

Policy on procurement on behalf of overseas partners – research projects

LSHTM staff are not permitted to procure any equipment, supplies or services that are part of an overseas partner's budget.

Overseas partners may ask LSHTM to procure some goods and services because the overall cost will be cheaper and/or the delivery time is quicker. However, this is not a sufficient justification to circumvent a key financial process (procurement against quotes and possible registration of assets).

The reasons are:

- Funders often provide funds to overseas institutions specifically to promote capacity building. The expectation is that institutions should develop their own systems and networks to procure their own equipment and supplies.
- The budget awarded must be transparent. The goods and services included in a partner's budget must be purchased by the partner and accounted for in their financial system. Auditors may penalise projects that do not follow this practice.
- Financial reporting for the Research Operations Office becomes more complicated and time-consuming.

If the overseas partner does not have the capacity to procure the goods and services required, or if the cost of purchase locally is prohibitive, the items must be included in the LSHTM budget (not the partner's budget) and will be reported to the funder as part of LSHTM expenditure.

Large purchases (eg. equipment and vehicles) will then be owned by LSHTM, recorded on the LSHTM asset register and disposed of at the end of the project in line with the funder's wishes. If the funder expects depreciation to be applied, the LSHTM depreciation rules will be followed.