

HOW DOES PROCUREMENT AT THE UNIVERSITY OPERATE ?

In common with the majority of Public Sector organizations, the University operates on the basis of devolved budget management. This means that operating units (Colleges, Schools and Corporate Services Departments) within the University have responsibility for achieving their own financial and operational targets within the context of delivering the organisation's overall policies and strategic objectives.

The University's financial management is devolved to the Colleges and Corporate Services Departments with support provided by the central Finance Office to assist the Colleges and Departments manage their budgets effectively.

Procurement within the University is organised in a similar way, with Colleges, Schools and Corporate Services Departments responsible for placing Purchase Orders (the transaction process related to procurement and purchasing) supported by a central Procurement function that establishes compliant (where compliant means that the arrangements are compliant with any statutory or regulatory obligations applicable to the organisation) commercial arrangements (Framework Agreements* and Contracts) that the Departments place their Orders against. The central Procurement Division also undertakes the competitive processes needed to establish the supply arrangements and to establish specific contracts for the fulfillment of higher value (usually one off) requirements (such as equipment or even construction contracts).

(*Note that a Framework Agreement is a "standing offer" and a kind of non-exclusive call of contract which does not guarantee that the Buyer will purchase anything off or from the Framework Agreement arrangement or supplier. It establishes a set of terms and conditions, service levels and pricing matrices that are made available to Colleges and Corporate Services Departments to use and place Purchase Orders against. The commitment and contract to purchase equipment, commodities or services from the Framework Agreement supplier is made when the Order is posted by the Buyer).

Beyond the Procurement presence within the University, procurement in Higher Education Sector is supported by a central resource that operates on a "Consortium" basis.

The Sector has four Consortia in England that are regionally based (North West; North East; South and London) and the University is a member of the North East Universities Purchasing Consortium.

The Consortia work together with Universities to co-ordinate demand and establish Framework Agreements that are available to all Universities in England ("national agreements") or primarily available to Universities in specific Regions ("regional agreements" though most regional agreements are now generally made available nationally). There are other Consortia style procurement groups operating in the Sector that are focused on specific disciplines or operational areas – more details are set out below.

In summary, Colleges, Schools and Corporate Services Departments at the University are able to access several resources in order to procure and purchase the equipment, commodities and services that they require.

The University's central Procurement Division will provide access to and communicate the details of the Framework Agreements established by the Regional Consortia to Colleges, Schools and Corporate Services Departments.

From a supplier's perspective there are opportunities to compete for business at any of the levels referred to above (National, Regional and University) as the Tendering and competitive processes are substantially the same – only the volumes differ with the "Consortia" volumes being substantially greater than those at individual University Level.

We have included links to some of the "Consortia" style resources and organisations that are available to the Public Sector in general in this information pack.