

Procurement Policy

This policy was adopted	November 2024
The policy is to be reviewed	Every 2 years

1 Scope

This Policy and Procedure applies to all Academies that are part of Parallel Learning Trust.

2 Quotation and tendering

Appendix 1 details the relevant financial limits that are delegated across the organisation.

A summary of the procurement flow chart for purchases over 10K can be found in **Appendix 2**.

Unless exception is explicitly given the minimum required numbers of tenders or quotations from appropriate contractors for a given estimated value of contract are:

- Above £5,000 and up to £10,000 at least two informal quotations
- Above £10,000 and up to £50,000, three written quotations unless justifiable reason for less quotes (eg. Only supplier providing a certain product, clear demonstrable value in using certain supplier e.g. knowledge of PLT, only viable supplier)
- Above £50,000 and up to £100,000, three formal quotations to be submitted in writing by a specified date and time and based on a written specification and evaluation criteria;
- Above £100,000, three tenders;

To ensure that procurements using an operating or finance lease maintain the principle of value for money, multiple lease quotations must be obtained unless explicit exception is given. The minimum number of lease quotes obtained should match the number of quotations required for the total procurement value.

The values are for single items or groups of items/projects, which must not be disaggregated artificially. The values for procurement items should be considered as:

- Excluding VAT;
- The total cumulative value of the order if the contract is for more than a single year

The Trust will follow updated UK Government guidance on high value procurement, ensuring it keeps informed of any legal requirements for purchases above 100K.

Expenditure for large capital projects that goes beyond the original budget agreed can only be authorised by the Interim CEO up to a maximum of 25K or 10% of the total project budget, whichever is greater. Expenditure beyond this range must be approved by the Trust Finance, Resources and Premises Committee, or Trust Board

Project proposals for purchases above 5K must be submitted to the relevant approver/s using the Procurement Summary Template (**Appendix 3**) with all relevant quotes included. Where the minimum number of quotations required by the total procurement value has not been met, an explanation must be provided within the procurement summary, which should then be attached to the order in IRIS Financials along with any supporting correspondence with suppliers. The only exception to this will be for agency supply staff where a business case form for a new appointment has been agreed, or the costs are allocated within the agreed budget for the year.

Purchases to be funded from revenue which were included within the original budget and where the order value is less than 50K, can be authorised by the Interim CEO up to a maximum of 25K or within a

10% increase of the budgeted figure, whichever is greater. Procurements exceeding this figure regardless of whether they have been budgeted for should follow the approval process for tender procedures.

Purchases which are made through a nationally recognised procurement framework do not have to comply with the above requirements for a specified number of quotes, e.g. photocopier contracts.

Some purchases may be excluded from the requirements outlined above where a product or service already in use are deemed to fully meet the needs of the Trust, have no alternative that provides additional benefit, or it would be detrimental to change provider or service too regularly. Examples of this may include Auditors, financial or educational consultancy services, or software products that are embedded successfully within operational activities, e.g. Broadband and filtering services.

However, prior to renewal of any products or services within this group, consideration should be given of the efficacy of the current product/service and the renewal price to decide if there is a need to seek alternative products or services, or alternative quotes to ensure value for money is still being received. The renewal terms and summary of the consideration of product/service quality should be presented for approval as per the financial limits, for a decision on contract renewal.

A list of regular and renewed contracts that would not typically require a Purchase Order, or may be given exception to the procurement policy based on the paragraphs above are found in Appendix 3.

All procurements for software or services requiring a third-party to process personal data on behalf of the Trust should clearly establish the relationship between the Trust as the 'data controller' and the supplier as the 'data processor', including any 'sub processors' used in the supplier's supply chain. Before any orders are awarded that will result in additional sharing of personal data, a Data Protection Impact Assessment (DPIA) must be completed and approved by the Trust's Data Protection Officer, which should be confirmed by the order requestor in the procurement summary.

Compatibility for IT hardware or software should be checked with a member of the Trust's IT Department before orders are awarded.

Failure to follow this policy would be considered a breach of the code of conduct and will be managed using the disciplinary policy.

3 Tender Procedures

All purchases with a value greater than £100,000 must be put out to formal tender. The following procedures must be followed in such circumstances:

A specification will be prepared by the relevant officer, authorised by the Interim CEO or relevant committee and sent to at least three suppliers. All major building works that are expected to exceed 100K will be reviewed by the Board of Trustees to consider if the engagement of professional agents is necessary to deal with the handling of specifications and suitability to tender. NB: Procurement processes for new professional agents will fall within the remit of this procurement policy. Legacy contractors will be reviewed by the relevant committee when a need is identified.

1. Where appropriate, the suppliers invited to tender should be drawn from an approved list or from those agreed with the architect. Otherwise, invitations to submit tenders will be advertised in local newspapers and trade journals if appropriate. The invitations to tender will include:
 - (a) an introduction/background to the project;
 - (b) the scope and objectives of the project;

- (c) any technical requirements;
 - (d) implementation details for the project;
 - (e) the terms and conditions of the tender; and
 - (f) the form and date of response to the academy, or in the case of building works, to the architect or quantity surveyor.
2. All replies should be addressed to the named individual overseeing the tender in a plain sealed envelope marked 'Tender' to reach him/her by a specified date. All replies must be kept sealed until that date.
 3. All tenders will be opened at the same time and details of the contractor, quotation and any other details recorded at the time of opening.
 4. No contractor will be allowed to amend the tender after the time fixed for receipt.
 5. The named individual overseeing the tender will open a separate correspondence file for each tender which will contain copies of all correspondence or other relevant information.
 6. For purchases exceeding £50,000, provided the expenditure has been budgeted for, a decision will be made by the Trust Finance, Resources and Premises committee. The decision will need to be ratified by the Board of Directors for purchases that have not been budgeted for or for those greater than £100,000.
 7. Where expenditure is not included in the budget or anticipated expenditure exceeds the budget allocation, the decision as to which tender to accept will be taken by the Trust Finance, Resources and Premises committee, in line with their terms of reference and then ratified by the Board of Directors; and
 8. The reasons for accepting a particular tender must be documented, especially if it is decided to accept other than the lowest tender. All decisions must be reported to the Board of Directors through the minutes of the Trust Finance, Resources and Premises committee.
 9. Tender proposals must be submitted to the relevant approver/s using the Procurement Summary Template (Appendix 3) with all relevant quotes included.

4 Acceptance of tender

The following points will be considered when deciding which tender to accept:

1. The overall price and the individual items or services which make up that price.
2. Whether there are any 'hidden' costs; that is additional costs which the academy will have to incur to obtain a satisfactory product.
3. Whether there is scope for negotiation, while being fair to all tenderers.
4. The qualifications and experience of the supplier, including membership of professional associations.
5. Compliance with the technical requirements laid down by the school.

6. Whether it is possible to obtain certificates of quantity.
7. The supplier's own quality control procedure; pre sales demonstrations, after sales service and, for building works, a six month defects period and insurance guarantees.
8. The financial status of the supplier.
9. References from other establishments.
10. Understanding & compliance with Health & safety, CDM regulations and Child Protection issues related to working on a school site

In the case of building works, where the tendering process is being carried out by the architect or quantity surveyor, they will be responsible for checking the documents of the lowest tender before making a recommendation to the academy.

Once a tender is accepted an order should be issued immediately to the supplier in the normal way.

The Academy Trust Handbook and delegated financial limits should be considered when applying this policy.

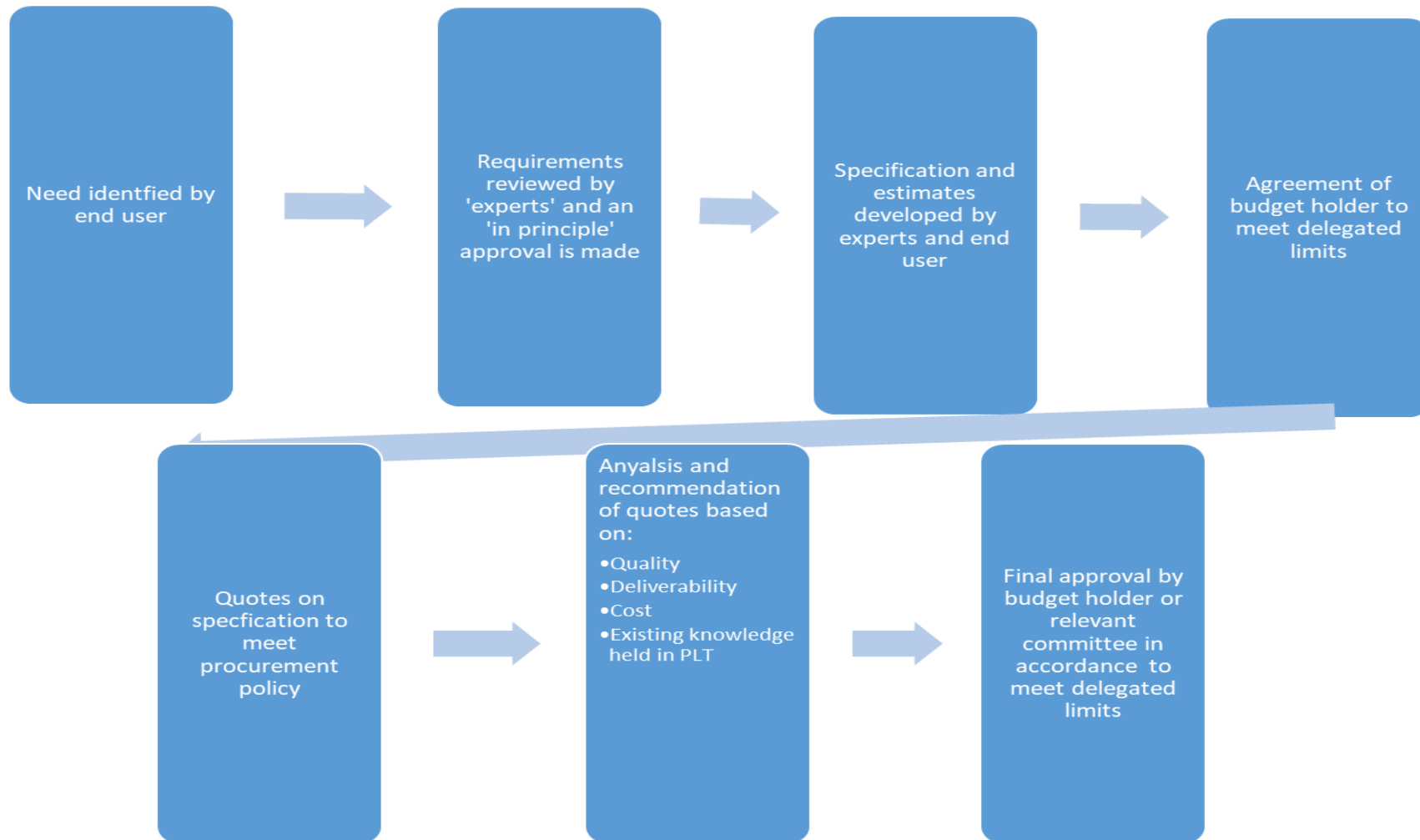
5 Related party transactions

Related party transactions must be monitored and scrutinised by budget holders and committees prior to approval being made. The internal register of interests will be shared with members of staff and committee/board members with authority to approve purchases. All known related parties will also be marked within IRIS Financials so that approvers are able to identify them before making approval.

Appendix 1 – Financial Scheme of delegated limits

		Board of Directors	Trust committees	Interim CEO	Interim CFO	Headteacher / Finance Business Partner	Budget Manager
Contracts/SLAs less than 1 year	For any agreement that will last less than 1 year	Unlimited	£100,000	£50,000	£10,000	£7,500	£1,000
Contracts/SLAs greater than 1 year	For any agreement that will last more than 1 year (total contract value)	Unlimited	£100,000	£50,000	£10,000	£7,500	£1,000
Individual orders allocated within budget	An individual purchase with one supplier	Unlimited	£100,000	£50,000	£10,000	£7,500	£1,000
Individual orders allocated outside budget	An individual purchase with one supplier that has not been allocated a budget	Unlimited	£50,000	£10,000	£5,000	£0	£0
Capital projects	A cost that will exceed the capital threshold	Unlimited	£100,000	£50,000	£10,000	£7,500	£0
Lease agreements	An agreement with a supplier to provide a premium for equipment to be used by the school	Unlimited	£100,000	£25,000	£10,000	£0	£0
Sales and Lease of Land	If a sale or lease agreed for use of the schools land or buildings (subject to Secretary of State approval)	Unlimited	£100,000	£0	£0	£0	£0
Contracted out services	If a contract is agreed that will provide a source of income for the school	Unlimited	£100,000	£50,000	£10,000	£10,000	£0
Staff expenses	To reimburse staff expenses	Unlimited	£5,000	£5,000	£1,000	£500	£0
Pay advances	To advance a staff members pay	Unlimited	£5,000	£5,000	£0	£0	£0
Settlement agreements	To agree a settlement payment with staff (Agreements for staff directly line managed by the CEO must be approved by the relevant committee in line with the Trust's Scheme of Delegation)	Unlimited	£50,000	£25,000	£0	£0	£0

Appendix 2 – Procurement Flow Chart for purchases over 10K



Appendix 3 – Pre-approved Supplies and Services excluded from the procurement policy

Supply/Service	Pre-approved supplier	Reason	Estimated Annual Cost
Auditor services	UHY Hacker Young	Long-standing relationship with PLT. Auditors understand the nuanced challenges of PLT and have provided a consistently high quality service for a very reasonable fee for a number of years	£35,000
Council tax	Various LAs	Cost of service is beyond control of the academy and cannot be 'procured'. Funds are typically reimbursed by the ESFA.	£15,500
Alternative Provision off-site	Road to Success (WVA)	Suppliers in this area are quite niche and positive working relationships and an understanding of the PLT students' needs have been established over a number of years.	£20,000 (WVA)
	Circles Alt Ed Ltd (SHA)		£25,000 (SHA)
Broadband, email and web filtering	London Grid for Learning	Managed broadband and IT service bespoke for Education. No benefit to changing supplier due to limited IT management resource within PLT.	£55,000
Attendance Advisory Service with LA (AASSA)	Relevant Local Authority	AASSA is typically bespoke to needs of LA and the schools within the LA	£8,000 per school

PLT PROCUREMENT SUMMARY

PROJECT TITLE		ORDER REQUESTOR				
ACADEMY		FUNDING SOURCE				
PROJECT SCOPE/PURPOSE:						
SPECIFICATION/PROPOSAL:						
<i>Highlight relevant value and quotes required</i>						
PROJECT VALUE	5-10k	10-50k	50-100k	>100k		
QUOTES/TENDERS REQ'D	2 (informal)	3 (written)	3 (formal)	4 (tenders)		
QUOTES/TENDERS REC'D	<i>Explain if number of quotes/tenders less than required:</i>					
	SUPPLIER			AMOUNT		
1.						
2.						
3.						
4.						
5.						
RECOMMENDATION (based on the core areas of VFM – Quality, Deliverability, Price):						
<u>Quality</u>						
<u>Deliverability</u>						
<u>Price</u>						
APPROVED BY	Revenue	Headteacher <7.5k	HoF/CFO <10k	CEO <50k	F&R/Trust Comms <100K	Board >100K
	Capital	Headteacher <7.5k	HoF/CFO <10k	CEO <50k	F&R/Trust Comms <100K	Board >100K
NAME/SIGNED				DATE		
POSITION						