

Contract Due Diligence Guidelines

1. Introduction

This purpose of these guidelines is to assist you to ensure that appropriate due diligence is carried out on the collaborators and suppliers that Diamond contracts with and to ensure that such contracts are with parties that are reputable and are able to comply with the standards expected by Diamond.

2. Who should carry out the Due Diligence?

In accordance with the [Contract Due Diligence Policy](#) and these guidelines, the Head of Procurement should determine whether the shortened or full due diligence process is appropriate in the case of suppliers and the Diamond Primary Contact should determine whether the shortened or full due diligence process is appropriate in the case of collaborations. These individuals are then also responsible for ensuring that the due diligence checks are carried out.

If there is any doubt as to which process to follow, please contact policies@diamond.ac.uk.

3. What Due Diligence options are there?

A shortened due diligence process may be undertaken when there is a reduced risk to Diamond, taking into account the [Transparency International Corruption Perceptions Index](#), the surrounding circumstances and the impact on the contracting parties. In all other circumstances, a full due diligence process should be followed.

4. The Shortened Due Diligence Process

A shortened due diligence process may be undertaken when the value of the contract is less than £5,000.00; or when contracting with individuals or organisations in the European Union, European Economic Area or countries scoring 50 or higher in the annual [Transparency International Corruption Perceptions Index](#); or, with Diamond Director approval, and taking into account the surrounding circumstances, where it would create an unreasonable burden on Diamond or the third party to have to follow the full due diligence process.

The 'surrounding circumstances' that would need to be taken into account would include:

- (a) The nature and value of the contract;
- (b) The parties involved;
- (c) The anticipated role and responsibilities of the parties; and
- (d) The possible impact on the standing or reputation of Diamond.

In the case of organisations, and where appropriate, the Head of Procurement or the Diamond Primary Contact (as the case may be) will need to ensure that he/she is satisfied that the standing or reputation of the organisation is such that they are likely to adhere to the strictest financial, legal and ethical behaviours and standards and that Diamond has confirmation of the following from the organisation prior to entering into a contract with them:

- (a) The legal status of the organisation, how and where it is registered and a copy of its registration number;
- (b) The financial status of the organisation is such that it can reasonably be expected to comply with any financial obligations that are envisaged. For these purposes, it will be assumed that UK higher education providers satisfy this condition if they are able to demonstrate financial sustainability to the relevant UK regulator and/or Diamond;

(c) The organisation has in place policies and procedures that conform with relevant legislation and/or will comply with Diamond's policies and procedures in the following areas of risk:

- Anti-Bribery;
- Detecting, reporting and acting upon financial fraud;
- Detecting, reporting and acting upon scientific misconduct;
- Ensuring appropriate ethical review of research grants;
- Financial Procedures;
- Modern Slavery;
- Procurement policy; and
- Risk Management.

(d) Confirmation that a conflict of interest will not arise as a result of entering into an agreement with Diamond and that if a conflict of interest does arise it will immediately be brought to Diamond's attention; and

(e) The details of those individuals within the organisation that Diamond should contact to make financial, legal and any project related formal arrangements.

In the case of individuals, the Head of Procurement or the Diamond Primary Contact (as the case may be) will need to ensure that he/she is satisfied that the standing or reputation of the individual is such that they are likely to adhere to the strictest financial, legal and ethical behaviours and standards and that Diamond has the following details from that individual prior to entering into a contract with them: The individual's full name, proof of identification, address and proof of address.

5. The Full Due Diligence Process

When contracting with collaborators or suppliers in countries outside the European Union or European Economic Area who score less than 50 in the annual [Transparency International Corruption Perceptions Index](#), unless the surrounding circumstances mean that it would create an unreasonable burden on Diamond or the third party to do so, a full due diligence process should be undertaken.

Diamond's Head of Procurement will arrange for the appropriate due diligence to be carried out on suppliers and will retain a copy of the completed questionnaire. In all other circumstances where the full due diligence process is appropriate, the Diamond Primary Contact must arrange for the contracting party/parties to complete the [Full Due Diligence Questionnaire for Collaborators](#) and email a copy of the completed form to policies@diamond.ac.uk.