

Nōnahea i Whakarerekē Last Modified	March 2022
Rā Arotake Review Date	November 2024
Mana Whakaae Approval Authority	Kaihautū Matua Kōahu Executive Director – Planning, Finance & ITS
Āpiha Whakapā Contact Officer	Kaiwhakahaere Whiwhinga Strategic Procurement Manager, Financial Services – Planning, Finance & ITS

Kupu Whakataki | Introduction

This policy sets out the standards and expectations of the University regarding the procurement processes and activities relating to suppliers.

Procurement covers the business processes and activities associated with

- purchasing goods, services and works from suppliers; and
- leasing goods from suppliers

that are used by the University to facilitate its operations and to deliver its strategy and objectives.

These processes and activities are:

- Identifying the University's needs and planning the best approach to market;
- Sourcing the goods, services, or works; and
- Managing the supply contract and the supplier relationship.

Kaupapa Here | Policy Statements

Procurement is a significant activity of the University and plays an important role in the delivery of the University's outcomes. The University has an obligation to deliver broader outcomes through its procurement function, i.e., secondary benefits generated from the procurement activity that could be environmental, social, and economic sustainability, or cultural benefits.

The University procures a wide variety of goods, services and works from suppliers. The University's requirements are diverse and complex, ranging from major and minor contracts with long term partnerships to one-off purchases. The way the University plans, sources and manages its procurement will vary depending on the level of value, complexity, and risk involved.

Therefore, the University will determine and apply the best approach suited to the individual procurement, within the framework of the [Government Procurement Principles](#) and the *Government Procurement Charter* and the University's [Strategic Vision 2020-2030 \(University Plans, Policies and Regulations Website\)](#)

All staff involved in procurement activities are responsible for applying and adhering to this policy, delegated authority and information available via [UC Procurement site \(Financial Services Intranet\) \(Staff only\)](#).

Scope and Purpose

This is a University-wide policy and applies to:

- All staff.
- All procurements of goods, services or works, or the leasing of goods, from suppliers. This includes outsourced procurement activity performed on behalf of the University.
- All contracts for the supply of goods, services or works related to the above.
- Research subcontracts to third parties where the University is responsible for the procurement activity.
- Procurement of contractors/consultants.

The purpose of this policy is to ensure the University

- achieves best public value, which means supporting the University's mandate to advance economic, environmental, cultural, and social sustainability, and to increase organisational efficacy;
- provides clear direction to management and staff on the University's objectives, approach, standards and expectations regarding the planning, sourcing, and managing of its procurement activity; and
- applies consistent procurement practices across all procurement activities.

Expectations and Standards

The University will apply the [Government Procurement Principles](#) and the [Government Procurement Charter](#) when planning, sourcing, and managing its procurement, as these set the standard for good practice.

In applying the [Government Procurement Principles](#) and the [Government Procurement Charter](#), consideration will be given to the strategic principles outlined in the [University's](#)

[Strategic Vision 2020 to 2030 \(University Plan, Policies and Regulations website\)](#). The strategic principles that will be considered are:

1.1 *Local Engagement*

Leverage the University's spend to increase the positive impact on economic sustainability for Ōtautahi | Christchurch and Waitaha | Canterbury by

- (a) supporting and fostering local business, and
- (b) encouraging growth and development of local workforce, and
- (c) increasing access and opportunities for local suppliers wishing to do business with the University.

1.2 *Environmental Sustainability*

Leverage the University's spend to increase the positive impact on environmental sustainability by increasing access and opportunities for suppliers that

- (a) offer long term environmental initiatives that improve the University, Ōtautahi | Christchurch and Waitaha's | Canterbury's ecological environments;
- (b) contribute towards the University's carbon net neutral 2030 initiative;
- (c) minimise waste, such as elimination of single use plastic, packaging, and disposable items; and
- (d) protect human health and enhance environmental quality and safety.

1.3 *People / Social Equity*

Leverage the University's spend to increase the positive impact on people and contribute to equitable outcomes by

- (a) encouraging the procurement of all goods, services and works at the University to be reflective of our commitment to Te Tiriti o Waitangi (Treaty of Waitangi), a partnership model evident across procurement processes;
- (b) increasing access and opportunities for suppliers that promote socially responsible practices (diversity, acceptance, fairness and inclusiveness, access for people of all abilities) including compliance with legislative obligations to its employees;
- (c) increasing access and opportunities for suppliers that favour ethical sourcing to ensure
 - products are being sourced in a responsible and sustainable way,
 - workers involved in making them are safe and treated fairly, specifically, the University will make every effort to ensure that modern slavery is eliminated from our supply chain, and
 - that environmental and social impacts are taken into consideration.
- (d) supporting and fostering businesses that are owned and operated by Māori and Pacific communities and organisations; and

- (e) increasing access and opportunities for suppliers that create a positive social impact for Māori and Pacific people and communities.

1.4 *Operational Efficacy*

- 1.4.1 Obtain best public value while ensuring procurement decisions and practices can always withstand public scrutiny.
 - 1.4.2 Always act with integrity and ensure supplier interactions and contractual arrangements are fair, effective, and transparent. This includes acting impartially and documenting, identifying and managing conflicts of interest in accordance with the University's [Conflict of Interest Policy, Principles and Guidelines \(PDF,605KB\)](#)
 - 1.4.3 Risk and liability are managed prudently and in accordance with the [Risk Management Framework \(PDF, 1MB\)](#)
 - 1.4.4 Ensure appropriate financial and contractual delegation approval prior to committing any funds on behalf of the University.
 - 1.4.5 Ensure record-keeping practices reflect the University's [Records Management Policy \(PDF,574KB\)](#).
- #### 1.5 *Managing Supply Contracts and Supplier Relationships*

The University will manage contracts and supplier relationships in the following ways:

- (a) In accordance with the terms and conditions of the supply contract;
- (b) In a manner which ensures that the goods, services or works that have been purchased meet contracted expectations and requirements;
- (c) Through developing effective working relationships with suppliers, ensuring effective service delivery, maximising value for money, and providing consistent quality for stakeholders and end users;
- (d) Through effectively and efficiently resolving and escalating issues that arise;
- (e) Through anticipating business needs and potential problems;
- (f) Through initiating discussions aimed at continual performance improvement; and
- (g) In a manner which facilitates the University's operations, delivers the required goals, and minimises risk.

Thresholds and Preferred Suppliers

The University's procurement procedures are based on monetary and category thresholds. All purchases of goods, services or works with a value of \$100,000 or more (being the total value of the purchase over the full term of commitment including any periods of renewal) are subject to a formal procurement process, as set out in the procedures detailed on the [UC Procurement site \(University Financial Services Intranet\) \(Staff Only\)](#).

Dividing the value of a procurement activity in two or more parts to avoid the \$100,000 threshold is prohibited and is a breach of this policy. A series of reasonably related procurement activities will be treated as a single transaction for the purposes of determining the \$100,000 threshold.

When procuring goods, services or works, the University will purchase off existing supply contracts with preferred suppliers if such contracts can meet the University's requirements. "Preferred suppliers" are strategic supply partners of the University, appointed by Procurement, with whom a formal preferred supplier contract has been entered into. Purchasing thresholds may apply to preferred suppliers. Instructions relating to secondary procurement processes applicable under preferred supplier contracts are detailed in the [Preferred Supplier Directory \(University Financial Services Intranet\) \(Staff Only\)](#).

Where there is no existing formal preferred supplier contract, or where there is such a contract but it cannot meet the University's requirements, all procurement activity must be carried out in accordance with the procurement procedures detailed on the [UC Procurement site \(University Financial Services Intranet\) \(Staff Only\)](#).

Emergency Procurement

In an emergency, it may not be possible or prudent to satisfy all the requirements of this policy throughout the procurement process. Parts of the procurement process may therefore need to be dispensed with to react quickly.

The University must still act lawfully and with integrity, be prepared to account for all Emergency procurements and act within delegated authority. The University acknowledges that in emergency situations there can be a higher risk of fraud, bribery, corruption, and inflated prices. The University will seek to take action to safeguard against these possibilities and to ensure sustainability practices are followed as far as possible.

Key Responsibilities and Functions

The Kaihautū Matua Kōahu | Executive Director, Planning Finance and ITS is responsible for ensuring that there are adequate controls over the University's procurement processes, including adequate financial controls to safeguard the financial resources of the University. Controls include financial delegations recorded in the [Financial Delegation of Authority Schedule \(Staff Only\) \(University Financial Services SharePoint site\)](#) which must be read in conjunction with the [UC Council Delegation Schedule \(University Governance website\)](#).

Senior Leadership Team (SLT) members are responsible for procurement and contract management activities within their portfolios (subject to the UC Procurement policies and procedures), including delegation of these activities and responsibility for supervision/accountability of their delegates in relation to these.

The Procurement Team (Procurement) has expertise in, and carries out a number of, procurement related activities and oversees related work streams.

The Procurement Team will:

- (a) Provide training, assistance, and guidance to staff members involved in procurement at the University and will develop and make available resources such as guidance documents, templates, and processes.
- (b) Report to SLT regarding adherence to this policy and information available on the [UC Procurement site \(University Financial Services Intranet\) \(Staff Only\)](#). If there are concerns regarding how goods, services or works are being procured, or whether this policy and information available on the [UC Procurement site \(University Financial Services Intranet\) \(Staff Only\)](#) is being adhered to, Procurement will advise the relevant manager in the first instance.

Breach

Breaches of this policy may result in reputational, financial, or other damage to the University. It may also constitute misconduct.

Where a breach occurs, the responsible SLT member and Procurement are to be notified immediately, or as soon as possible if the circumstances do not allow immediate notification.

Where a breach of this policy or information available on the [UC Procurement site \(University Financial Services Intranet\) \(Staff Only\)](#) has the potential to expose the University to legal action, escalation to the Pouroki / General Counsel | Registrar is to occur.

Tautuhinga | Definitions

Emergency – Any unplanned or unforeseen natural, or human-related event that disrupts normal business and may be a threat to life or property.

Staff member – for the purposes of this policy, the definition of “staff” or “staff member” extends to cover all persons working at, for, or on behalf of, the University (whether paid or unpaid), including but not limited to contractors, subcontractors and their employees, adjunct appointees, Erskine visitors, consultants, guest lecturers, interns, and volunteers.

He Kōrero Anō | Related Documents and Information

- [Treaty of Waitangi \(New Zealand Legislation website\)](#)

Te Pātaka Kaupapa Here | UC Policy Library

- [Conflict of Interest Policy, Principles and Guidelines \(PDF, 605KB\)](#)
- [Delegations of Authority Policy \(PDF, 990KB\)](#)
- [Gifts Policy \(PDF, 286KB\)](#)
- [Fraud Response Policy and Procedures \(PDF, 453KB\)](#)

- [Purchasing Card \(P-card\) Policy \(PDF, 797KB\)](#)
- [Records Management Policy \(PDF,574KB\)](#)
- [Risk Management Framework \(PDF,1MB\)](#)
- [Sensitive Expenditure Policy \(PDF, 266KB\)](#)
- [Sustainability Policy \(PDF,735KB\)](#)
- [Staff Code of Conduct \(PDF, 481KB\)](#)

Te Pae Tukutuku me te Ipurangirotu o UC | UC Website and Intranet

- [Financial Delegations of Authority Schedule \(Staff only\) Financial Services SharePoint site](#)
- [Preferred Supplier Directory \(University Financial Services Intranet\) \(Staff Only\)](#)
- [Tangata Tū, Tangata Ora: Strategic Vision 2020 – 2030 \(University Governance website\)](#)
- [UC Council Delegation Schedule \(University Governance website\)](#)
- [UC Procurement site \(University Financial Services intranet\) \(Staff Only\)](#)

Mōwaho | External

- [Good Practice Guide, Procurement guidance for public entities. Office of the Auditor General, June 2008 \(Controller and Auditor General website\)](#)
- [Government Procurement Principles \(New Zealand Government Procurement website\)](#)
- [Government Procurement Charter \(New Zealand Government Procurement website\)](#)

Tāpiritanga | Appendices

- [Appendix 1: Applying the Government Procurement Principles](#)
- [Appendix 2: Applying the Government Procurement Charter](#)

Document History and Version Control Table			
Version	Action	Approval Authority	Action Date
<i>For document history and versioning prior to 2013 contact ucpolicy@canterbury.ac.nz</i>			
1.00	Document drafted by Strategic Procurement Manager; approved by CFO.	CFO	Oct 2015
1.01	Minor formatting alterations and addition of Office of the Registrar information.	Policy Unit	Nov 2015
1.02	Fair Trade section added by Contact Officer.	CFO	Sep 2016
2.00	Scheduled review by Contact Officer, minor changes, definition added, extra content under "Purpose" section, minor content changes.	Policy Unit	Dec 2018
3.00	Scheduled review by Contact Officer,	Executive Director,	Dec 2021

	major changes to incorporate contract management content and align with University's strategic vision 2020-2030	Planning Finance & ITS	
3.01	Hyperlinks updated to locations on new procurement intranet site	Policy Unit	March 2022

This policy remains in force until it is updated.

APPENDIX 1

Applying the Government Procurement Principles

The [Government Procurement Principles \(New Zealand Government Procurement website\)](#) apply to all government agencies and provide government's overarching values. Persons procuring goods, services or works on behalf of the University should use the principles for guidance and to help make good procurement decisions.

The five principles are:

1. Plan and manage for great results

- Identify what you need, including what broader outcomes should be achieved, and then plan how to get it.
- Set up a team with the right mix of skills and experience.
- Involve suppliers early – let them know what you want and keep talking.
- Take the time to understand the market and your effect on it. Be open to new ideas and solutions.
- Choose the right process – proportional to the size, complexity and any risks involved.
- Encourage e-business (for example, tenders sent by email).

2. Be fair to all suppliers

- Create competition and encourage capable suppliers to respond.
- Treat all suppliers equally – we don't discriminate (this is part of our international obligations).
- Seek opportunities to involve New Zealand businesses, including Māori, Pasifika and regional businesses and social enterprises.
- Make it easy for all suppliers (small and large) to do business with government.
- Be open to subcontracting opportunities in big projects.
- Clearly explain how you will assess proposals – so suppliers know what to focus on.
- Talk to unsuccessful suppliers so they can learn and know how to improve next time.

3. Get the right supplier

- Be clear about what you need and fair in how you assess suppliers – don't string suppliers along.
- Choose the right supplier who can deliver what you need, at a fair price and on time.
- Choose suppliers that comply with the Government's Supplier Code of Conduct.
- Build demanding, but fair and productive, relationships with suppliers.
- Make it worthwhile for suppliers – encourage and reward them to deliver great results.
- Identify relevant risks and get the right person to manage them.

4. Get the best deal for everyone

- Get best public value – account for all costs and benefits over the lifetime of the goods or services.
- Make balanced decisions – consider the possible social, environmental, economic effects and cultural outcomes that should be achieved.
- Encourage and be receptive to new ideas and ways of doing things – don't be too prescriptive.
- Take calculated risks and reward new ideas.
- Have clear performance measures – monitor and manage to make sure you get great results.
- Work together with suppliers to make ongoing savings and improvements.
- It's more than just agreeing the deal – be accountable for the results.

5. Play by the rules

- Be accountable, transparent, and reasonable.
- Make sure everyone involved in the process acts responsibly, lawfully and with integrity.
- Stay impartial – identify and manage conflicts of interest.
- Protect suppliers' commercially sensitive information and intellectual property.

Appendix 2

Applying the [Government Procurement Charter \(New Zealand Government Procurement website\)](#)

1. Seek opportunities to include New Zealand businesses

- Openly work to create opportunities for local businesses and small-to-medium enterprises to participate in your procurement processes.

2. Undertake initiatives to contribute to a low emissions economy and promote greater environmental responsibility

- Ensure that economic and social development can be implemented on a sustainable basis with respect for the protection and preservation of the environment, reducing waste, carbon emissions and pollution.

3. Look for new and innovative solutions

- Make sure you don't overprescribe the technical requirements of a procurement, give businesses the opportunity to demonstrate their expertise.

4. Engage with businesses with good employment practices

- Ensure that the businesses you contract with operate with integrity, transparency and accountability, and respect international standards relating to human and labour rights.
- For businesses operating within New Zealand, ensure that they comply with all New Zealand employment standards and health and safety requirements.

5. Promote inclusive economic development within New Zealand

- Engage with Māori, Pasifika, and regional businesses and social enterprises to actively contribute to our local economy.
- Openly working to include and support these businesses and enterprises through procurement will promote both skills development and a diverse and inclusive workforce.

6. Manage risk appropriately

- Responsibility for managing risks should be with the party – either the agency or the supplier – that is best placed to manage the risk.
- Agencies and suppliers should work together on risk mitigation strategies.

7. Encourage collaboration for collective impact

- Look to support greater collaboration, both across-agency and across-businesses to give like-minded groups the opportunity to find common solutions within your procurement opportunities.