



PROCUREMENT POLICY

Version 1.0 25/06/2019

Purpose

It is the aim and intention of Midwives at Maternity Azur (MAMA) to be honourable, transparent and accountable in the handling of our finances, respecting the trust our donors have placed in us.

This Policy sets out the MAMA's process to ensure that:

- The correct goods or services are purchased, in terms of the correct quality and specification;
- Best value for money is achieved;
- The risk of fraud is minimised;
- Our procurement procedure is efficient and timely.

This Policy sets out our operational guidelines for the procurement of any good or service on behalf of the Charity.

Scope

This Policy applies to any employee or volunteer with the authorisation to purchase goods or services on behalf of the Charity from stationery to contracting building work.

Overall authority for ensuring compliance to this Policy is with the Board of Trustees. Project Managers are expected to ensure that employees and volunteers adhere to the procedures laid out in this Policy. Failure to comply may result in Disciplinary action (please refer to our Human Resources Manual).

Principles

Strategically relevant: our procurement will support the delivery of our strategic objectives.

Transparency: we will be open about our procurement requirements, selection criteria and processes.

Risk management: we will consider the totality of risks relating to any procurement exercise, beyond just financial cost, and ensure that these are managed effectively.

Quality: we will ensure that the quality of goods or services that we procure are sufficient but not excessive for their intended purpose, i.e. not necessarily the cheapest option, but also not the luxury option that exceeds our requirements at unnecessary expense.



Proportionality: we will ensure that the costs of carrying out a procurement exercise do not outweigh the benefits to be achieved, and we will invest the greatest effort where the risk is greatest.

Equality & fairness: we will treat all qualifying suppliers for contract opportunities equally and fairly, by, for example, providing the same information and applying the same selection criteria. We will treat suppliers with dignity and respect.

Audit trail: we will keep clearly documented records of procurements undertaken and contracts entered into.

Compliant: we will comply with all relevant laws, statutes and donor obligations as applicable.

Integrity: We will procure ethically, in accordance with our values, and manage any conflicts of interests that arise.

Segregation of duties: no single person should be empowered to control all stages of a procurement process.

Procurement Procedure

It is the Policy of this Charity to source the most cost-effective price for a good or service necessary to continue the operations of the Charity as practicable.

Routine Expenditure

An annual budget is agreed by the Board of Trustees, which should include expected regular expenses such as insurance, utilities, stationery and marketing. The responsibility is with the Chair of the Board to review repeat expenditure (e.g. utilities) and check price competitiveness on an annual basis. Switching provider must be in the best interest of the Charity and give no kick back to the employee involved (please refer to Conflicts of Interest & Anti-Bribery, Corruption, Fraud & Whistle-Blowing Policies). Any conflicts of Interest must be reported to the Board.

Small Expenditure

Provided that the cost is under £100 (e.g. stationery/printer cartridge order) and within the agreed Budget, authorisation above direct manager is not necessary. Nevertheless it is the responsibility of the employee to occasionally review the supplier to check their market competitiveness. The frequency of price checks will be dependent on how often these purchases occur. It is recommended that employees do a quick internet search for prices for a particular product (e.g. laminating sheets) before purchase to ensure the best price is being realised. It is the responsibility of the Manager to request supporting evidence (such as a screenshot of the price search) before a purchase is made.

Larger Budgeted Expenditure

Any expenditure \geq £100 must have the authorisation of a Trustee before purchase. The Trustee may request to see a minimum of two quotes, delivery timescale and any customer approval ratings before giving authorisation. For any purchases of £500 or



more, the Trustee must see a minimum of two quotes, delivery timescale and any customer approval ratings before making a decision on which supplier to go with. For purchases of £1,000 or more three Trustees must authorise the purchase and will expect to be given three quotes, delivery timescale and any customer approval ratings before making a decision.

Table 1: Procurement Procedures

Type of Expenditure	Supporting Documentation	Authorisation
Routine, repeat expenditure	Annual review	Responsibility with Chairperson
< £100	Online price search (screenshot)	Authorisation by Project Manager
£100 - < £1,000	Two quotes	Authorisation by Trustee
≥ £1,000	Three quotes	Authorisation by Board of Trustees

Supplier Relationships

Any conflicts of interest must be declared – please refer to Conflicts of Interest Policy. Occasionally there are benefits to having an established relationship with a supplier – such as another level of security on flights using a Travel Agent; quicker delivery turnarounds; no set-up costs etc. Nevertheless, it is the responsibility of the Board of Trustees to regularly review these relationships and to request alternative quotations for purchases over £1,000 as they deem necessary.

Unexpected Expenditure

Occasionally one-off unexpected expenditure arises. If under £100 this is at the Manager’s discretion prior purchase. If over £100, any expenditure requires a Trustee’s approval. It is at the discretion of the Financial Controller to refuse to reimburse an employee, volunteer or Downstream Partner for an expense claim that has not been authorised by a Manager or Trustee.

Travel Expenses

Please see our Travel & Subsistence Policy.

Procurement Overseas

It is the responsibility of the Project Manager to devise a budget with the Downstream Partner and have this signed off by the Board of Trustees and an agreement written in a MOU between MAMA and the relevant Partner. A due diligence assessment must be conducted on any Downstream Partner who will be overseeing MAMA funds in country.

The procurement of land or property overseas cannot be done without the involvement of the Board of Trustees. For smaller capital purchases such as vehicles, the Downstream Partner is responsible for submitting quotations and registration paperwork to the Board (to avoid purchasing vehicles from family members etc).



Contracting work must go out to tender, as appropriate, and submitted to the Board for approval. As much as practicable, work should not be contracted out to family members. Please refer to Conflicts of Interest Policy and Anti-Bribery, Corruption, Fraud & Whistleblowing Policy.

Whistleblowing

If an employee or volunteer suspects or witnesses anyone misusing MAMA funds or the Procurement process for their own benefit, they must report this to the Board immediately and record any evidence. It is the responsibility of all members of staff or anyone involved in the Procurement process to report any Conflicts of Interest that may arise to the Board. If an employee or volunteer suspects that a conflict of interest is present but has not been reported they are responsible for informing the Board of Trustees. Please refer to both our Whistle-Blowing and Conflicts of Interest Policies. Failure to report could lead to Disciplinary action.

Responsibility

All those persons referred to within the scope of this Policy are required to adhere to its terms and conditions.

Project Managers and the Board of Trustees are responsible for ensuring that this Policy is applied within their own area.

Any queries on the application or interpretation of this Policy must be discussed with the Board of Trustees prior to any action being taken.

The Board has the responsibility for ensuring the maintenance, regular review and updating of this Policy. Revisions, amendments or alterations to the Policy can only be implemented following consideration and approval by the Board.

Ethical Code of Business Conduct

Business Ethics and Integrity

We have a zero tolerance approach to corruption, fraud, and bribery. As a minimum we will comply with the requirements of the Bribery Act 2010 and all applicable anti-bribery, anti-money laundering, anti-terrorism and proceeds of crime laws, rules and regulations.

Legal Compliance

We will comply with all applicable laws and regulations.

Transparency and Accountability

Subject to protection of personal data and commercial confidentiality as required, we aim to be open and accountable in all our business dealings. We have in place robust governance structures and systems, maintain true accurate and appropriate record



keeping, have clear decision-making processes, and aim to be transparent and fair in the award of contracts.

Human Rights

We respect the inherent dignity and equal rights of all members of the human family, as proclaimed in the UN Universal Declaration of Human Rights. We will avoid engaging in, and as far as reasonably possible benefiting from, any activity which would result, directly or indirectly, in the abuse of human rights. We are committed to keeping our workplace free of any form of harsh or inhumane treatment

Equality and Diversity

We are committed to treating all people fairly and equally, and welcome diversity in the workplace. We will not engage in, and will take active steps to prevent, discriminatory behaviours on the basis of age, disability, gender reassignment, marriage or civil partnership status, pregnancy and maternity, race, colour, ethnic or social origin, religion or belief, sex, sexual orientation, or any other protected status.

Health and Safety

We will provide a safe and healthy working environment for our employees, on-site contractors, volunteers and visitors, and comply with all applicable laws and regulations.

Environmental

We recognise our responsibilities towards the environment and are committed to reducing any negative impact on the environment that our work may have. This includes having policies in place to encourage the responsible use of resources and to reduce our output of all types of waste and harmful emissions.

Code of Fundraising Practice and Guidance

We are committed to the highest standards of ethical engagement with members of the public and supporters in any fundraising activity that we undertake. We will adhere to, and require that any professional fundraiser or commercial participators fundraising on our behalf are compliant with, the Fundraising Regulator's Code of Practice and Guidance

Tax Avoidance

We are opposed to immoral tax practices, which deprive poorer countries of much-needed funds to deliver vital public services. We are committed to ensuring compliance with all proper requests to pay taxes, duties, and charges imposed or levied on us.

Modern Slavery and Child Labour

We will apply a **zero tolerance** approach to tackling the practice of modern slavery, child labour, trafficking, bonded, or compulsory labour in any of its forms.

Date approved by MAMA Board of Trustees: 30/07/2019

Review Date: 30/07/2022