engaged in University business and some examples are:

- members of University staff and students.
- external parties, e.g. external examiners, visiting researchers and other third parties, where the travel is directly related to University activities and has the prior approval of the University.
- interview candidates for University jobs.

All purchases and any judgements made in respect of business need and/or value for money must be in accordance with the flowchart in appendix A1.2.4.

Specific arrangements for staff based overseas

Where staff are based overseas and do not have access to the University's Finance System purchasing should wherever possible be carried out using a purchasing card which will be issued to them for this purpose. Staff should at all times aim to achieve value for money in purchasing in accordance with this policy and irrespective of the method of purchasing.

A4.2 Items not considered to be an appropriate use of University funds:

The following list provides examples of items that are not appropriate use of University funds:

- expenditure that would normally be seen as part of an individual's day-to-day living expenses, for example toiletries, clothing, newspapers.
- travel between home and usual place of work
- traffic fines
- gratuities, except when the culture is such that paying a gratuity is seen as an integral part of the cost of receiving a service
- dinner jacket or ball gown costs to attend formal functions
- care costs, childcare costs, kennel/cattery costs or vets fees and similar expenditure.

A4.3 How to buy goods and services

In all cases the standard route should be used for purchasing. The standard route involves using the Finance System to create a purchase order in advance unless expressly excepted under another section of the policy. For example, in certain specific circumstances it is appropriate to use a University purchasing card (Appendix A2) and if you do not hold a purchasing card or have access to someone who does, to seek reimbursement of personal out of pocket expenses (Appendix A3).

In the case of buying services from the managed travel provider, under appendix A2 you should use a purchase card but exceptionally if you do not hold a card or have access to someone who does you should raise a purchase order, unless you are unable to access the University's Finance System in which case you should claim through out of pocket expenses.

Before travelling overseas it is important to establish whether any sanctions, embargoes or restrictions (see section 7.3) are effective in your travel destination as this may affect the functionality and use of your purchasing card or your personal credit or debit card. How you pay for goods and services when you are travelling away from the University should form part of your travel risk assessment. All travellers are required under Health and Safety policy to complete a risk assessment for their trip both in the UK and overseas and this should include an assessment of travel and accommodation arrangements.

A4.4 Travel

A4.4.1 Travel planning

Travellers should plan their trips in advance to ensure they are able to establish a solution that meets their business need and provides the best possible **value for money**. This will help to increase certainty around travel plans, ensuring that expensive 'open' tickets can be avoided, the best prices are obtained taking advantage of promotional and discounted fares avoiding costly late changes to bookings.

A4.4.2 Managed travel provider

The University's managed travel provider should be considered in the first instance for overseas travel and for UK and overseas accommodation. If business need cannot be met or a better **value for money** solution can be found, an alternative provider may be used (see appendix A1.2.4). Comparative quotes should be obtained to evidence

alternative solutions and retained by the purchaser. Advice can be obtained from the Procurement and Commercial Services team.

The managed travel provider will be able to assist with planning, particularly with more complicated trips, to ensure flexibility is built into arrangements where necessary while still maximising low cost options that meet requirements.

The managed travel provider offers a price match guarantee on like-for-like bookings and will help travellers to ensure they find the most cost effective mode of transport and lowest logical fare when on University business. They have the capability to identify where travellers should be, according to their itinerary, and provide early advice if staff travel unexpectedly into areas of risk (e.g. extreme weather, natural disasters, terrorism or civil unrest) including a 24 hour helpline for travellers. These value added services along with those provided by the University's travel insurance provider help the University to meet its duty of care obligations to staff and students.

The Finance website contain more information about the managed travel provider.

A4.4.3 Air travel and air miles

Members of staff and other external parties are required to travel in the cheapest available class of travel. This should normally be economy class. Travelling in a more expensive class requires advance authorisation from the Head of School or Director of Professional Service. For guidance to Heads of School and Directors of Professional Service travelling in a more expensive class is considered to be an appropriate use of University funds in the following circumstances:

- where the length of the journey and its timing in relation to business meetings or presentations, requires good sleep and/or work on the flight and better value alternative arrangements are not available. As a guide, planned flight durations of up to five hours should be economy, whilst those with a total flight time of over five hours may be business class. The five hour flight time guide is a total journey duration which may involve more than one flight. Travellers will be expected to demonstrate **value for money**, and use premium economy or similar fares if available.
- it is essential to the journey, to accompany and work with someone from another institution who is travelling business class or equivalent.
- the funding sponsor for the trip specifically allows business class travel and refunds the full cost, without creating the need for cuts elsewhere in a project.

In situations where you have extended time periods between flights the use of airport lounges is an appropriate use of University funds.

Air miles may be earned as a result of regular business travel. Any such air miles must be used for business purposes; for example, the purchase of facilities such as seat upgrades, the use of member departure lounges and priority booking arrangements. Air miles cannot be used for private purposes such as holidays or to allow a traveller to be accompanied on a business trip by family or friends.

A4.4.4 Rail travel, Eurostar, Eurotunnel and ferry services

All rail and ferry services can be booked via the managed travel provider.

Other providers may be used such as nationalrail.co.uk or thetrainline.com. Eurostar, Eurotunnel and ferry services can be booked direct with the service provider online.

The most economical class of travel should be used (taking advantage of all types of 'saver' tickets).

A4.4.6 Use of a private vehicle or hire car

Members of staff, students and other travellers are encouraged to travel by public transport wherever possible as this often provides better **value for money** and supports the achievement of our environmental objectives.

In situations where public transport does not provide a viable travel solution on grounds of either cost or practicality or where a number of travellers use a single vehicle, it would be an appropriate use of University funding to travel by private vehicle or hire car.

Where there is available public transport and the traveller chooses to use a private or hire vehicle the lesser of the calculated mileage or hire charge and the total cost of available public transport for all the vehicle occupants will be met.

In all cases when using a private vehicle or hire car the driver is responsible for ensuring:

- the vehicle is in good working condition and maintained in accordance with the manufacturer's instructions with a valid MOT certificate if necessary.
- valid car insurance is in place for the vehicle, specifically including cover for business use where necessary which must be obtained at the personal cost of the individual.

The driver must be medically fit as described by the DVLA medical rules on driving and must hold a valid driver's licence for the class of vehicle used

University funds will meet the cost of private car travel on University business, calculated using the mileage rates approved by HM Revenue and Customs <http://www.hmrc.gov.uk/rates/travel.htm> The approved mileage rate is deemed to cover all of the costs associated with the use of a private vehicle.

The maximum the University will fund is the "standard cost of travel" by private vehicle, calculated as mileage rate multiplied by the distance travelled between the normal place of work and the business destination. If your journey is shorter because you started from or returned to a different location such as your home, the cost that will be funded will be based on the actual travel distance multiplied by the mileage rate.

In the case of a hire car the University will fund the cost of car rental and fuel for the journey. Hire cars should be booked through the University's managed travel provider for bookings overseas and the nominated UK car hire provider for UK bookings unless it can be demonstrated that business need could only be met by using an alternative service provider. A vehicle appropriate to the distance travelled and the number of people travelling should be hired.

A4.4.7 Use of motor cycles and bicycles

It is appropriate use of University funds to meet the cost of motor cycle or bicycle travel at the mileage rates approved by HM Revenue and Customs <http://www.hmrc.gov.uk/rates/travel.htm>. [The criteria for the use of private vehicles, described above applies where appropriate.](#)

A4.4.8 Taxis

It is an appropriate use of University funds to meet the cost of taxi travel on University business in cases of urgency, if no other public transport is available or where several people travelling together make it cost effective.

For anyone on University business, the actual cost of a taxi between a home address and the University's campus or other location such as a railway station is appropriate use of funds only if the following conditions **all** apply:

- the member of staff is required to work later than their normal working hours or if they have been away on University business.
- it is after 9.00pm at night.
- public transport has ceased or it is unreasonable to use public transport.

The University will fund taxi journeys of up to a distance of 20 miles.

A4.4.9 Travel insurance

Travel insurance is a mandatory requirement for all University business travel that involves either an overseas trip, or an overnight stay if in the UK. Members of staff or students must arrange travel insurance through the University's Insurance Manager. More information is available on the Finance website at <http://www.sussex.ac.uk/finance/policies>.

The University will not fund privately arranged travel insurance.

A4.5 Accommodation

Where an overnight stay is required, staff should consider in the first instance booking through the University's managed travel provider unless accommodation is provided as part of a conference package arranged by the host institution or is specified for an event.

If the managed travel provider is unable to provide a solution that meets business need and is good **value for money** staff may book an appropriate class of hotel independently with the prior approval of the budget holder or, in the case of budget holder's, their line manager.

Accommodation should normally be three star or equivalent for single occupancy. In circumstances where other classes of accommodation are deemed more suitable (proximity to destination, security considerations etc), evidence of **value for money** should be retained. The cost of accommodation excluding meals can vary considerably from location to location and the amount the University will fund is therefore stated as a guide of £100 for standard locations and £200 for high cost

locations, such as major cities, depending on the typical cost of three star accommodation. Staff are expected to be able to demonstrate and evidence good **value for money** judgements when deciding on an appropriate cost of accommodation.

Members of staff, students and other travellers should exercise caution if they use online or other similar services that arrange accommodation in private homes (for example, Airbnb). Whilst these may appear cheaper than other options, there is no certainty that the accommodation has been checked to ensure it is in accordance with acceptable health and safety standards and the University may be prevented from meeting its duty of care obligation. All travellers are required by Health and Safety policy to complete a risk assessment for their trip both in the UK and overseas and this should include an assessment of travel and accommodation arrangements.

A4.6 Subsistence

It is an appropriate use of University funding to meet the cost of meals eaten while travelling away from the normal place of work on University business. As a guide to budget holders, trips of around 4 hours and more would be a reasonable basis for this. The following table details the maximum level of expenditure for meals considered to be an appropriate use of University funds. Actual costs incurred should be reasonable for the location.

Breakfast	£15 max	Following overnight stay, or journey starting before 6 a.m.
Lunch	£15 max	Total cost including soft drink. Alcohol is not an appropriate use of University funds (see Appendix A4.10)
Dinner	£30 max	Total cost, including any drink, if on an overnight stay, or unlikely to be home before 9.00 p.m. Alcohol is not an appropriate use of University funds. (see section 4.10)

The table above contains the only allowances for subsistence

A4.7 Telephone calls and internet use while travelling

Use of personal mobile phones and devices for business

It is appropriate use of University funds to meet the cost of telephone calls and internet access of members of staff for business purposes whilst travelling on University business where they do not have use of a University device. The cost of Calls or internet access must be separately identifiable and supported by evidence (for example, provider call logs indicating cost).

Personal calls when away overnight are also allowable, within the limits below:

UK travel	£5 max	Total cost, per day.
Overseas travel	£10 max	Total cost, per day.

Use of University mobile phone for personal purposes

Except within the limits in the table above whilst travelling on University business or in an emergency situation, it is not considered appropriate use of University resources for members of staff to use University-provided mobile phones for personal use.

A4.8 Internet and Phones Home use

It is not appropriate use of University funds to meet the cost of internet access at the home address of members of staff or students or the use of personal telephones (landline or mobile) when not away on University business unless approved in advance by the Director of Finance.

A4.9 Extensions to business trips

Members of staff may extend their business trips, for non-business reasons, e.g. holiday, personal research. The budget holder and the line manager must approve the extension in advance. Clear evidence to support the cost of business trips must be retained (e.g. web print out demonstrating the cost of travel with and without the extension for a non-business reason).

Costs which are wholly and necessarily incurred in respect of the business element of a trip are appropriate use of University funds. If the arrangement results in higher travelling costs, University funds will meet the equivalent cost had the traveller's journey been purely for business. If the arrangements result in the cost being less than would otherwise have been incurred, University funds will meet the actual cost incurred and no more.

A4.10 Alcohol

The consumption of alcohol at University organised events and business events attended by University staff should be appropriate and modest. It is only considered an appropriate use of University funds in specific circumstances expressly identified in this policy and set out in appendix A5. The University will fund conference delegate fees which include the cost of a conference dinner at which alcohol is served as part of an event package.

A5 Staff, student and visitor hospitality and incidental expenditure

A5.1 Scope

This appendix sets out rules and guidance relating to expenditure on the following:

- visitor hospitality
- staff and student Hospitality
- professional subscriptions and memberships
- research volunteer payments
- job applicants' expenditure
- relocation expenditure

All of these categories of expenditure are an appropriate use of University funds when wholly, exclusively and necessarily incurred in order to perform University Business. There is particular public scrutiny over the types of expenditure dealt with in this appendix so it is of the utmost importance that **value for money** in purchasing can be demonstrated and expenditure is met only where it is an appropriate use of University funds.

Anyone purchasing goods and services in these categories is subject to the provisions of this Appendix; this includes anyone engaged in University Business and some examples are:

- Members of University staff and students.
- External parties, e.g. external examiners, visiting researchers and other third parties, where the travel is directly related to University activities and has the prior approval of the University.
- Interview candidates for University jobs.

A5.2 Items not considered to be an appropriate use of University funds:

The following list provides examples of items that are not appropriate use of University funds:

- Alcohol, except in specified instances in this policy where modest provision of alcohol is considered and appropriate use of University funds.
- Travel between home and usual place of work
- Traffic fines
- Gratuities, except when the culture is such that paying a gratuity is seen as an integral part of the cost of receiving a service
- Dinner jacket or ball gown costs to attend formal functions
- Staff parties except leaving parties and University staff parties open to ALL staff.

A5.3 How to buy goods and services

In all cases the standard route should be used for purchasing. The standard route involves using the Finance System to create a purchase order in advance unless expressly excepted under another section of the policy. For example, in certain specific

circumstances it may be appropriate to use a University purchase card (Appendix A2) or seek reimbursement of personal out of pocket expenses (Appendix A3).

All purchases and any judgements made in respect of business need and/or value for money must be in accordance with the flowchart in appendix A1.2.4.

A5.4 Visitor hospitality

It is appropriate use of University funds to meet the reasonable entertaining costs of staff and their guests, e.g. client, sponsor or partner on a collaborative project. There must be a valid business purpose, for example meals with external examiners, speakers or other guests in which knowledge is shared. The entertainment should not be used simply to reward external guests and staff should consider how the entertainment would be justified if the expenditure were to be published in the public domain. Guideline maximum levels of entertaining expenditure are as follows:

Lunch	£30 max	Total cost, per person, including drinks and VAT.
Dinner	£50 max	Total cost, per person, including drinks and VAT.

Where possible, members of staff should use University facilities when entertaining visitors to the University. The ratio of staff to guests should not exceed 2:1. Exceptionally, this can be a maximum of 3:1 for entertainment on the University campus. If an event is likely to exceed these ratios, the organiser must secure the pre-approval of the Director of Finance. Modest provision of alcohol is judged to be appropriate use of University funds within the maximum limits set out above.

The approval of a transaction for the purchase of business entertaining and hospitality should not be undertaken by an attendee at the event or recipient of the services provided.

Spouses and partners should not generally attend except in exceptional circumstances approved in advance by the Director of Finance.

A5.4.1 Catering

All purchases of on campus catering and hospitality should be from the University's provider for on campus conference, catering and hospitality services. Anyone wishing to arrange catering should use the nominated campus catering provider. Only in circumstances where the University's specific business need cannot be met should an alternative provider of catering and hospitality be considered(see appendix A1.1.1). The cost of catering provided by the nominated catering provider must be charged directly to a School or Professional Services Division budget and bookings made via the providers web based booking system.

A5.4.2 Staff leaving events

Heads of Schools and Directors of Professional Services may exceptionally contribute from their School or Divisional budget to a farewell party for a member of staff who is retiring or leaving after highly valued service. The cost incurred should be proportionate to the length of service and their role within the University. The nominated campus catering provider should be used and booked in accordance with A5.3.1 above unless business need cannot be met. The maximum allowed expenditure is £15 per head. The function must be open to all staff within the departing employee's department or

immediate section. At these events a modest provision of alcohol is considered a reasonable use of University funds.

A5.4.3 Student welcome/leaving events

A moderate School contribution up to a maximum of £10 pounds per student is acceptable for student welcome and farewell parties, where this is affordable within the School's overall budget and where the number of students present is likely to be well in excess of the number of staff. At these events a modest provision of alcohol is considered a reasonable use of University funds. The nominated campus catering provider should be used and booked in accordance with A5.3.1 above unless business need cannot be met.

A5.4.4 Other staff and student events

Hospitality and associated costs for staff events which have a clear business purpose and which are open to all University staff are an appropriate use of University funds. The maximum budget for such an event should be proportionate to its purpose and represent good value for money. Approval must be given in advance by the Director of Finance. Provision of a modest amount of alcohol is considered an reasonable use of University funds where this is appropriate with regards to the timing and purpose of event .

It is not appropriate use of University funds to subsidise the cost of other staff and student parties, including School or Professional Services Division staff Christmas parties.

A5.4.5 Staff working lunch

Staff lunches may only be provided where staff have to, exceptionally, keep a service open at lunchtime, or if meetings occur during lunchtime when this is the only time available to hold the meeting. It should take place at the normal place of work and be consistent with a standard lunchtime meal, e.g. a sandwich or similar, with a non-alcoholic beverage.

The nominated campus catering provider should be used and booked in accordance with A5.3.1 above unless business need cannot be met.

A5.4.6 Provision of refreshments at meetings

Refreshments, tea, coffee, biscuits, may be ordered through the campus catering provider for staff meetings that are scheduled for 90 minutes or more, have an agenda and are formally minuted. The nominated campus catering provider should be used and booked in accordance with A5.3.1 above unless business need cannot be met.

A5.4.7 Teamwork based training events

Heads of School and Directors of Professional Services may fund the cost of teamwork based training events up to a maximum total event cost of £50 per head. Events should take place on campus where possible and the nominated campus catering provider should be used and booked in accordance with A5.3.1 above unless business need cannot be met.

A5.4.8 Alcohol

The consumption of alcohol at University organised events and business events attended by University staff must be appropriate and modest. It is only considered an appropriate use of University funds in specific circumstances set out in this appendix. The University will fund conference delegate fees which include the cost of a conference dinner at which alcohol is served as part of an event package.

A5.4.9 Gifts to members of staff

Gifts to members of staff should always be personal gestures and are not an allowable expenditure unless given as part of a formally approved and recognised University wide reward scheme such as the long service awards scheme.

A5.5 Professional subscriptions and memberships

It is not appropriate use of University funds to meet the cost of Subscriptions to professional bodies and academic / learned societies.

However, the following exceptional circumstances are considered to be reasonable use of University funds:

- A specific individual's membership is an expressly stated contractual condition of a course accreditation or a research or other funding award the University is dependent upon.
- Membership is corporate, or where the individual is a member because they represent the University in their specific role, e.g. Universities UK, Association of Heads of University Administration (AHUA), Association of Research Managers and Administrators (ARMA)

Similarly, journal subscriptions taken out in an individual's name are not appropriate use of University funds. Exceptionally, the University will meet the cost of a journal subscription if it is only available to an individual member and the journal is then made available to all colleagues within a department.

A5.6 Experimental subject payments

The cost of experimental subject payments is an appropriate use of University funds, where a member of staff, a student or a visiting researcher, in the course of undertaking their research, requires volunteers to participate in tests, interviews, etc. Each individual participant should receive a nominal sum to cover their out of pocket travel and subsistence expenses and as appropriate compensation for their time.

A5.7 Job applicants

It is appropriate use of University funds to pay reasonable costs incurred by Job applicants to attend interviews.

A5.8 Relocation Expenditure

Relocation expenditure is not covered by this policy but instead is governed by the Removal Expenses Policy on the Human Resources website.
