

PROCUREMENT POLICY

1. Introduction

- 1.1 The Two Counties Trust (the Trust) is responsible for ensuring value for money is achieved across all our schools and within the Trust for the procurement of Goods, Services and Works.
- 1.2 The Trust is responsible for ensuring Public money is spent in a fair, equitable, transparent, and non-discriminatory way and in compliance to the Procurement Regulations, the Bribery Act and The Academies Financial Handbook. The Trust must give consideration whether the purchase is a good use of Public money.
- 1.3 The Procurement Department will provide specialist support to all Schools and the component units of the Trading Company within The Two Counties Trust in all tasks related to any purchasing activity, regardless of value.
- 1.4 The Trust will take due consideration when entering into any agreements to ensure any terms entered into are not disadvantageous to the Trust.
- 1.5 All Procurement activity carried out in the Trust will be in compliance to legal requirements, including, the 2015 Public Contract Regulations, EU Procurement Legislation, Trust Finance Policy and Scheme of Delegation, Academies Financial Handbook and any other requirements of the Department for Education (DfE) and Education & Skills Funding Agency (ESFA).
- 1.6 The Procurement policy will be reviewed every two years or updated when a change to legislation is made.

2. Value for Money

- 2.1 Value for money is not about achieving the lowest price, rather the optimum combination of whole life cost and quality.
- 2.2 To ensure value for money is achieved, staff must ensure they follow the Procurement guidance within this Policy and any other supporting procurement documentation, unless there is a stipulated exemption (see section 8)
- 2.3 Unless the value is under the required threshold for obtaining multiple quotations, all procurement of goods, services and works must be undertaken in a competitive manner.

3. Valuing the Contract

- 3.1 The Trust must ensure that contracts are valued properly and that the spend is not deliberately segregated to appear below procurement thresholds. The total value of the contract can be obtained by:

- 3.1.1 Calculating the annual spend;
 - 3.1.2 Multiplying by the number of years of the contract;
 - 3.1.3 Multiplied by the number of entities within the Trust that the contract will be awarded too.
- 3.2 If a contract is for a number of years with the option to extend at the end of that time, then the number of years of the contract is the maximum time it could run. An example would be for a contract that is 3 years with an option to extend for a further 2; the total number of years that needs to be considered in determining the value is 5 years.
- 3.3 Consideration will be given on centralising contracts relating to common items, such as stationery, by the Procurement Department reviewing each schools spend on these items. If expenditure is collaboratively above £25,000 the Procurement Department will advise if a Trust wide or multi school procurement process should be undertaken.

4. Purchasing Thresholds

- 4.1. Orders/Contracts up to and including £3,000.
- 4.1.1 Competitive Quotations are required for all purchases. These can be received by post, or electronically (including screenshots from websites).
 - 4.1.1 The quotations should be recorded and retained within the department and attached to a copy of the authorised Purchase Order.
 - 4.1.2 Contracts up to and including £3,000 will be awarded by means of a Purchase Order which must be sent to the successful supplier.
- 4.2 Orders/Contracts greater than £3,000 up to £25,000
- 4.2.1 Three quotations must be obtained for purchases greater than £3,000 up to and including £25,000. These can be received by post, or electronically (including screenshots from websites).
 - 4.2.2 The quotations should be recorded and retained within the department and all three quotations are to be attached to a copy of the authorised Purchase Order.
 - 4.2.3 Retention of unsuccessful quotes should be kept for 3 years and successful quotes for 6 years after the end of the contract or 12 years if signed by a deed.

4.3 Orders/Contracts greater than £25,000

- 4.3.2 The Trust Procurement Officer will guide on the appropriate procurement process for any procurement exceeding £25,000 and the procurement process will be managed by the Procurement Officer.
- 4.3.3 A formal tender process is encouraged, but Frameworks can be utilised where appropriate.
- 4.3.4 Prior to the commencement of the Procurement process, a Request to Tender form will be submitted and approved by the relevant parties. (Appendix A)
- 4.3.5 The Procurement Officer will require a written specification which will be provided to potential suppliers including the evaluation criteria to be applied.
- 4.3.6 Where a tender process is completed this must be advertised on Contracts Finder and a link to the E-Procurement site where tender documentation is held should be made available.
- 4.3.7 The received quotations or tenders will be evaluated against the agreed criteria and an award made by either an official purchase order, offer letter or formal form on contract.
- 4.3.8 For all Contracts awarded above £10,000, a Contract Award Notice will be published on Contracts Finder in accordance with The Public Procurement Regulations 2015.

4.4 Formal Tender Process

- 4.4.2 Tenders, or mini-competition/direct awards under a Framework, must be undertaken for all contracts above £25,000, unless an alternative process is authorised by the Chief Executive Officer (CEO).
- 4.4.3 The Key stages are summarised below:
 - 4.4.3.1.1 Pre-Tender
 - 4.4.3.1.2 Deciding the evaluation criteria
 - 4.4.3.1.3 Invitations to tender/quotations
 - 4.4.3.1.4 Shortlisting (for above EU Thresholds only)
 - 4.4.3.1.5 Submission, receipt and opening of tenders
 - 4.4.3.1.6 Clarification procedures and post-tender negotiation
 - 4.4.3.1.7 Evaluation and award of contract

4.5 OJEU Process

- 4.5.2 EU Procurement thresholds are updated every 2 years. As of 1st January 2020, the below thresholds will apply;

Supply & Service Contracts	£189,330
Works Contracts	£4,733,252
Light touch regime for health/social services	£663,540

- 4.5.3 Any contracts being valued above these thresholds must be managed by the Procurement Officer who will work in collaboration with the project manager.
- 4.5.4 Goods/Services or Works can be purchased through a Framework that has already been to EU tender, or an EU tender can be run by the Procurement Officer where the Official Journal of the European Union (OJEU) rules must be complied with.
- 4.5.5 The Trust will comply with the 2015 Procurement Regulations and any OJEU rules as exist and which may vary from time to time.

5. Frameworks

- 5.1 Public Sector Buying Organisations (PSBO) such as Crown Commercial Services (CCS), Yorkshire Purchasing Organisation (YPO) and Crescent Purchasing Consortium (CPC) have set up Framework contracts where a number of suppliers have been pre-procured in accordance with the Public Sector rules to make it possible to purchase directly from these Frameworks with no further competition being necessary.
- 5.2 Alternatively, Framework contracts may also allow an opportunity to run a mini-competition through the Framework which can be quicker than a full tender process. This is where a number of pre-approved suppliers have been successful in gaining access to the Framework who can then fulfil the contract with the contract being awarded to the tender that gives best value for money.
- 5.3 The Trust will typically run a tender process wherever possible but may utilise a Framework contract when tendering isn't a suitable solution.

6. Fair Treatment of Suppliers

- 6.1 The Trust will comply with the key principles of the Procurement Legislation one of which being that all suppliers are treated fairly and equally in any competitive process, regardless of value.
- 6.2 Suppliers therefore must be provided with the same documentation and have access to specifications, plans, staff time and facilities upon request.

- 6.3 The evaluation criteria will be decided in advance and published with procurement competition documents to be available in full to suppliers to show they will be treated fairly when scoring the tender bids.
- 6.4 During the evaluation stage, staff will ensure they note appropriate feedback which can be shared with the suppliers who will be entitled to be debriefed at the end of the process when confirmation of the winning bid is sent.

7. Fixed Term Contracts

- 7.1 The Procurement Department will ensure that fixed term contracts of any value are registered on the central procurement contracts register, this will include open/call off contracts and rolling contracts.
- 7.2 Any updates to the fixed term contracts, regardless of value, should be sent to the Procurement Officer to enable the contracts register to be kept up to date.
- 7.3 The contracts register will be used to manage and monitor fixed term contracts and assist with sending reminders to ensure contracts do not contravene the Procurement Policy by auto renewing without prior consideration.

8. Exceptions

- 8.1 On very rare occasions it may be necessary to procure without following this policy in full.
- 8.2 Potential reasons for an exceptional procurement are:
 - 8.2.1 In an emergency to resolve an issue that has a Health & Safety risk attached whereby a proper procurement process would heighten the risk.
 - 8.2.2 In an emergency to resolve a safeguarding issue whereby a proper procurement process would heighten the risk or where publishing the Contract Notice would result in a safeguarding issue.
 - 8.2.3 Where it can be demonstrated that only a single supplier of the goods or services can be found.
 - 8.2.4 Where no suitable suppliers have come forward through the tender process, it may be acceptable to negotiate a contract with a suitable alternative supplier.
- 8.3 Exceptions are not a substitute for times where procurement planning has not been undertaken and staff find themselves with insufficient time to complete a competitive process.

8.4 The following limits apply within this section:

8.4.1 Expenditure below £25,000 must have written consent (an email is sufficient) from the Finance Manager attached to the Purchase Order.

8.4.2 Expenditure above £25,000 must have an Exceptional Purchase Action (EPA) form completed and signed off by the Finance Director or Head of HR who will assess the risk to the Accounting Officer (CEO) for them to either authorise or reject the request. Expenditure exceeding £500,000 must also be signed off by a Trustee. The EPA form will be attached to the Purchase Order. (Appendix B)

8.5 Exceptions are not exempt from advertising the Contract Award on Contract's Finder and therefore careful consideration should be given to the necessity of this route, as Crown Commercial Services monitor this.

8.6 No exceptions can normally be used if the EU Procurement Directive applies except if acting upon legal advice.

9. Exclusions

9.1 This Procurement Policy does not apply to the following:

9.1.1 Contracts for the employment of individual employees.

9.1.2 Contracts relating solely to the disposal or acquisition of an interest in land.

9.1.3 Contracts relating to examination boards.

10. Non-Compliance

10.1 All instances of non-compliance with the Procurement Policy will be logged and submitted to the Risk and Audit Committee in a termly report.

10.2 The Procurement Officer will conduct regular audits of Purchase Orders to ensure compliance is being upheld.

10.3 The Trust will also include procurement arrangements within its internal scrutiny programme.

10.4 The Procurement Officer will identify trends such as retrospective Purchase Orders being raised regularly and will flag with the person/ school offering support and solutions to improve matters.

10.5 Retrospective Purchase Orders should only be raised when there is a requirement to commit to the expenditure outside of normal working hours during an emergency situation. A supplier or Contractor must be asked not to submit an invoice for the works until a valid Purchase Order has been completed.

10.6 Purchase Orders should not be raised upon receipt of an invoice.

11 Leasing

11.1 The Trust must not enter into any finance lease as this would be a contravention of the requirements of the Academies Financial Handbook.

11.2 Operational leasing is permitted with the prior approval from the Finance Director or delegate and all assets must be logged with the Trust Finance Department.

12. Connected Parties

12.1 All members, Trustees, Governors and key Staff must declare any pecuniary interests.

12.2 Any changes to a declaration should be reported to the Trust's Governance and Compliance Officer without delay.

12.3 As required by the Academies Financial Handbook 2019, contracts entered into with connected parties must be declared to the Education and Skills Funding Agency (ESFA) whereby;

12.3.1 A contract or other agreement exceeds £20,000

12.4 A contract or other agreement of any value that would mean the cumulative value of contracts and other agreements with the related party exceeds, or continues to exceed, £20,000 in the same financial year ending 31 August.

13. General Data Protection Regulation

13.1 All data within this policy will be processed in line with the requirements and protections set out in the General Data Protection Regulation.

Document management

Review cycle:	Annual
Next review due:	January 2021
Policy owner	Procurement Officer

FOR COMPLETION BY USER DEPARTMENT

TO: TRUST PROCUREMENT DEPARTMENT

**Please invite tenders for the goods/services/works detailed below.
*Please undertake a mini-competition under a framework for the goods/services/works detailed below
*Please award a contract for the goods/services/works detailed below
delete as appropriate

Brief description of goods/services/works (including as appropriate, any estimated quantities, maintenance periods, phased deliveries, training requirements etc):

CONTRACT COMMENCEMENT DATE:

CONTRACT COMPLETION DATE:

BUDGET VALUE: £

Are there any GDPR considerations for this Contract (i.e. does this involve the supplier handling personal data on behalf of the Trust)? **YES* / NO***

Are there any specific equality or diversity concerns that will need addressing as part of this contract? **YES* / NO***

Reasons for the procurement:

Value for Money considerations (details to demonstrate how value for money is being achieved):

Person(s) requiring copies of completed documents and to contact if site visits are required:

Telephone:

Has provision for this requirement been included in the Capital Programme?	YES*/NO*	If yes, please specify the codes:
Has provision for this requirement been included in the Procurement Plan?	YES*/NO*	If yes, please specify the codes:
Has a Trustee decision report been approved for this requirement?	YES*/NO*	If yes, please attach a copy and specify the codes:
If this purchase is revenue, does budgetary provision exist?	YES*/NO*	If yes, please specify the codes:

NOTE: Please ensure you provide the nominal code, cost centre and department for all codes above e.g 7000 Adm ICT

Budget Holder	
Signature:	TITLE:
Name:	DATE:

FOR COMPLETION BY TRUST PROCUREMENT DEPARTMENT						
PASS TO TRUST FINANCE MANAGER FOR CONFIRMATION OF BUDGET IN ABOVE CODES:						
PASS TO TRUST FINANCE DIRECTOR OR CEO FOR COMMENT AND APPROVAL OF FUNDING:						
<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;">DATE REQUEST RECEIVED BY PROCUREMENT DEPARTMENT:</td> <td style="width: 50%; border: none;">TTCT/PROC/</td> </tr> <tr> <td style="border: none;">DATE SENT TO TRUST ACCOUNTANTS:</td> <td style="border: none;">DATE RETURNED TO PROCUREMENT DEPARTMENT:</td> </tr> <tr> <td style="border: none;">DATE SENT TO FINANCE MANAGER/DIRECTOR:</td> <td style="border: none;">DATE RETURNED TO PROCUREMENT DEPARTMENT:</td> </tr> </table>	DATE REQUEST RECEIVED BY PROCUREMENT DEPARTMENT:	TTCT/PROC/	DATE SENT TO TRUST ACCOUNTANTS:	DATE RETURNED TO PROCUREMENT DEPARTMENT:	DATE SENT TO FINANCE MANAGER/DIRECTOR:	DATE RETURNED TO PROCUREMENT DEPARTMENT:
DATE REQUEST RECEIVED BY PROCUREMENT DEPARTMENT:	TTCT/PROC/					
DATE SENT TO TRUST ACCOUNTANTS:	DATE RETURNED TO PROCUREMENT DEPARTMENT:					
DATE SENT TO FINANCE MANAGER/DIRECTOR:	DATE RETURNED TO PROCUREMENT DEPARTMENT:					



EXCEPTIONS

The Procurement Policy states “All exceptions for Contracts valued above £25,000, and the reasons for them, must be recorded on the Exceptional Purchase Action form and approved by the CEO, Trust Finance Director, Head of HR, - (“CEO” means Chief Executive Officer).

Applicants are required to complete this form (points 1 to 6 below) when seeking approval for the Procurement Department to award a Contract with a value in excess of £25,000 without obtaining formal competitive tenders in accordance with the Trust Procurement Policy.

Any price information obtained by the applicant plus any other relevant documentation must be submitted with this application, along with a completed Request to Tender form.

1. **GOODS/SERVICES/WORKS: (i.e. what you require)**

2. **CONTRACT VALUE:** £

3. **DELIVERY POINT:**

4. **RECOMMENDED CONTRACTOR/SUPPLIER:**

5. **REASONS FOR EXCEPTION: (Please state here why you are seeking permission to waive the requirement to obtain formal competitive tenders or wish to directly negotiate with one of more suppliers)**

6. **VALUE FOR MONEY:** (Please state here how you feel you have obtained value for money in the absence of any formal competition process being completed).

7. **APPLICANT** (To be completed by Budget Holder)

Signature: _____ Name: _____

Post: _____ Date: _____

WHEN 1 TO 7 COMPLETED, PLEASE SUBMIT YOUR APPLICATION TO THE PROCUREMENT DEPARTMENT

Is this requirement included on the Procurement Plan? YES / NO

Procurement Department Comments:

Procurement Department (*submit to CEO when completed, following comments from Finance Director/Head of HR and, if applicable, any specialist advice*)

Comments:

Specialist Advice required: YES / NO

From: ICT HEALTH & SAFETY Other (*please state*): _____

Signature: _____ Date: _____

Name: _____ Title: _____

FINANCE DIRECTOR/HEAD OF HR *(please return to Procurement Department when completed)*

Comments:

Signature: _____ **Date:** _____

SPECIALIST ADVICE AND COMMENTS (if required) *(please return to Procurement Department when completed)*

ICT

Comments:

Signature: _____ **Date:** _____

Name: _____ **Title:** _____

SPECIALIST ADVICE AND COMMENTS (if required) *(please return to Procurement Department when completed)*

HEALTH & SAFETY

Building, Refurbishment and New Installation Work Checklist received YES NO

Comments:

Signature: _____ **Date:** _____

SPECIALIST ADVICE AND COMMENTS (if required) *(please return to Procurement Department when completed)*

OTHER (please state) _____

Comments:

Signature: _____

Date: _____

Name: _____

Title: _____

CEO *(please return to Procurement Department when completed)*

Comments:

Signature: _____

Date: _____

Name: _____

Title: _____

Consultation with The Trustees (if required)

Comments

Signature:

Title:

Date:

***PLEASE RETURN TO THE PROCUREMENT DEPARTMENT FOLLOWING CHIEF
EXECUTIVE AND/OR TRUSTEE ACTION***