

replace with  
**LOGO**

Company Name

# PROCUREMENT POLICY

VERSION 0.1

DATE

Presented by:

Your Name

# [Company X] Procurement Policy

[DATE]

This procurement policy has been drafted to form part of the Procedures Manual and to make it easier for the company to obtain certifications and to participate in consortium projects where operational information needs to be shared. Its secondary purpose is to formalise procurement processes as the range of manufactured and part-manufactured products is increased and the systems need to work efficiently and without slowing down the commercial cycle.

[COMPANY X] is a technology company with a number of product streams which will require a range of procurement approaches, often with unique suppliers or high added value subcontractors of which there is a limited choice. Other suppliers and subcontractors can be considered as mainstream and competitive procurement approaches can be used to better advantage.

All purchases above a value of £[150] should be requested via a Request For Purchase Form(RFP) or recognised as a pending entry into the purchase ledger system and attributed to a project or an activity as defined on the cost centre list. Below £[150] orders can be placed directly if urgent so long as the RFP notes the order has been placed and an order number is included for tracking.

All procurement processes must create a suitable accounting trail to ensure cash management policies and oversight can function effectively. [This policy may be adjusted at a detail level as document and systems in the company evolve.]

In practice the general procurement mechanisms should be:

1. For items/orders between [£150 and £1,000] the purchasing decisions are at the discretion of [EXECUTIVE NAME 1 or NAME 2] who will be responsible for ensuring and balancing value for money and urgent delivery issues.
2. For items/orders above £[1,000 to £10,000], the company will whenever this is possible or beneficial, seek three quotations from suppliers based on a clear specification and seek best value but also delivery and risk of delay issues as they may impact on company delivery commitments. This may also be necessary if the project concerned is externally funded and this is a condition associated with such funding. The final procurement decision should normally be based on value for money which might include an unbiased consideration of the following factors:
  - a) Price
  - b) Ability to deliver the required service quality and timescales
  - c) Warranty and guarantees
  - d) Experience and reputation or recommendation/references