



Procurement Policy

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Contents

1. Introduction	2
2. Summit Learning Trust Procurement Team	2
3. OJEU Thresholds.....	2
4. Ongoing outsourced services.....	3
5. Approval levels and instruction.....	4
6. Budget holder responsibilities	5
7. Capital expenditure	5
8. Total cost of ownership	5
9. Procurement methods	6
10. Receipt of Goods and Services	6
11. Supplier Invoices	7
12. Approval of Supplier invoices	7
13. Code of conduct	7

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1. Introduction

The following Procurement Procedures support the Trust's Financial Regulations, the requirements of the ESFA (Education and Skills Funding Agency) as set out in the Ninestiles Academy Handbook, along with the applicable Procurement Law.

Everyone associated with or employed by the Trust must adhere to the procedures as laid out in this policy.

2. Summit Learning Trust Procurement Team

The Trust has a Procurement Team who are there to ensure that we spend money wisely, that we operate in accordance with this Policy, to the benefit of the overall Trust.

This includes:

- 2.1 Working closely with Budget-holders on all aspects of expenditure for supplies and services
- 2.2 Providing support to ensure satisfactory supplier performance to the Trust
- 2.3 Identifying and delivering cost savings and service improvements
- 2.4 Ongoing management and development of supplier relationships
- 2.5 Preparing and planning of Invitation to Tenders
- 2.6 Aggregating spend to increase buying power
- 2.7 Single sourcing where appropriate, harmonising favourable terms across the Trust
- 2.8 Reducing our number of suppliers and developing a preferred suppliers list
- 2.9 Exploring ways of eliminating waste
- 2.10 Delivering continuous improvement opportunities
- 2.11 Maintaining contract registers for the schools and college within the Trust
- 2.12 Adhering to applicable Procurement Law and the Trust Procurement Policy

3. OJEU Thresholds

Thresholds for expenditure are determined by OJEU (Official Journal of the European Union) and are put in place every two years.

As at the 1st January 2018 (to 31st December 2019), the Thresholds are as follows:

Contract value

Works	£4,551,413 (Euro €5,548,000)
Supplies and services	£181,302 (Euro €221,000)
Light touch	£615,278 (Euro €750,000)

NB: Light touch includes recruitment and exam boards

- 3.1 These OJEU Thresholds are net of VAT and apply to the total aggregated value of the contract.

3.2 If the demand for goods or services exceeds the thresholds, then the opportunity must be advertised using an appropriate OJEU compliant framework before any contract is awarded. (For example if a three-year contract with an annual turnover in excess of £60,000 is up for renewal, then the requirement needs to be advertised).

3.3 Contracts for similar products or services may not be subdivided with the effect of preventing the expenditure from falling within the scope of OJEU Thresholds.

3.4 This legislation is also particularly appropriate where demands for goods and services around the Trust are consolidated for leveraging and single sourcing purposes.

3.5 The Trust's Procurement Team will advise / carry out the required advertising utilising the most appropriate Frameworks available.

3.6 In case of doubt, the Trust Procurement Team or the Finance Manager / Director should be consulted.

4. Ongoing outsourced services

4.1 Ongoing purchases above the OJEU thresholds

4.1.1 Defining the requirements

For ongoing goods and services that exceed the OJEU thresholds (for example, catering, cleaning and ICT), the Procurement Team will work with the Budget-holders to ensure that all the correct information is collated and agreed before the requirements are advertised utilising an appropriate Framework.

4.1.2 Preparation and planning

This is vital to ensure the final Invitation to Tender document fully represents accurate requirements including specifications, timelines and service levels.

In some cases, preparation and planning can take up to twelve months, so it is vital to understand the relevant contract expiry dates to ensure we have robust processes in place to operate effectively and in a timely manner.

4.1.3 Authorisation

As part of the planning and preparation process, the Procurement Team will ensure that the requirements which are to be advertised, receive the appropriate senior authorisation from the Trust (in line with pre-authorised budgets) as detailed in section 5.

This authorisation will also enable the Procurement Team to award the contract to the ‘most economic and advantageous tender’ (MEAT).

4.2 Ongoing purchases below the OJEU thresholds

4.2.1 Defining the requirements

For ongoing goods and services that are below the OJEU thresholds (for example, stationary, hygiene services, cash collections), the Procurement Team will work with the Budget-holders to ensure that we pursue the most appropriate procurement method to the benefit of the Trust.

4.2.3 Authorisation

Budget-Holders will work with the Procurement Team to ensure that the requirements are purchased in line with pre-authorized budgets.

5. Approval levels and instructions

The following Trust rules apply.

Contract or purchase value	Requirement to Tender	Tender type	Pre-authorization and Approval level	Notes
Less than £10,000	No	N/A	Refer to current scheme of delegation	These can be purchased from current suppliers / preferred supplier list. Where there is no existing supplier, procurement department needs to be involved to determine if a new supplier needs to be added
£10,000 - £49,999	Yes	Three quotations from independent suppliers required, working with the Procurement Team throughout the process	Refer to current scheme of delegation	Sourcing decision to be made on the basis of the most economic and advantageous tender

£50,000 + up to OJEU Thresholds	Yes	As above, but also consideration should be given to utilising appropriate Frameworks	Refer to current scheme of delegation	Sourcing decision to be made on the basis of the most economic and advantageous tender
Value above OJEU Thresholds	Yes	Appropriate OJEU compliant Frameworks to advertise the requirement	Refer to current scheme of delegation	In accordance with the Trust Procurement Policy sections 3 and 4

- * Where the value is between £50,000 and the OJEU Threshold limit, then approval is required from two nominated Directors, along with the Trust Procurement Manager's approval.
- * Above OJEU Thresholds, then points 3 and 4 of the Trust Procurement Policy apply, along with the approval of the CEO (or designate), Finance Director (or designate) and the Trust Procurement Manager.

6. Budget holder responsibilities

6.1 The Trust appoint Budget holders, who are supported by the Procurement Team to ensure that purchased goods and services are fit for purpose to support and meet the needs of the Trust in meeting its objectives.

6.2 Supplier credit checks

- a) New suppliers - credit checks must be conducted on all suppliers of strategic / high-risk categories.
- b) Requests for supplier credit checks should be made to Finance, who will require the full name and address along with the service or supplies being offered and ideally the company registration number.

7. Capital expenditure

High value / one-off capital expenditure purchases including buildings or strategic projects should be handled by the Head of the Department concerned, with support from Procurement to ensure both internal and external compliance.

Capital expenditure on goods and services needs to satisfy the following:

- a) Of significant in value (i.e. over £1,000)
- b) Be of benefit to the Trust for a period greater than one accounting year
- c) Received approval from the Trust prior to any expenditure being committed

8. Total cost of ownership

The total cost of any goods or service should always be taken into account including:

- a) Delivery charges

- b) Packaging
- c) Installation cost
- d) Running costs (consumables, energy and maintenance)
- e) Warranty
- f) Service / maintenance calls

9. Procurement methods

Where possible, all expenditure for the Trust should be administered using a Purchase Order, Procurement Card, Framework or Supplier Agreement.

9.1 Purchase Orders

The Purchase Order should typically include the following:

- a) The name, address of the Supplier and contact name
- b) A specific Purchase Order number and date
- c) Brief description of the goods or services being purchased
- d) The Supplier's quotation date and reference number
- e) The agreed terms and conditions including, agreed pricing terms, delivery time, payment terms, service and warranty
- f) Reference to the Trust's Standard Terms and Conditions of Purchase (available upon request)

All Purchase Orders must be approved and authorised by an appropriate member of the Trust in accordance with the authority levels and limits laid down in Section 5.

All Purchase Orders will be issued and held by the appropriate Finance Office.

9.2 Procurement Cards

- a) These are to be used mainly for individual transactions of £1,000 or less.
- b) Procurement Cards reduce paperwork and administration time involved in processing orders and invoices for low value, high volume goods and services.
- c) There are a number of significant benefits for Purchasing Card cardholders, in particular:
 - Goods can be ordered more quickly and simply
 - Administration is greatly reduced
 - There is a wider access to suppliers
 - All your purchases are summarised on a single monthly statement

9.2 Frameworks and Supplier Agreements

As defined in point 4 of this policy

10. Receipt of Goods and Services

The Budget-Holder responsible for requesting goods or services (or their designate) must establish that the goods or services received are in line with what was ordered in terms of quality and quantity.

If the goods or services do not match what was agreed with the supplier, then the discrepancy should be discussed with the supplier immediately and the appropriate Finance Office within the Trust should be notified immediately before any payment is made.

11. Supplier Invoices

Set-up of all new suppliers and changes to existing supplier bank account details are now processed centrally by the Trust Finance Department. Supplier Bank Account details and payment terms must be provided to the central Trust Finance Department, in-order to set up the supplier on the system.

All invoices should be sent for the attention of the appropriate Finance Office within the Trust where the invoice will be processed including:

- a) The Purchase Order number
- b) Details of goods or services supplied
- c) Invoice price agreed

12. Approval of Supplier Invoices

Supplier invoices will be matched against the Purchase Order for payment in accordance with the terms agreed.

If there is any discrepancy, then the budget-holder (or a member of the Procurement Team) will be advised and the invoice will be held until resolved with the supplier.

13. Code of Conduct

All employees of the Trust are required to protect the standing of the Trust by:

13.1 Never engaging in conduct, either professional or personal, which would bring the Trust into disrepute

13.2 Not accepting inducements or gifts, other than of nominal value

13.3 Not allowing offers of hospitality or those with vested interests to influence, or be perceived to influence business decisions

13.4 Rejecting any business practice which might reasonably be deemed improper

13.5 Never using their authority or position for their own financial gain

13.6 Declaring to their line manager any personal interest that might affect, or be seen by others to affect, impartiality in their decision-making

13.7 Conducting procurement transactions with transparency in accordance with ethical behaviour and legal guidelines

13.8 Complying with the Trust's policies