

## 1.5 Procurement processes in the BRC

The international directorate is part of the wider British Red Cross and therefore must abide by the **BRC procurement and purchasing policy**.

The Logistics team must follow this policy if and when:

- Goods or services procured are going to be delivered within the UK
- Suppliers consulted are based in the UK and must abide by UK laws and regulations

If neither of the above apply, procurement leads must ensure they follow the procedure detailed in the GAD (see below). It is good practice for procurement leads (BRC Logistics Coordinators) to inform the Corporate Procurement Team of procurement greater than £25,000 originating from the International directorate (emailing [CorporateProcurementTeam@redcross.org.uk](mailto:CorporateProcurementTeam@redcross.org.uk)).



### 1.5.1 Procurement in the UK (and/or led by BRC staff)

UK-based BRC staff use Agresso as a procurement system.

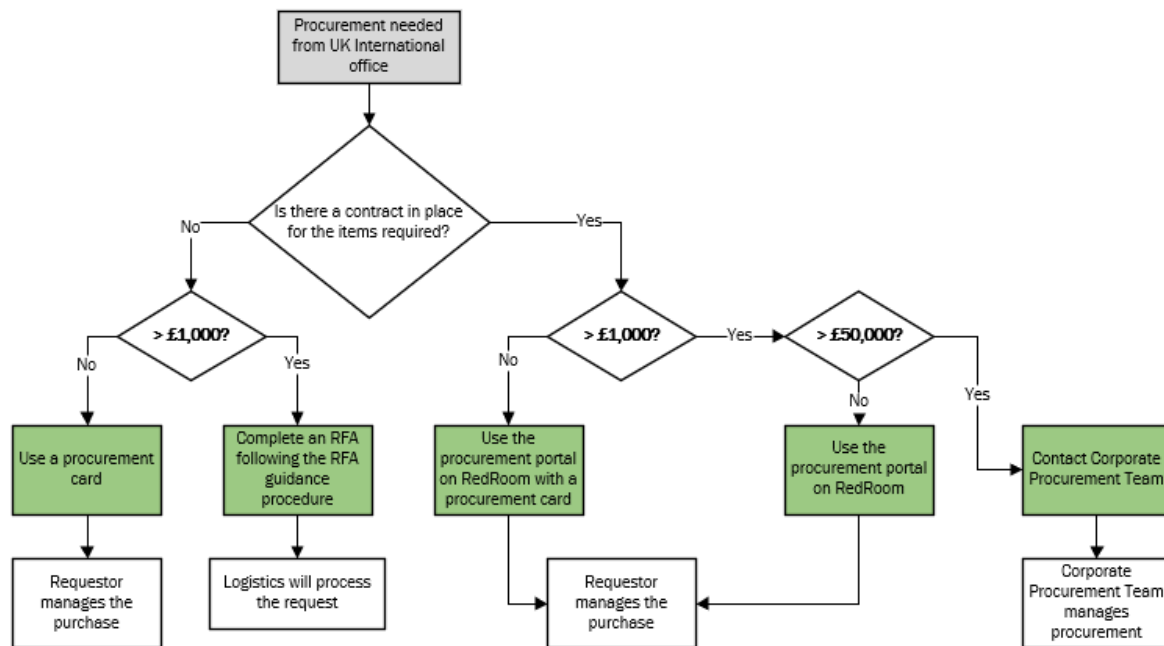
New users must be set up on Agresso and trained according to their user profile (for managing expenses, P2P process or reporting functionalities of the system).

New users must request access to the system, which must be approved by the requestor's line manager and sent to SSC ([ssc@redcross.org.uk](mailto:ssc@redcross.org.uk)). The SSC team will then contact the new user about training and access levels will be set up according to the user's responsibilities. SSC will provide the user with login details. More guidance on accessing Agresso can be found on Redroom.

When looking at a potential procurement with delivery within the UK or from UK-based suppliers, the Logistics team must first check whether the goods or services they are considering to procure can be supplied through an existing contract. Details of the national contracts held by the SSC team are available on Redroom's purchasing marketplace.

If a national contract exists, the procurement lead must initiate the procurement on the procurement portal or the **SSC purchasing hub** or contact the Corporate Procurement Team to request a waiver to be authorised to purchase the goods or services from a different source. See section 1.5.3 for more details on procurement waivers.

Where no contract exists and the total estimated amount of procurement exceeds £50'000, the procurement lead must liaise with the CPT at SSC about how to procure them and complete an **online commissioning form**.



The CPT at SSC can support the directorate in the sourcing process when running tenders. In their e-procurement system, suppliers can be registered and invited to bid for online tenders. They hold a database of existing registered suppliers who can be contacted to bid for tenders initiated by the international directorate, which can also be advertised directly on the BRC website.

The Logistics team also hold a list of known suppliers. Finally, tenders can be advertised on the website of the Inter-Agency Procurement Group (<https://www.iapg.org.uk/category/latest-tenders/>) – the Logistics team have access to the website and can support this.

Note: The CPT at SSC do not directly conduct market assessments, but they regularly engage with UK suppliers and have a good overview of the UK market.

Once the procurement route is clarified, CPT will work with the Logistics team to agree a timeline and on which stakeholders should be involved in the process.

Where procurement is done via BRC staff overseas (with BRC staff present to support logistics and procurement), the same rules apply in terms of financial thresholds, procurement processes and approvals.

Variances from these rules must be justified in writing, approved by the Head of Logistics in UK and by the head of office locally, and put in writing in a separate document, in cooperation between the overseas office and Headquarters.

### 1.5.2 Procurement in partnership with other National Societies

Where the BRC works in partnership with a National Society or with the IFRC or ICRC to deliver a programme, a **GAD** will be in place to formalise the terms and conditions of the partnership.

A GAD is a non-binding document that sets out the principles under which the collaboration between partners will function. GAD templates are available on BRC's Programme Quality Management system, PIMS, and upon request to the UKO Logistics team.

## The Grant Agreement Document

- Drafted after Grant Approval is signed
- No standard clauses can be edited
- Consult Finance, Logistics, P&A...
- Includes:
  - Transfer schedule
  - Reporting requirements
  - Reporting schedule

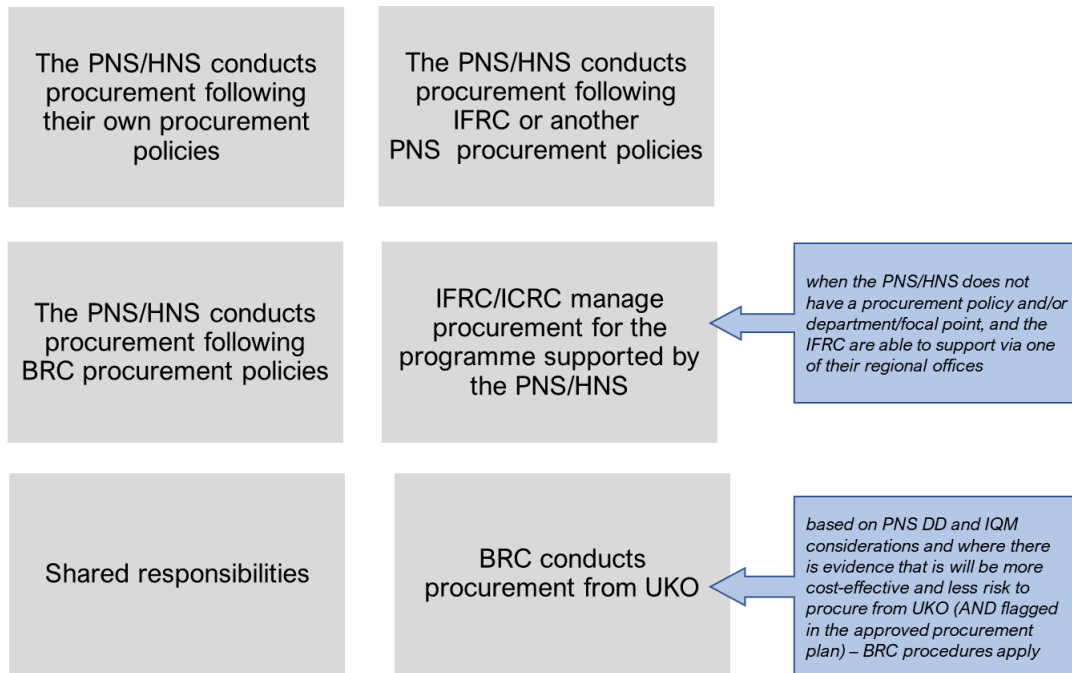
After the *Internal Grant Agreement* (see IQM guidance documents) has been signed, the budget holder has the authority to sign a GAD (or a PMN with the IFRC). No clauses in the GAD can be taken off from the template, but the content under each clause can be adjusted, and clauses can and should be added where relevant.

The international Finance representative, Logistics coordinator, P&A adviser and any other relevant advisers should be consulted when preparing any GAD, which should detail the transfer schedule, reporting schedule and any reporting requirements.

There is a standard GAD template for partnerships with NS, but different templates are used for partnerships with the IFRC and ICRC.

The GAD includes specific clauses on procurement, some of which can be adjusted based on the findings of the **due diligence assessment** (for details on National Society Due Diligence process please check PIMS (Resource Library> 06. Partnerships> 01. Due Diligence, or ask for details from UKO team), previous experience and donor requirements. The Logistics Coordinator needs to be consulted about these clauses before a new GAD is signed.

## Procurement modalities in GADs



Additional approvals must be requested from BRC international Logistics for procurement above £25,000, regardless of the option defined in the GAD:

- For procurement greater than £25,000, the international logistics team must approve the CBA. The **approval template** for procurement > £25'000 is available in annex.
- For procurement above £50,000, the tender document must be approved by the logistics team before it is published or shared with known suppliers. The **approval template** for procurement > £50'000 is available in annex.

Regardless of GAD clause	
> £25,000	> £50,000
UK International Logistics must approve CBA	UK International Logistics review the tender document (RFP) before publication
	UK International Logistics must approve CBA or decision minutes

The BRC Logistics team can advise the PNS/HNS on procurement and support the HNS in conducting procurement, based on its capacity and the type of goods or services that are required. The BRC has the option to either conduct procurement directly from the UK (following BRC procurement rules) or to use the IFRC/ICRC procurement services in country (following their procurement rules).

The different procurement options should be discussed and agreed with BRC international Logistics at the *planning stage*, as decisions will impact the programme and contribute to defining a procurement plan and affect the allocation of resources.

Where the BRC works in consortium with multiple other National Societies, the agreement between the consortium partners must specify which organisation's procurement rules will apply. This decision must be taken following an analysis of each of the partners' procurement policies. All the specificities (e.g., e-procurement system, the sharing of procurement resources, etc) and requirements (e.g., electronic validations, authorisation thresholds, supplier management requirements) of each policy must be considered, in order to ensure that the adopted procedure is applicable consistently to all consortium members. The decision on which procedure to follow must be captured in the consortium's GAD.

### 1.5.3 Waiving the procurement requirements

Where one or more of the standard procurement rules cannot be followed, a **waiver form** must be filled out and shared for approval with the budget holder and UK Head of Logistics, regardless of the value of the procurement, before the procurement process is formalised through a PO or contract. The waiver request must be as detailed as possible.

Note: where the procurement waiver is raised within one of the four International regions, it must also be reviewed by the Logistics Coordinator before sign-off by the Head of Logistics.

The waiver form is mostly used:

- Where not enough bids or quotes have been received or sought during a procurement process. For example, if only one supplier can provide the required goods (this is also referred to as “single source procurement”), or when supplies are needed urgently, so the waiver is a request to accept fewer quotes than the recommended procurement process would require.
- Where the estimated amount on the requisition is greater than £50,000 (this is the applicable threshold at BRC, but can vary from one NS to another), an open tender is required. This can be waived to conduct a closed tender, provided that a local procurement waiver is raised and approved by a Head of Procurement or in line with the country office approval matrix.
- Where a contract expires, and a new RFP should be published, a contract re-tendering waiver must be approved by Head of Procurement (or in line with the country office approval matrix) and a legal representative.
- Where there is significant variation to the standard BRC terms and conditions (T&Cs), such as payment in advance of delivery.
- Other cases justifying procurement waivers are listed on the procurement waiver template

### Repetitive orders

A procurement waiver request is required to approve repetitive orders.

The repetition of Order for the same supplies and services to the same supplier without a sourcing process is permitted provided that procurement process for the original award was carried in full compliance with the applicable procurement procedures and the terms and conditions of the original order are strictly the same (only delivery location may change). The period elapsed from the first order award date cannot exceed 120 days.

Repetitive Orders cannot be issued more than twice, and the total value of two repetitive Orders cannot exceed the value of the original Order.

When to raise a waiver request:

It is best practice to identify the need for a waiver while developing the procurement plan. To be compliant, the waiver request must be submitted and approved before raising a contract or Purchase order. If an exception is needed after signature of contract or PO, a Note to File must be used instead.

Note: when exceptions to the procurement rules are made for reasons outside of the above list and/or after the procurement has been formalised into a PO or a contract, instead of a procurement waiver, a **Note to File** should be raised by the procurement lead and signed off by the budget holder and Head of Logistics, and by the budget holder’s finance business partner where applicable.

	Waiver request	Note to File
Raise	As early as possible, at the latest before PO or contract	After PO or contract is signed
Use for	Reasons listed on waiver request template	Any reasons not listed on waiver request template Traceability for decision-making
Raised by	Procurement lead	Procurement lead
Sign off	Budget holder	Budget holder

	Head of Logistics Legal rep if contract re-tendering is waived (inform Logistics coordinator if procurement is regional)	Head of Logistics Finance business partner
Filing	Keep in procurement file Record on list of exceptions	Keep in procurement file

#### 1.5.4 Getting fewer quotes or bids than required

Where three quotes are needed, but fewer are received:

- If only one quote is received, evidence that three quotes were sought, and a single source waiver must be submitted to the Head of Logistics in UKO.
- If two quotes are received, evidence that three quotes were sought must be provided. The CoC in country or Head of Logistics will decide if this is acceptable. If this is accepted, it must be highlighted and justified in the CBA. If it is not accepted, sourcing must start again until three quotes are available.

