

PROCUREMENT POLICY

Revision	Revision Date	Owner	Reference	Comment
00	September 2011	Procurement Officer	FIN-POL-003	Format Revised / Bribery Act
01	January 2012	Procurement Officer	FIN-POL-003	OJEU / DCMS amends / change to GPS
02	December 2013	Procurement Officer	FIN-POL-003	OJEU Threshold changes
03	December 2015	Procurement Officer	FIN-POL-003	OJEU Threshold changes
04	June 2016	Finance Director	FIN-POL-003	Revised Thresholds
05	August 2017	Finance Director	FIN-POL-003	Incorporate audit points
06	November 2019	Procurement Officer	FIN-POL-003	Revised Thresholds / Amends due to eTendering implementation
07	March 2020	Procurement Officer	FIN-POL-003	Revised thresholds / Delegated authorities limits
08	July 2020	Finance Director	FIN-POL-003	Review
09	January 2024	Procurement Officer	FIN-POL-003	Review
10	October 2024	Procurement Officer	FIN-POL-003	Revised thresholds / Delegated authorities limits
11	January 2025	Procurement Officer	FIN-POL-003	Review and updates under Procurement Act 2023
12	June 2025	Finance Director	FIN-POL-003	Change to delegated authorities
13	December 2025	Procurement Officer	FIN-POL-003	Revised thresholds and updates under Procurement Act 2023

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1. INTRODUCTION

1.1. General

The UK spends some £385 billion on public procurement every year. This huge amount of government spending must be leveraged to play its part in the UK's economic recovery, opening up public contracts to more small businesses and social enterprises to innovate in public service delivery, and meeting our net-zero carbon target by 2050.

As of 24th February 2025 the rules governing public procurement were updated: the implementation of the Procurement Act 2023 (Act) has since improved the way procurement is conducted, ensuring every pound goes further for our public services.

The Act (primary legislation) is supplemented by the Procurement Regulations (secondary legislation), the National Procurement Policy Statement (Statutory Statement) and the Guidance by the Cabinet Office (Statutory Guidance).

The Act brings a range of benefits, including:

- creating a simpler and more flexible commercial system that better meets our country's needs, while remaining compliant with our international obligations.
- opening up public procurement to new entrants, such as small businesses and social enterprises, so that they can compete for and win more public contracts.
- taking tougher action on underperforming suppliers and excluding suppliers who pose unacceptable risks.
- embedding transparency throughout the entire procurement lifecycle so that the spending of taxpayers' money can be properly scrutinised.

The National Procurement Policy Statement (NPPS) is an essential element of the new regime. It is a statutory statement which allows the Government to set and communicate the wider policy objectives to which it expects public procurement to contribute. The NPPS is provided for at section 13 of the Procurement Act ([Act - Section 13](#)).

Contracting Authorities are required to have regard to the policy objectives contained within the NPPS that is current at the time they are carrying out a procurement. The objectives may include principles like transparency, accountability, sustainability, and value for money.

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Royal Armouries are a public body in receipt of public funding and as such we have a legal responsibility to ensure that those funds are spent appropriately, and that our procurement decisions are fully justified and supported by a clear audit trail.

The purpose of this policy is to fulfil those responsibilities by standardising the way in which we procure our goods, services and works. This will also ensure compliance with the relevant legal requirements, reduce our exposure to commercial risk, and deliver good value for money.

It is necessary to have a robust procurement policy, which is applied consistently across the whole organisation therefore it is important that you read this policy carefully, and comply with its provisions.

1.2. Act Procurement Thresholds

The Procurement Act 2023 introduces updated public procurement thresholds that establish clear financial limits and procedural requirements for public sector procurement activities. These thresholds serve to ensure transparency, competition, and fairness in the awarding of contracts while promoting efficiency in public spending.

Under the Act, different categories of procurement are defined, each with specific monetary limits that dictate the applicable procurement procedures, ranging from simplified procedures for lower-value contracts to more stringent requirements for higher-value contracts. By setting these thresholds, the Act aims to enhance accountability and support compliance with international trade agreements, ultimately contributing to a more effective public procurement activity.

The public procurement thresholds established under the Procurement Act 2023 are reviewed and updated every two years to reflect changes in the economic landscape and inflation. This regular adjustment ensures that the thresholds remain relevant and practical for public sector organisations, facilitating efficient procurement practices.

The following table presents the current values of the public procurement thresholds applicable to the Royal Armouries:

Type of Contract	Net Threshold	Threshold inc. VAT
Goods & Services	£173,100	£207,720
Works	£4,327,500	£5,193,000

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These values are crucial for determining the procurement processes that must be adhered to, supporting compliance and enhancing transparency in public spending.

1.3. Procurement Philosophy

The key elements of the procurement philosophy are to ensure that:

- The goods, services and works supplied reflect the needs of the organisation and are provided at the right quality, in the right quantity, at the right time, in the right place, and at the right price
- For all goods, services and works, the Royal Armouries will strive for value for money (VFM) defined as the optimum combination of whole life costs (i.e. the cost of acquisition, operating and maintenance costs, if any, over the whole life of the contract through to disposal or termination) and quality (or fitness for purpose) to meet the customer's needs
- Relationships with key strategic suppliers are developed and improved with the benefits shared amongst the Royal Armouries, its customers and suppliers
- Royal Armouries are protected from commercial risk and potential damage to its reputation. For example, we shall not contract with suppliers that are financially weak and do not have the capability to fully satisfy the requirement
- All potential suppliers are dealt with professionally, fairly and ethically
- Legal and regulatory requirements are complied with including but not limited to Public procurement directives, Freedom of Information Act (FOIA) and Data Protection legislation

1.4. Objectives of the Policy

The objectives of this Policy are to:

- Ensure a consistent, best practice approach to procurement and process continuity across the business

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- Ensure all staff have a clear understanding of the Procurement Policy and what is required of them
- Satisfy customer requirements through the provision of goods, services and works that are fit for purpose and deliver VFM
- Protect the Royal Armouries, and the individuals involved, from the considerable risks associated with procuring goods, services and works improperly

1.5. Scope of the Policy

The underlying principles upon which this Policy is based are:

- **Budget and expenditure:** Having a budget is not the same as having the authority to commit that expenditure. This may only be undertaken by individuals who have the Delegated Authority to do so (see Delegation Authority Matrix in section 2.3). Expenditure should only be committed where appropriate procurement regulations have been followed. Expenditure in this context means the 'aggregated' expenditure i.e. the total expenditure over the life of the contract. The artificial sub-division of aggregated expenditure is not permitted.
- **The Procurement Department function:** The Procurement Department responsibilities encompass providing guidance and support on all aspects of the procurement process providing advice on publication of notices, overseeing and/or undertaking compliant procurement processes, managing exclusions, offering advice and support throughout the procurement cycle and providing tender induction trainings. Furthermore, they provide expertise and support for framework agreements, dynamic markets, and direct awards ensuring that all procurements are conducted ethically, transparently, and in accordance with legislation. The Procurement Officer at the Royal Armouries plays a crucial role in ensuring compliance with the Procurement Act 2023 and the organisation's procurement policies. They act as a central point of contact, ensuring legal and procedural compliance, providing expertise, and supporting the smooth operation of the procurement cycle at Royal Armouries.
- **The Responsible Officer's role:** The Responsible Officer at Royal Armouries acts as the operational department's representative for a given procurement. They are responsible for ensuring the

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procurement process is conducted effectively and compliantly from an operational perspective, beginning with identifying requirements, undertaking initial risk assessments and conflict-of-interest declarations, managing the pre-market engagement stage and working closely with both the Procurement Officer and Contract Manager to ensure all stages of procurement are carried out according to policy and legislation. They engage with the Procurement Officer for support and training, manage the project team, and raise purchase orders in Xledger.

- **The Contract Manager's role:** The Contract Manager at the Royal Armouries is responsible for the proactive management of individual contracts once they are awarded throughout the contract's term. This includes maintaining positive relationships with the supplier, ensuring the supplier fulfils their contractual obligations, monitoring performance against agreed metrics, managing contract variations, extensions and terminations in accordance with the Act to ensure that modifications comply with legal requirements, publishing relevant notices on the Central Digital Platform, maintaining thorough documentation for audit purposes and attending relevant training courses to maintain a current understanding of legal obligations and best practices.

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2. DETAILED POLICY

It is the Responsible Officer's responsibility to involve the Procurement Department function at the appropriate time with due regard for business plans and lead times to ensure correct procurement procedures are exercised. Procurement exercises can be terminated if there is evidence of an infringement to public procurement directives.

It is particularly important that we maximise the benefits of effective procurement in the letting and management of major, high value and high risk contracts.

2.1. Transparency

Transparency is a fundamental principle of the Procurement Act 2023, aiming to ensure fairness, accountability, and public confidence in public procurement processes. The Act promotes transparency through several key mechanisms:

- **Publication of Notices:** The Act mandates the publication of notices relating to procurement opportunities on the Central Digital Platform. This includes pre-market engagement notices, tender notices, contract award notices, contract details notices, and further notices during the contract's lifetime. This ensures that potential suppliers are aware of opportunities and allows for open competition.
- **Open and Accessible Information:** The Act requires that information about procurement processes, including specifications, evaluation criteria, and contract awards, is readily available and accessible to the public. This fosters competition and allows for scrutiny of decision-making processes.
- **Conflict of Interest Management:** Transparency necessitates managing conflicts of interest effectively. The Act requires the identification and mitigation of potential conflicts of interest by those involved in the procurement process, ensuring impartiality and fairness. This information is also often required to be published.
- **Data Sharing and Reporting:** The Act encourages the sharing of data and reporting on procurement activities to allow for analysis and identification of areas for improvement. This data can help to monitor compliance with transparency rules and overall efficiency of procurement practices.

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- **Standardisation:** The use of standardised processes and templates helps to create consistency and transparency. It makes it easier to understand the process and identify any potential deviations from the established procedures.

The level of transparency required varies depending on the value of the procurement. Higher-value procurements generally require more extensive and detailed information to be published and made publicly available. The aim, however, remains consistent: to ensure open, fair, and accountable procurement practices throughout the process.

2.2. Purchasing Thresholds

The thresholds outlined below are internal Royal Armouries guidelines adopted as best practice in accordance with the requirements set by DCMS, designed to assist in determining the appropriate procurement procedures based on contract value. These are the minimum requirements and do not prevent staff from using higher value procedures where they consider this would be more likely to achieve value for money.

For any expenditure over £2 million DCMS approval is needed and Treasury approval may also be required.

Orders should not be split to avoid a limit and should only be placed if there is an authorised budget.

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GOOD & SERVICES	WORKS	
Contract Value net of VAT	Contract Value net of VAT	Procedures
Up to £4,999	Up to £24,999	One written quotation and remember that it is good practice to ask for discount and try to improve initial price.
Between £5,000 and £24,999	Between £25,000 and £99,999	The default Procurement route is a Multiple Quotes exercise – see section 7 (process B) of the Procurement Guide
Between £25,000 and £138,999	Between £100,000 and £2,999,999	The default Procurement route is a full competitive tender exercise, or a call-off from framework – see section 7 (process C) of the Procurement Guide
Greater than £138,999	Greater than £2,999,999	The preferred Procurement route is a full competitive tender exercise, although call-off from frameworks and Dynamic Markets might be an option – see section 7 (process D) of the Procurement Guide

For **goods and services** contracts with a net value between £139,000 and the £173,100 and **works** contracts with a net value between £3m and the £4.327m a majority of the Finance and Capital Committee can approve an alternative course of action whilst being mindful of the need to demonstrate value for money and ensuring the requirements under [Managing Public Money](#) are met. If necessary the Accounting Officer has the deciding vote.

All instances where an alternative action has been authorised should be reported to the Audit Committee and Finance and Capital Committee.

2.3. Contracts

A contract is an agreement whereby an offer is accepted. Where the net contract value is greater than £24,999 (goods and services) or greater than £99,999 (works), a formal contract award is made to the successful supplier and formal contracts are issued and signed. For contract values lower than the aforementioned thresholds a contract

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commitment is usually created by means of raising a purchase order. **However, for works with a net value exceeding £49,999**, it is essential to consult with the Procurement Department to assess whether a formal contract is more suitable than merely issuing a purchase order.

In line with the below Delegated Authority Matrix all formal contract awards and formal contracts should be signed by the Finance Director or Director General where the net total contract value is below £500,000. Above £500,000 the contract should be signed by a Trustee.

The Procurement Department will hold the official signed Contract, with a copy sent to the designated Responsible Officer and Contract Manager. The responsibility for Contract Management will remain with the Contract Manager.

For purchase order commitments the delegated authority limits are set up in Xledger and reflected in the below Delegated Authorities Matrix:

Delegated Authorities Matrix

Net Contract Value	Approval to Procure	Formal contract signed by
Up to £1,000	Approved Buyer	n/a
Above £1,000 and Up to £5,000	Managers	n/a
Above £5,000 and Up to £25,000	Heads of Department	n/a (*)
Above £25,000 and Up to £50,000	Executive Directors and Head of Finance	Finance & Admin Director
Above £50,000 and Up to £100,000	Finance & Admin Director	Finance & Admin Director
Above £100,000 and Up to £500,000	Director General	Director General
Above £500,000	Board of Trustees	Board of Trustees

(*) For contract values within these thresholds a contract commitment is usually created by means of raising a purchase order, unless the Responsible Officer believes the complexity of the requirement requires more bespoke terms. In such cases the formal contract will be signed by the Finance & Admin Director.

Letters of Intent (LOI) and Memorandum of Understandings (MOU) for the purchase of goods, services or works, are strictly prohibited without written approval from the Finance & Admin Director.

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2.4. Procurement Processes

The Procurement Act 2023 introduces a shift in emphasis in public procurement evaluation, moving away from a purely lowest-cost approach towards a broader consideration of value.

Whilst price remains a significant factor, the new approach 'Most advantageous Tender' (MAT):

- allows for a holistic evaluation that includes quality, whole-life costs, and social value
- aims to achieve better outcomes for the public sector and wider society ensuring value for money in a broader sense
- reflects a move towards more sustainable and socially responsible procurement practices.

Competition between suppliers is the best way the Royal Armouries can achieve Value for Money (VFM). It reduces the risk of selecting an unsuitable supplier and avoids suggestion of improper or illegal behaviour by the Royal Armouries. It is not a sufficient or adequate reason for a requirement to be single sourced due to poor project planning and time management.

The Responsible Officer and the Contract Manager are required to know when an existing contract will end and should therefore have a succession plan in place in order to ensure that a procurement exercise and contract award can be completed before the end of the existing contract term.

The choice of competition method is crucial and directly linked to the contract value, ensuring the proper balance between efficiency and compliance with the Procurement Act 2023.

The Procurement Guide (section 7) outlines these main approaches:

- **One Quote:** For net contract values under £5,000 (for goods & services) and under £25,000 (for works)
- **Multiple Quotes:** Used for net contract values between £5,000 and £24,999 (for goods & services) and between £25,000 and £99,999 (for works). At least five bids are sought, with at least two ideally from local suppliers. Quality criteria may be applied.
- **Full Competitive Tendering:** This is the default method for net contract values of £25,000 or greater (for goods & services), and £100,000 or greater (for works). A full tender exercise is the default route to market.

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- **Call-off from Framework:** May be used instead of a full tender exercise.
- **Dynamic Market:** Used for contracts exceeding the Procurement Act threshold, but only via a full tender exercise using a Competitive Flexible Procedure. A Direct Award cannot be used.

2.5. Direct Awards

Direct awards under the Act are still permissible, however represent a limited exception to be used only in clearly defined, exceptional situations where a competitive tender would be inappropriate or infeasible, while always upholding the principles of fairness, value for money, and transparency (see [Act - Section 41](#), [Act - Section 42](#) and [Act - Section 43](#)).

Even with a direct award, transparency remains crucial. Contracting Authorities typically still need to justify their decision-making publicly and demonstrate the necessity for this exceptional approach. This often involves documenting the reasons behind the decision and making this rationale available for public scrutiny (see section 7 of the Procurement Guide).

2.6. Full Competitive Tendering

Full competitive tenders are mandatory for all orders/contracts with a value greater than £139,000 for goods and services or £3m for works and may be identified as the required route for goods and services contracts above £25,000 or works contracts above £100,000 (the default alternative route is the call-off from framework). This is because:

- There is the prospect of better value for money than just using quotations,
- Service or performance standards are built into the specification,
- There is a potentially contentious purchase where the clearest possible audit trail is necessary for public accountability,

The tender preparation process can begin at any time without requiring a budget to be allocated initially. **However**, it is essential to note that no tender may be formally initiated, nor contracts or confirmations of acceptance issued, until a budget has been allocated and approved for the activity.

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All formal tenders need to be undertaken with the Procurement Officer who will work closely with the Responsible Officer and the Project Team to ensure compliance with the established procedures and processes.

For the initiation of a tender process, the Invitation To Tender (ITT) document, the Specification document, and the Terms and Conditions (T&Cs), and the Risk Statement are considered the four primary documents.

These foundational documents specifically include:

- 1. ITT document:** the document sets the instructions to tenderers (detailing administrative procedures relating to the tender e.g. tender timetable, method of tender return, form of tender, how tenders will be evaluated and where tender queries should be directed)
- 2. Specification document:** this is a key document that sets out the statement of requirements (the details of the goods/services/works required), the evaluation criteria and weightings, the quality questionnaire, the tender deliverables and the pricing schedule for bid evaluation purposes. All specification documents must be reviewed and signed off by the Procurement Officer. Advice and guidance of producing the specification can be sought from the Procurement Guide (section 3), but responsibility for producing the document sits with the Responsible Officer.
- 3. T&Cs:** the Royal Armouries Model Terms and Conditions (tailored to suit each procurement)
- 4. Risk Statement:** This document serves as a concise and clear description of potential risks associated with a procurement project. It is a proactive tool for Responsible Officers and Contract Managers to identify, assess the likelihood and impact of, and establish strategies for mitigating or managing these risks. Each statement typically details the risk event, its underlying cause, and its potential impact. Under the Act, the proper documentation of known risks within this statement is particularly crucial, as it can enable contract modifications without the need for re-procurement, thereby supporting successful project delivery and responsible stewardship of resources for the Royal Armouries.

A full and comprehensive list of all requisite documents and information necessary to commence a tender process is available on SharePoint

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via the following link: [Tender Checklist & Guidance under PA23 \(December 2024\).docx](#)

Additional guidance and templates from the Procurement Officer can also be found on SharePoint (link: [Tender Guide](#))

An overview of the competitive tendering procedures is portrayed in Appendix 1 of this document.

It is imperative to note that Tender Award letters / Contracts can only be signed by the Director General & Master or the Finance & Admin Director.

During the procurement exercise, all communication between Royal Armouries and suppliers must be undertaken by the Procurement Officer.

2.7. Receipt of Tenders

Tenders are returned to the Procurement Officer via the Procurement Portal. Tenders must be submitted accordingly with the terms stated within the ITT document. Any late tenders may be rejected. It is the tenderers responsibility to ensure that the tender is received on time. The Royal Armouries decision as to whether to accept a late tender or not will be final. Where tenders do not follow administration procedures they will be rejected.

Upon receiving the tender responses, the Procurement Officer (or the Procurement Specialist) will initiate a compliance check to ensure that all submissions adhere to the specified guidelines and requirements. Following this, the officer will conduct an assessment against exclusions to identify any bids that do not meet the necessary criteria. Once these preliminary evaluations are complete, the compliant responses will be distributed to the quality evaluation panel, where they will be marked and assessed based on established quality standards. This systematic approach ensures a compliant and thorough evaluation process for all tender submissions.

2.8. Evaluation of Tenders

In order to preserve the integrity of the competitive process, it is imperative that the evaluation of proposals is undertaken objectively, consistently and without bias towards particular suppliers. Tenders are evaluated against a pre-determined set of criteria which are detailed

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in the tender documents. Scoring and weighting of criteria is determined at the same time the tender is compiled. There are normally three elements of the evaluation:

1. Compliance check and evaluation against exclusions, undertaken by the Procurement Department.
2. Evaluation of the various quality (non-financial) criteria which is done by a nominated evaluation panel composed of at least 3 members, including the Responsible Officer and the Contract Manager.
3. Financial evaluation which is undertaken by the Procurement Department.

The evaluation scores are then combined by the Procurement Officer (or Procurement Specialist) to arrive at the overall evaluation. The tenderer who ranks first is the preferred supplier and should be awarded the contract.

It is very unlikely that contracts are awarded on the basis of price alone. The Royal Armouries will only award a contract to the supplier(s) it considers offers the best value for money. For the reason, the main evaluation criterion will be the “most advantageous tender” (MAT) as determined by the criteria set out in the tender documents. The award criterion varies depending on the type of contract.

2.9. Award of Contract & Contract Management

Following the evaluation of tenders, the Procurement Officer will make a recommendation to the Finance & Admin Director regarding the tender that best represents value for money. This recommendation will be supported by a comprehensive evaluation report. In parallel with the value for money assessment, the Procurement Officer will ensure full transparency by publishing all legally required notices and documents on the Central Digital Platform.

Following contract award, the Procurement Officer transfers responsibility for the contract to the designated Contract Manager. The Contract Manager assumes responsibility for ongoing contract management, including performance monitoring and the publication of all relevant notices on the Central Digital Platform throughout the entire contract's lifecycle. Concurrently, the Responsible Officer retains the financial authority for the contract, specifically raising the formal purchase order in Xledger and authorising all invoices. This division of

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responsibilities ensures efficient management of both the contractual and financial aspects of the procurement.

2.10. Contractual Terms and Conditions

All contracts must be based on Royal Armouries standard Terms and Conditions. The Royal Armouries' Terms and Conditions, which are fully compliant with the Procurement Act 2023, have been saved in SharePoint (link: [T&Cs](#)). Where a supplier does not wish to accept the standard terms, the Procurement Department must be contacted before any agreement to use alternative terms is agreed.

Please be advised that failing to comply with this would put Royal Armouries at unnecessary risk (e.g. Royal Armouries could be bound to an inappropriate contract length and/or may be subject to an unfavourable termination clause).

2.11. Financial Due Diligence

The Procurement Act 2023 doesn't explicitly detail specific "financial due diligence requirements" as a standalone checklist. Instead, the Act promotes transparency, competition, and value for money in public procurement. The level of financial due diligence required will depend heavily on the contract value and the nature of the procurement. For higher-value contracts, more extensive due diligence will be expected.

However, we can infer what aspects of financial due diligence are likely to be relevant under the Act's principles:

- **Supplier Financial Stability**

Assessing the financial health of potential suppliers is crucial. This might involve reviewing financial statements (profit & loss, balance sheet, cash flow), credit reports, and potentially conducting financial audits or seeking independent financial assessments, particularly for high-value contracts. The aim is to minimise the risk of supplier insolvency or financial distress affecting contract performance.

- **Value for Money Assessment**

A thorough assessment of the overall value for money is required for all procurements, especially for high-value contracts. This assessment should encompass not only the initial cost but also lifecycle costs, including maintenance, support, and potential risks. The selection

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process should clearly demonstrate the selected bid offers the best balance between cost and quality.

- **Transparency and Disclosure**

The Act emphasises transparency. Financial information related to the procurement process, including the evaluation criteria and the reasoning behind the award decision, should be adequately documented and made available (where appropriate) to ensure accountability and maintain public confidence.

- **Compliance with Regulations:**

The financial due diligence process must comply with all relevant regulations and legislation, and any specific rules pertaining to public procurement.

2.12. Ethics and Conflicts of Interest

The Procurement Act 2023 core principles of transparency, fairness, and accountability require Contracting Authorities to establish and adhere to robust procedures to prevent, manage, and mitigate potential conflicts of interest to maintain the integrity and fairness of the procurement process.

The Act's requirements necessitate that Contracting Authorities take steps to prevent and manage conflicts of interest to ensure impartiality and public confidence in the procurement process. This includes:

- **Transparency and Disclosure**

Individuals involved in the procurement process are expected to declare any potential conflicts of interest. This transparency is crucial for enabling informed decision-making and preventing bias.

- **Prevention**

Contracting Authorities should establish robust procedures to prevent conflicts of interest from arising in the first place. This might include clear guidelines on ethical conduct, recusal policies, and independent oversight mechanisms.

- **Mitigation**

Where a conflict of interest is identified, appropriate measures must be implemented to mitigate its impact. This could involve recusal of the individual with the conflict, seeking independent advice, or modifying the procurement process to ensure fairness.

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- **Investigation**

The Act implies a process for investigating allegations of conflicts of interest and taking appropriate action if necessary.

- **Record Keeping**

Maintaining thorough records of all declarations, actions taken, and decisions made related to conflict of interest will help to ensure accountability and transparency.

2.13. Bribery Act 2010

Bribery is an inducement or reward offered, promised or provided to influence the actions of the recipient.

Bribery is a criminal offence. Royal Armouries does not, and will not, pay bribes or offer improper inducements to anyone for any purpose, nor does the museum or will the museum, accept bribes or improper inducements.

The museum is committed to the prevention, deterrence and detection of bribery and has a zero-tolerance towards bribery.

All procurement should be carried out in accordance with Royal Armouries standard defined processes, procurement and financial policies. In addition, all Trustees and staff involved at any stage of the procurement process must abide by the following:

Compliance with The Bribery Act 2010 and apply due diligence procedures in respect of persons who perform, or will perform, services for or on behalf of the organisation in order to mitigate identified bribery risks.

Any potential conflicts of interest (including significant share ownership, family or friends employed by supplying firms, etc.) must be avoided or if unavoidable, declared and discussed with Procurement as soon as possible.

Gifts from suppliers or potential suppliers are not acceptable other than advertising material of a nominal value such as diaries.

Any gifts or entertainment offered by a supplier in the tender process should be approved by the Director-General & Master. Gifts or cash must not be accepted under any circumstances. Acceptance of cash gifts is viewed by the Royal Armouries as an act of gross misconduct

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that will result in disciplinary proceedings unto and including dismissal.

Entertainment provided by suppliers or potential suppliers (included during necessary business travel) should be approached very cautiously and should be of a level that Royal Armouries could be expected to reciprocate. Approval should be sought in the first instance from the Director-General & Master.

In particular, dealings with suppliers during active contracting periods must be handled with care to avoid both actual bias and the potential appearance of bias.

All gifts and/or hospitality offered must be notified in line with the Royal Armouries Gifts and Hospitality policy.

Further detailed information is available in the Royal Armouries Gifts and Hospitality Policy.

Information given as a result of a request by a supplier must also be available to other potential suppliers.

Further guidance about procedures that organisations can put into place to prevent persons associated with them from bribing can be found [here](#)

2.14. Modern Slavery Act 2015

Modern Slavery is a serious and often hidden crime in which people are exploited for criminal gain. The impact can be devastating for the victims.

Modern slavery comprises slavery, servitude, forced and compulsory labour and human trafficking. The common factors are that a victim is, or is intended to be, used or exploited for someone else's (usually financial) gain, without respect for their human rights.

The perpetrators seeking to take advantage of them could be private individuals, running small businesses or part of a wider organised crime network. For adult victims, there will be some element of coercion involved, such as threats, use of force, deception, or abuse of power.

The Home Office has identified four broad ways in which perpetrators may seek to exploit victims:

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1. Labour exploitation
2. Domestic servitude
3. Sexual exploitation
4. Criminal exploitation

You can find out more about Modern Slavery and the different forms it can take here [Home Office resource page](#).

The UK government has implemented measures such as the Modern Slavery Act 2015, which aims to tackle this crime by increasing penalties for offenders, enhancing support for victims, and encouraging transparency in supply chains. However, continuous efforts from law enforcement, businesses, and communities are essential to raise awareness, improve prevention strategies, and ensure that victims receive the necessary support and protection.

It is crucial for individuals and organisations alike to remain vigilant and proactive in combating modern slavery in all its forms.

In 2020, the Prime Minister launched the Modern Slavery Statement, the first of its kind for any government. It committed ministerial departments to take action to identify and mitigate modern slavery risks throughout their commercial life cycle. The Royal Armouries is committed to measuring and actively monitoring that modern slavery and human trafficking is not taking place in any parts of its operation within the Museum and its supply chain.

Further information relating to the Modern Slavery Act 2015 and related documents can be found [here](#)

2.15. Social value

Social value in procurement is about making sure that what we buy creates an overall positive impact on our people and communities. It drives economic, environmental, and social benefits through a structured mechanism, aligning procurement processes with national priorities and Government missions.

The mandatory adoption of the new social value model introduced by the Procurement Policy Note (PPN) 002 has been in effect since 1st October 2025. Accordingly, this requirement now applies to all relevant procurement activities.

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Government Missions Supported by the Model:

The Social Value Model is designed to contribute directly to the Government's strategic missions, including:

- **Kickstarting economic growth** by securing sustained productivity and job creation across the UK.
- **Making Britain a clean energy superpower** by accelerating the transition to zero-carbon electricity and net-zero emissions.
- **Taking back our streets** by reducing serious violent crime and increasing public confidence in policing and justice.
- **Breaking down barriers to opportunity** by reforming education and childcare systems to ensure equal access to ambition.
- **Building an NHS fit for the future** that is accessible when needed, reduces mortality from major health conditions, and supports a fairer Britain in which all individuals enjoy longer, healthier lives.

Key Features of the Model:

- **Purpose:** The Model offers a menu of social value outcomes and criteria, which may be tailored according to contract relevance, proportionality, and non-discrimination.
- **Implementation Steps:**
 - a) Selection of pertinent social value outcomes.
 - b) Inclusion of targeted social value questions within tender documentation.
 - c) Development of award criteria and sub-criteria customised for each contract and market context.
- **Evaluation:** Supplier responses must provide a clear and actionable plan for delivering social value. Responses should not rely on general corporate policies, but instead demonstrate specific, measurable commitments through a detailed method statement, a comprehensive implementation plan, clear identification of target cohorts, and transparent governance structures.

The Eight Principal Social Value Outcomes of the Model:

1. Fair Work

Promoting high-quality employment and equitable working conditions.

2. Skills for Growth

Supporting learning opportunities, apprenticeships, and sector-relevant training.

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3. Resilient, Innovative and Flexible Supply Chains

Encouraging supplier diversity and collaboration with local communities.

4. Sustainable Procurement Practices

Reducing carbon footprints, minimising waste, and promoting the use of clean energy and green technologies.

5. Support the reduction in crime

Reducing crime and addressing domestic abuse risks, through community cohesion, awareness raising and action.

6. Inclusive Employment

Create employment and training opportunities particularly for those who face barriers to employment and/or who are located in deprived areas, and for people in industries with known skills shortages or in high growth sectors.

7. Creating a Pipeline of Opportunities

Removing barriers for young and marginalised groups, through outreach and development.

8. Increasing Productivity through Physical and Mental Wellbeing

Supporting initiatives that promote physical and mental health.

Reporting Metrics

Reporting metrics associated with these outcomes include, but are not limited to:

- Number of jobs and apprenticeships created
- Hours of training and learning delivered
- Reductions in carbon emissions and waste
- Community engagement and outreach activities

These metrics are intended to support transparent and robust assessment of progress against social value objectives.

Procurement Alignment

Social Value must be explicitly evaluated in procurement processes, with a **mandatory minimum weighting of 10%** of the total score.

For your reference:

- The **mandatory Social Value Model** can be accessed [here](#)
- Detailed **guidance from the Cabinet Office** is available [here](#)

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Post-Award Responsibilities: Contract Management and Monitoring

The Social Value Model **doesn't end with the award**. Effective contract management is crucial to realising the promised social value. This includes:

- **Integrating commitments:** Ensuring social value deliverables from the winning bid are incorporated into the contract.
- **Monitoring performance:** Establishing and tracking appropriate Social Value Key Performance Indicators (SV KPIs) or Performance Indicators (PIs).
- **Regular Reporting:** Collecting data to measure progress and providing reports as required.

This active management phase is essential for achieving the intended social, economic, and environmental benefits.

The Royal Armouries is committed to integrating economic, environmental, and social benefits into its procurement practices across the entirety of the Procurement cycle. This is executed in full alignment with the mandatory PPN 002 guidance and established best practices.

This commitment thereby reflects a comprehensive approach to procurement, ensuring that every decision made considers not merely immediate financial implications but also the broader, measurable impact on society and the planet.

2.16. Corporate Social Responsibility

It is becoming increasingly important to manage the impacts of all procurement activities by employing sustainable development principles. Sustainable procurement is not just about environmental issues; it is about how resources can be used more efficiently and safely to benefit the economy and environment both locally and globally in line with sustainable development principles. All new projects should incorporate sustainable procurement.

Wherever possible, goods, services and works will be manufactured, used and disposed of in an environmentally responsible way. Specifications should meet and, where appropriate exceed the standards required by legislation. Sustainable procurement offers many opportunities that have environmental, social and economic benefits across the public sector, business and wider society, including:

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- Avoiding adverse environmental impacts arising on the estate and in the supply chain by, for example, reducing waste and emissions
- Making more efficient use of public resources, for example, through reduced energy consumption and reduced packaging
- Stimulating the market to innovate and to produce more cost effective and sustainable options for all purchasers and
- Setting an example for business and the public and demonstrate that government and the wider public sector is serious about sustainable development

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3. IMPLEMENTATION

3.1. Responsibility for the Policy

It is the responsibility of all employees, contractors and consultants to ensure that they adhere to this Policy. Managers are accountable for managing the policy within their department and areas of responsibility.

The practical application of the Procurement Policy is supported by the Procurement Guide (SharePoint link: [Procurement Guide \(December 2025\).docx](#))

3.2. Ethical Conduct and Compliance

Ethical conduct and compliance in public procurement are vital to ensuring transparency, integrity, and accountability in the management of public funds.

When procurement processes are conducted ethically, it builds public trust, fosters fair competition, and promotes effective use of resources. Compliance with established regulations and standards mitigates the risk of corruption, fraud, and mismanagement, ultimately contributing to better outcomes for the community.

All those involved in the procurement process must exhibit the highest ethical standards. Upholding high ethical standards not only enhances the reputation of the Contracting Authority but also ensures that all suppliers and stakeholders are treated fairly and equitably.

This policy will be an audited requirement and contravention of this Policy may result in disciplinary proceedings up to and including dismissal.

If you have any comments or questions relating to the Policy, in particular, if you do not understand any elements therein, you must initially contact your **Line Manager**, who may subsequently liaise with the Procurement Department as necessary.

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APPENDIX 1 – TYPES OF FULL TENDERING PROCESSES

There are two competitive tendering procedures in the Procurement Act 2023: the **open procedure** and the **competitive flexible procedure**. Both are commenced via publication of a tender notice, but they differ significantly in their level of openness and flexibility.

The choice between these procedures is primarily dictated by the contract value, but also depends on other factors including the nature of the procurement, the complexity of the goods or services, the market conditions, and the Contracting Authority's specific needs and resources.

The Contracting Authority must ensure that the competitive tendering procedure as designed is a proportionate means of awarding the public contract, having regard to the nature, complexity and cost of the contract. Accordingly, the procurement procedure should not be overly burdensome. Unnecessarily complex and/or time-consuming procedures are also potential barriers that could deter small and medium-sized enterprises (SMEs) and other suppliers from participating.

Any competitive tendering procedure must also comply with the areas of the Act that have an impact on their application such as:

- the noticing requirements;
- the procurement objectives;
- the preliminary steps (preliminary market engagement and lots);
- excluding suppliers;
- modifying a section 19 procurement¹; and
- time limits.

Formal tendering under open procedures should take no longer than 3/4 months maximum to complete, whilst under the competitive flexible procedure a minimum of 5/6 months would be required, depending on the number of stages and complexity of the procurement.

3.3. Open procedure

It is a single stage procedure and generally preferred when maximum transparency and competitiveness are paramount, therefore this is the default route chosen by the Royal Armouries.

¹ Section 19 (1) sets out the core obligation to award a contract to the supplier that submits the most advantageous tender (MAT) and confirms that it best satisfies the award criteria in accordance with the published assessment methodology and weightings.

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It is the most transparent and competitive method: a notice is published inviting all interested and eligible suppliers to submit tenders, with no pre-selection of bidders.

Open procedures typically follow relatively strict timelines and deadlines outlined in the tender documentation and legislation. This structure helps maintain fairness and enables everyone to participate.

Bids are evaluated according to pre-defined criteria, ensuring objective and consistent assessment.

It is a well-defined and structured process making it generally easier to understand and participate in.

Key stages:

1. Publish a preliminary market engagement notice and undertake preliminary market engagement
2. Undertake Conflict of Interest Assessments
3. Develop procurement strategy
4. Develop tender notice and associated tender documents, including award criteria
5. Invite tenders by publishing the tender notice and associated tender documents on the central digital platform
6. Allow at least the minimum time period for potential suppliers to submit tenders
7. (Tendering period) Receive tenders
8. Compliance Check and Assessment against exclusions
9. Undertake second Conflict of Interest Assessments
10. Evaluate tenders against the award criteria and determine the most advantageous tender
11. Submit recommendations to Finance & Admin Director
12. Inform suppliers of the outcome and issue assessment summaries

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13. Publish the contract award notice (triggering the standstill period)
14. (8 working days) Following completion of standstill, enter into the contract with the winning supplier
15. Publish the contract details notice and (if required) a copy of the contract

3.4. Competitive Flexible Procedure

It is a multi-stage procedure which provides Contracting Authorities with more opportunity and flexibility to design their own competitive tendering procedure. In contrast to an open procedure, a competitive flexible procedure will be multi-staged and therefore Contracting Authorities can limit the number of suppliers participating in a procurement or progressing to the next stage.

The Contracting Authority may choose to incorporate numerous processes into the procedure, such as negotiation, dialogue or a demonstration stage. The [Sourcing Playbook](#) provides information on how to conduct dialogue and negotiation during a procurement procedure. Including dialogue and/or negotiation can offer benefits such as the ability to test risks and assumptions with suppliers and develop the Contracting Authority's requirements.

Key stages

Example: two stage process without negotiation or dialogue

1. Publish a preliminary market engagement notice and undertake preliminary market engagement
2. Undertake Conflict of Interest Assessment
3. Develop procurement strategy
4. Develop tender notice and associated tender documents, including conditions of participation and award criteria
5. Publish tender notice and any associated tender documents inviting requests to participate
6. Allow at least the minimum time period for potential suppliers to submit requests to participate

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7. (Participation period) Receive requests to participate
8. Compliance check
9. Assess exclusions, conditions of participation, and any other objective criteria set to limit suppliers
10. Second conflict of interest assessment
11. Inform suppliers who will not be invited to tender
12. Invite those who have made it through the participation stage to tender by issuing the invitation to tender
13. Allow at least the minimum time period for potential suppliers to submit tenders
14. (Tendering period) Receive tenders
15. Second compliance check
16. Second assessment against exclusions
17. Evaluate tenders against the award criteria and determine the most advantageous tender
18. Submit recommendations to Finance & Admin Director
19. Inform suppliers of the outcome and issue assessment summaries
20. Publish the contract award notice (triggering the standstill period)
21. (8 working days) Following completion of standstill, enter into the contract with the winning supplier
22. Publish the contract details notice and (if required) a copy of the contract

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