



SOMPTING BIG LOCAL PARTNERSHIP FINANCIAL PROCEDURE

PURCHASING PROCEDURE

This procedure should be brought to the attention of new Sompting Big Local (SBL) Partnership Members as part of their induction process. This procedure should be read in the context of SBL's Terms of Reference and Financial Policy/Regulations.

This procedure should be reconsidered as matters require.

The Process

The Partnership agrees the Sompting Big Local Plan and also, therefore, the annual budget.

1. The budget is submitted to Local Trust for approval.
2. Once the annual budget is approved, Local Trust releases funds to the current LTO(s) on a half yearly basis subject to receiving a completed financial return/spend report for the previous six months
3. The Partnership cannot enter into any financial commitments until the Plan and budget is approved by Local Trust. Local Trust will not retrospectively fund any spending that takes place before the budget is approved.
4. Sub groups may be delegated responsibility for the themes in the plan and for initiating the spending on their particular themes. The membership and spending constraints of the sub-group shall be decided by the Partnership and be minuted.
5. The partnership will invite suppliers to quote for specific products or services. Any partnership members who are themselves, or who work for, potential suppliers, must not take part in any discussions about the selection of any supplier they have an involvement with.
6. If the likely cost (including VAT) of a required product or service in any year will exceed £500, then a minimum of three quotations should be obtained. The purchasing decision must be taken by at least 3 un-related partners. There must be a written minute of the partnership decision to show the date; who was involved in the decision; the item/service being bought; the reason for the supplier being chosen; and the method by which the contract will be monitored.

7. For all purchases under £500 (with no item being more than £250), the purchasing decision must be taken by at least 3 un-related partners. There must be a written minute of the partnership decision to show the date; who was involved in the decision; the item/service being bought; the reason for the supplier being chosen; and the method by which the contract will be monitored.
8. Where the likely cost, including VAT, is likely to exceed £5,000, then a formal tendering process should normally be used. A sub group will review the submitted tenders and will produce a report with a recommendation to the next Partnership meeting. This sub group recommendation must be made by at least 3 un-related partners and a minute of the decision must contain the same details as 6 above.
9. Once a supplier has been selected, there must be a service level agreement (SLA) or contract. These will be issued and signed by the current LTO on behalf of SBL.
10. The LTO will sign contract or SLA when it is satisfied that
 - the proposal is consistent with the agreed plan,
 - there are enough funds in the budget,
 - there is a clear minuted decision of the sub group or partnership
 - financial regs have been followed,
 - the contract does not involve unreasonable risk
 - there is a monitoring process in place.
 - VAT has been allowed for
 - the works are clearly specified
 - the supplier shows it has necessary insurance and that safeguarding and Health and Safety procedures are in place.
11. It is the responsibility of the Partnership to ensure that all the points in 9 above have been covered and that appropriate consultation with the LTO, at an appropriate time, has taken place.
12. Where the LTO identifies any significant issues making it unwilling to proceed with a purchase, it will inform all relevant partners as soon as possible.
13. The operation of any contract will be monitored through a pre-agreed process. This will be decided by the sub group or partnership when the purchasing decision is made.
14. The Administrator is responsible for petty cash and is authorised to make payments of up to £50 without requiring additional approval. Additional approval can be given by the Chair for sums over £50. but within the petty cash limit of £200.

15. All purchases will be validated with a receipt, countersigned by the Administrator.
16. The Administrator will be responsible for the Nationwide account and will operate a simple accounts system to enable monthly reporting to the partnership.
17. All monies received will be recorded promptly and banked without delay. The administrator will ensure the passbook is up to date.
18. All withdrawals require any two signatures from the partnership agreed un-related signatories.
19. The passbook is held by the Administrator who monitors all withdrawals
20. Expenditure will be reimbursed to individuals providing:
 - Fares are evidenced by tickets
 - Other expenditure is evidenced by original receipts
 - Car Mileage is based on a partnership agreed rate.
21. The Administrator will monitor spending against budgets and report to the partnership.
22. The Administrator will keep the working of these procedures under ongoing review and make recommendations to the partnership when required.