



# **PROCUREMENT POLICY**

**June 2023**

**Date of Review: June 2023**

**Lead Reviewer: Trust Finance Director**

**Approval: Finance, Resources, Audit and Risk Committee**

**Approved on: 28 June 2023**

**Date of Next Review: May 2024**

## The Futures Trust Procurement: Policy Statement

The Futures Trust is committed to:

- Achieving Best Value across all its academy schools incorporating the concepts of value for money (VFM), but also takes into account sustainability, by balancing the outcome value achieved over the life span of the goods/services purchased.
- Complying with the Public Contracts Regulations 2015, and therefore the new EU Directive 2014/24/ EU effective from February 2015. All schools within the trust are required to follow DfE guidance including the 2015 'light touch regime' for the procurement of goods and services brought in solely for the purpose of delivering education see: <https://www.gov.uk/guidance/buying-for-schools>
- Ensuring there is a sound business case for goods and services procured which links to either the priorities set out within school or whole trust development/improvement plan.
- Ensuring propriety in all financial transactions, avoiding conflicts of interest, ensuring separation of duties at all stages of procurement processes, and meeting data protection requirements with regard to the confidentiality of information relating to the process of awarding contracts.
- Management of financial risk and reducing the potential for fraudulent activity. This includes evidence to justify decision making at the various stages of the procurement process.
- Collaborative procurement across the MAT in order to deliver economies of scale, achieve greater leverage in the market, supplier loyalty, administrative savings and ensure the MAT pools its expertise. The Futures Trust will take the lead on all major contracts on behalf of the MAT.
- Managing procurement risk by undertaking due diligence of suppliers before entering into contracts, scrutinising their terms and conditions and limiting contract duration to a maximum of three years. The Futures Trust will assist schools with due diligence of suppliers.
- Wherever appropriate, using DfE recommended purchasing frameworks such as the Crescent Purchasing Consortium and the Crown Commercial Service (which have already gone through a due diligence process, including competitive tendering, compliance with regulations, and negotiation of terms and conditions).
- Holding suppliers to account by appointing a 'contract owner' who will monitor service delivery and actively impose pre-determined penalties where applicable.
- Controlling spending by collating spend data, including information about key providers, contracts, spend areas, peaks and troughs in demand (and supply), and exploring variations on cost and conducting periodic analysis and benchmarking to identify where efficiencies are possible.

## Approval Thresholds

Approval	Procurement	Best Value Process
<b>Board of Trustees</b>	£300K + Competitive Tender unless light touch	EU Tender
<b>TFT FRC</b>	£164,176-£300K goods and services £589,148 services used solely to deliver education (e.g. staff salaries)	EU Tender
<b>CEO</b>	£30-£164K	*3 quotations minimum or formal tender (framework)
<b>HT &amp; Trust FD</b>	£20-£30K	* 3 quotations
<b>HT</b>	£5-£20K	* 3 quotations
<b>SBM</b>	£2-£5K	Approved suppliers with benchmarking to prove value
<b>Budget Holder</b>	£0-£2K	Approved suppliers with benchmarking to prove value

\*Where 3 quotations are not possible or appropriate then justification for this should be documented on the finance system.

Note: Decision to appoint staff is delegated to Headteachers regardless of financial value in accordance with the Trust's Scheme of Delegation

Monthly management accounts will monitor that schools are sanctioning purchases within pre-agreed budgets.

## The Futures Trust Toolkit

The Trust has developed a toolkit to assist all its academy school comply with its Procurement Policy and achieve better value. The toolkit comprises:

1. Policy statement and authorisation thresholds with corresponding actions required to achieve best value.
2. A Procurement flowchart to guide schools through our process.
3. A contract management tool, which logs contracts across the trust enabling smarter collective management.

4. DfE Buying for Schools guidance, which includes useful information for all schools.
5. A checklist for schools when purchasing above statutory EU thresholds.
6. A model letter for Tender, which can be adapted when schools need to invite a number of suppliers to bid for business.
7. Terms and conditions which may be used when putting a contract in place between a supplier and the trust.

Please contact Victoria Hastie, Trust People and Operations Director or Elaine Hart, Trust Finance Director for more information.