



The Rosary Trust

A Catholic Education Trust

Procurement Policy

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1. Introduction

- 1.1. The Procurement Policy explains The Rosary Trust's (The Trust) underlying approach to procurement. It details how The Trust will manage its procurement to ensure compliance with relevant legislation.

2. Purpose

- 2.1. This Procurement Policy forms part of The Trust's internal control and governance arrangements.
- 2.2. The policy explains The Trust's underlying approach to procurement. It gives key aspects of the procurement process and identifies the main reporting procedures.
- 2.3. It is the Trust's policy to ensure that any spend of public money regardless of value is carried out in a transparent and non-discriminatory way and in compliance with the Public Contracts Regulations 2015 and The Bribery Act 2010.
- 2.4. The Trust's Scheme of Delegation and Financial Regulations outlines who has authority to select contractors and award contracts and/or raise orders. Failure to comply with either this Procurement policy, the Trust's Financial Regulations or Scheme of Delegation may result in withdrawal of authority and / or disciplinary actions.
- 2.5. The purpose of this document is to make the Trust's Procurement policy clear and signpost staff undertaking procurement activity to appropriate procedural guidance.
- 2.6. The Trust's Procurement Policy is applicable to all purchasing activity regardless of value and should be followed by all staff involved in purchasing whether centrally or Academy based.
- 2.7. All procurement within the Trust and its Academies shall be carried out in such a way to ensure compliance with legal requirements, including the Public Contracts Regulations 2015 (<https://www.gov.uk/guidance/public-sector-procurement-policy#full-publication-update-history>), the Trust's Financial Regulations and Scheme of Delegation and any other requirements of the Department for Education (DfE) or Education and Skills Funding Agency (ESFA).
- 2.8. This policy is intended to reflect and support the aims of the Trust by working with staff and suppliers to optimise value for money in the procurement of works, goods and services. It aims to balance efficiency against risk factors in achieving value for money whilst promoting compliance and sustainability.
- 2.9. There is a duty on all staff who may be involved in any stage of the procurement process to apply the key principles of best practice procurement to achieve

appropriate governance, value for money and suitable quality of goods and services to meet our business needs.

3. Approach to Procurement

3.1. The following key principles outline the Trust's approach to procurement:

- **Compliance:** When purchasing and contracting for goods and services, the Trust and its Academies must demonstrate compliance with procurement legislation and the proper and effective use of public funds at all times. Purchasing procedures should also ensure that the goods, services and work procured are for the correct quantity and quality, arrive on time and achieve best value.
- **Transparency and Non-Discrimination:** In all purchasing activity the Trust must ensure that all contractors, suppliers and service providers are treated equally and without discrimination and must act in a transparent and proportionate manner. Procurement procedures must not be undertaken in a manner which artificially narrows competition, favours or disadvantages any contractor, supplier or services provider.
- **Probity:** It must be demonstrable that all parties are dealt with on a fair and equitable basis and that there is no private gain, favouritism or corruption involved in any dealing of the Trust.
- **Accountability:** The Trust is publicly accountable for its expenditure and for the conduct of its affairs.
- **Value for Money:** The achievement of value for money underpins the appropriate use of all public funds, therefore as well as striving to achieve the best price possible for all purchases, consideration should also be given to other factors such as quality, suitability, availability, reliability of the supplier, terms available etc.

4. Public Contract Regulations 2015 (PCR)

- 4.1. The Trust is deemed to be a 'contracting authority' because they largely receive their funds from the UK taxpayer via the Department for Education ('DfE'). As a contracting authority, the trust must consider PCR 2015 every time they place a significant order for goods, services or building works. If a purchase is above a certain threshold, then formal public procurement processes must be followed. The current thresholds can be found at: <https://www.gov.uk/guidance/buying-procedures-and-procurement-law-for-schools/find-the-right-way-to-buy#euprocurementthresholds>
- 4.2. When calculating whether the contract value is over the threshold, you must include the total cost of the contract until its termination date and also include VAT.

5. Value for Money

- 5.1. Value for money is the optimum combination of whole life cost and quality (or fitness for purpose) to meet the user's requirement. This is rarely possible with the lowest price alone.
- 5.2. Purchases over £20,000 must be managed by the Chair of the Trust Board or their delegated representative and in these cases early involvement is recommended to ensure expectations are clear and timelines are achievable.
- 5.3. Unless below the threshold for obtaining multiple quotations or tenders, all procurement of goods, works, services or consultancy should be acquired by effective competition, including adequate publication of the contract opportunity, unless there are convincing and justifiable reasons to the contrary. Competition promotes efficiency and effectiveness in expenditure. Awarding contracts on the basis of value for money following competition contributes to the competitiveness of supplies.
- 5.4. The Trust has a duty to comply with the requirements of their procurement obligations under the Academy Trust Handbook, the Public Contracts Regulations 2015 and Academy Funding Agreements. In order to do so the Chair of the Trust Board or their delegated representative will review all proposed purchases over £50,000 in the context of the total Trust expenditure to come to a decision whether the potential requirement to aggregate is complementary or contrary to the requirement to show value for money.

6. Financial Authority to Commit Expenditure

- 6.1. Any process which involves committing the Trust or one of its Academies to expenditure must be approved in accordance with the Scheme of Delegation. The Scheme of Delegation confirms who has the authority and to what financial level.
- 6.2. Any member of staff placing a purchase order on behalf of the Trust or one of its Academies must be sure that they have the correct level of authority to do so in accordance with the Scheme of Delegation and where required, must obtain approval from a more senior member of staff with a higher approval limit if necessary.
- 6.3. No employee is authorised to commit the Trust or one of its Academies to expenditure without first ensuring that there is adequate budget provision.
- 6.4. Schemes of work should not be artificially broken down into smaller orders to phase the issue of purchase orders and thereby circumvent either authorisation levels or the requirement to obtain further quotes/tenders.

7. Routes to Buy

7.1. The various transactional thresholds and procurement process required is covered in detail in the Financial Regulations and follows the DfE “Routes to Buy”, however, they are outlined briefly below:

Route to Buy	Value
Route 1: Use a DfE framework agreement	All values
Route 2: Use catalogues to find <u>low</u> value goods and services	Under £5,000
Route 3: Get at least 3 quotes from suppliers for medium value goods or services	Over £5,000
Route 4: Advertise a contract and run a tendering process for high value goods and services which are below the Public Contracts Regulation (PCR) threshold	Over £50,000 – The Trust Board usually oversee the process in conjunction with a specialist
Route 5: Run a PCR compliant tendering process for goods and services above the PCR threshold	PCR thresholds Goods: £214,904 Works: £5,372,609 Most services: £214,904 Some services for education are covered by the ‘light touch regime’. This threshold is £663,540. See Gov.uk website for more details.

7.2. For all procurement activities, the Trust will first check the DfE’s approved frameworks and see if an appropriate framework is already in place. If there is not an appropriate framework in place, the Trust will follow the next most appropriate route to buy (routes 2-5).

7.3. In the case where contracts may be awarded to companies who the Members, Trustees or staff have declared as a related party, there is a requirement to notify the ESFA in advance and to seek ESFA approval for those contracts that exceed £20,000 either individually or cumulatively.

8. Dispensations

- 8.1. In limited circumstances a dispensation from the requirement to obtain alternative quotes may be granted. This may include authority to solicit a single quotation, to award a contract or place an order without having obtained the requisite number of tenders or quotations or to directly award a contract.
- 8.2. All dispensations from academies require prior approval from the Chair of the Finance, Risk and Audit Committee or their delegated representative before progressing and must not result in a breach of procurement legislation or be contrary to the Trust's Scheme of Delegation.
- 8.3. All dispensations from the Chair of the Finance, Risk and Audit Committee or their delegated representative require prior approval from the Chief Accounting Officer before progressing.
- 8.4. Full details of the circumstances and reason where a dispensation may be granted are included below:
- All dispensation requests, whether approved or rejected will be reported to the Finance, Risk and Audit Committee. Staff may be called upon to attend the Finance, Risk and Audit Committee to explain the reasons for requesting a dispensation.
 - Dispensations from the requirement for competitive quotations/tenders must not be used to avoid competition, or for administrative convenience, or to award fresh/further work to a supplier originally appointed through a competitive procedure.
 - All dispensations will be subject to obtaining and documenting appropriate evidence for single quotation/tender action; obtaining authorisation for such action in accordance with the approved scheme of delegation and never breaching current Public Contract Regulations.
- 8.5. Subject to approval as outlined in the Trust's Scheme of Delegation, dispensations may be granted for the following reasons:
- Unforeseen emergency requirement;
 - The goods or services are only available from one source and there is no possibility of the trust's requirements being met in any other way;
 - An extension is required to a current contract in order to allow sufficient time to complete a competitive tendering exercise (but failure to have planned the re-procurement would be justification for a single tender);

- Where the seeking of tenders and subsequent contract award could cause significant operational difficulties and where any potential savings would be outweighed by those operational issues (which along with VFM analysis must be documented) and only for use in circumstances to be approved in accordance with the Trust's Scheme of Delegation, under specific advice of the CFO in terms of compliance with the EU and UK legislation and subject to approval by the CAO and subsequently reported to the Finance, Risk and Audit Committee.

8.6. A record of the reason(s) for the seeking and granting/declining of dispensations will be kept for at least three years by individual School Business Managers.

9. Raising Orders

9.1. Following the raising of a requisition which must be approved in accordance with the Scheme of Delegation, official orders must be raised for all goods, works, services and/or consultancy required by the Trust or one of its Academies unless specifically exempted. The Financial Regulations document and the purchasing process contains adequate controls to ensure that:

- Official orders are raised in respect of all goods, services and works required by the Trust and its Academies, except for those specifically exempted;
- Only goods, services and works required by the Trust and its Academies are ordered;
- Competitive quotations or tenders are obtained for all orders where the value of goods, services or works, individually or for a series of contracts, would exceed the relevant financial thresholds;
- Orders for goods, services and works are placed with the most appropriate suppliers in terms of costs, quality and delivery;
- Goods, services and works received are in accordance with those ordered;
- Payments are made only in respect of invoices authorised in accordance with the approved Scheme of Delegation and the Trust's funds are adequately safeguarded;
- All payments are accounted for properly, promptly and in full.

9.2. Specific exemptions to the requirement to raise an official purchase order are limited to:

- Rent or business rates
- Utility costs

- Works and services executed under a contract
- 9.3. Details outlining the number of non-order invoices paid will be reported to the Finance, Risk and Audit Committee. The School Business Manager may be required to attend in order to explain any non-compliance.
- 9.4. Before raising any order, checks must be carried out to ensure that no one who has declared a conflict of interest in relation to the purchase or the supplier/service provider has been involved in the selection process.
- 9.5. No orders shall be placed, or contracts altered or extended, with the intention of avoiding the relevant thresholds applicable within the Financial Regulations or Scheme of Delegation. In the event that the terms of any purchase order or contract have to be amended, an official variation order must be approved in accordance with the Scheme of Delegation and issued by the School Business Manager or their delegated representative as appropriate.

10. Purchase Cards

- 10.1. The Trust recognises the benefits of purchase cards as an alternative means of paying for goods and services. The advantages include reducing paperwork, reduced administration time and costs, the opportunity to make online purchases and seek discounts from suppliers on the basis that they receive immediate payment.
- 10.2. Purchase cards are particularly suitable for high volume, low value purchases, booking off site visits and for site staff to order building materials etc.
- 10.3. Full details governing the distribution and use of purchase cards is subject to the Purchase Card Policy and associated procedures.

11. Contract Agreement/Terms and Conditions

- 11.1. Any agreement, contract or lease with a supplier which requires a signature by a member of Trust or its Academy staff (not including general orders for goods and services) should be forwarded to the Chair of the Finance, Risk and Audit Committee or their delegated representative for review prior to signature.
- 11.2. A signature on an agreement or contract, or even an email response indicates that the Trust or its Academies accepts the suppliers Terms and Conditions which may not be favourable.
- 11.3. Following the identification of the most favourable offer for the Trust or its Academies, whether by best value, quotation or tender, consistent with the thresholds identified above, the contract may only be awarded by those officers to whom the Trust Board has delegated such authority within the approved Scheme of Delegation.

The required authority to accept other than the lowest quotation or tender is also included within the Scheme of Delegation.

12. Payment and Payment Terms

- 12.1. Unless a purchase card has been used to make a payment, all invoices from suppliers should be entered on the financial accounting system once approved and then paid by BACS/Cheque.
- 12.2. The Trust's standard payment terms are 30 days following receipt of a correct invoice, unless alternative arrangements have been agreed at purchase order stage, for example orders placed by academies shortly before the summer break.
- 12.3. Payment should only be made on receipt of goods. Where services are being procured then payment for work in progress or agreed interim stages may be appropriate in accordance with the approved guidance and subject to sign off from the School Business Manager.

13. Tenders

- 13.1. Any expenditure over £50,000 must be subject to a PCR compliant buying process in accordance with the Trust's Financial Regulations and UK Public Contract Regulations 2015.
- 13.2. All tendering where the anticipated lifecycle costs are in excess of £50,000 must be undertaken by the School Business Manager or their delegated representative.
- 13.3. The School Business Manager or their delegated representative will select and manage the most appropriate procurement process in accordance with the anticipated value, any potential aggregation and trust tendering guidelines which are compliant with current procurement legislation. This may include the use of frameworks or bespoke tenders.
- 13.4. Tendering procedures may take up to six months depending on lifecycle costs and compliance with legislation. Failure to programme sufficient time for procurement will not be reason to grant a dispensation.

14. Reporting Requirements

- 14.1. For contracts between £5,000 and £50,000 (excluding VAT) the decision and criteria should be reported to the Finance, Risk and Audit Committee.
- 14.2. For all contracts in excess of £10,000 (excluding VAT) a business case should be prepared for the Trust Board, highlighting the relevant issues and recommending a decision.

14.3. All contracts whose value is over £15,000 (excluding VAT) must be authorised by the Trust Board. In cases where, due to the timing of the Board meetings, this would not be practicable, and any undue delay would cause significant operational issues, the Chief Accounting Officer acting jointly with the Chair of the Trust Board may accept a tender in excess of £15,000 but this must be reported to the next meeting of the Trust Board.

14.4. The School Business Manager or their delegated representative is required to complete a tender report for all tenders in accordance with procurement legislation.

15. Contracts Register

15.1. The CFO or their delegated representative will ensure that each academy maintain a contract register detailing all procurement activity undertaken, which records all related documentation, details of the winning bidder, price, duration of the contract, the procurement process followed, and details of any indemnities included in the contract.

16. Equal Treatment of Suppliers

16.1. One of the key principals of procurement legislation is that all suppliers are treated equally in any competitive process regardless of value. They should have the same availability of access to specifications, plans, trust staff time, facilities, etc.

16.2. Evaluation criteria should be decided in advance and made available in full to suppliers to show they will be treated fairly.

16.3. All bidders are entitled to be debriefed at the end of the process and informed of the winning bidder.

16.4. Any discussions and or correspondence prior to the conclusion of procurement should be on a “without commitment” basis and this phrase should be clearly stated on any such correspondence. The contract offer or purchase order should be the only point at which commitment is made.

17. Acceptance of Gifts or Hospitality

17.1. The Trust policy is not to accept any form of gift or hospitality from suppliers: full details are included in the Gifts & Hospitality Policy.

18. Leases

18.1. The Trust or any of its Academies should not enter into any finance lease as this would be in contravention of the requirements of the Academy Trust Handbook.

18.2. The Trust may enter into operating leases; however, this is subject to the approval of the Chair of the Finance, Risk and Audit Committee.

19. Payment in Advance

19.1. With the exception of some software licenses, payment should not be made in advance of receipt of goods, services, works or consultancy. If a supplier requests payment in advance this should be discussed with an approval sought from the Head Teacher.