

LT2 Procurement Policy

Name of Policy	PROCUREMENT POLICY	
Policy Level (Trust/School)	Trust	
Document Control		
Date	Revision Amendment Details	By whom
December 2020	Review and internal consultation	CFO
December 2020	Adopted by Trust Board	Trustees
December 2023	Proposed date for review subject to statutory update as required	CFO

Table of Contents

Our Learning Today Leading Tomorrow Multi-Academy Trust Vision	4
<i>Vision</i>	4
<i>Mission</i>	4
<i>Values</i>	4
Definitions	4
1. Organisation and Responsibilities	5
1.1 <i>Introduction</i>	5
1.2 <i>Guidance under this Policy</i>	6
1.3 <i>Board of Trustees</i>	6
1.4 <i>The Chief Executive Officer (CEO)</i>	6
1.5 <i>Chief Financial Officer</i>	6
1.6 <i>Headteachers</i>	7
1.7 <i>Senior and Middle Leaders (and other Supervisory Roles)</i>	7
1.8 <i>Other Employee Duties</i>	7
1.9 <i>Related Policies and Procedures</i>	7
1.10 <i>Review</i>	8
2. DfE Buying and Purchasing Arrangements.....	8
3. LT2 Procurement Pathways	9
4. LT2 Procurement Procedures.....	12
4.1 <i>General</i>	12
4.2 <i>Representatives and Obligations</i>	13
4.3 <i>Thresholds</i>	14
4.4 <i>Contract Value and Pathways</i>	14
4.5 <i>Contract Specifics</i>	16
Appendix A – LT2 Existing Arrangements/Agreements.....	18
A.1 <i>Current Contracts</i>	18

Our Learning Today Leading Tomorrow Multi-Academy Trust Vision

Vision

Vision is to build a group of outstanding schools across phases, including specialist provision, to become (a mid-size) trust that provides vibrant and inclusive learning environments in which every member of the learning community is passionate about learning. The trust is led by a CEO who works closely with Headteachers who lead the two schools supported by a central team to support finance, HR, estates and governance.

Mission

LT2 Trust and schools will have a relentless focus on high achievement, supported by robust organisational structures and governance. We aim to give children and young people in our care the knowledge, skills and experiences to expand their minds and world view to enable them to develop a naturally inquisitive approach to learning and life, fit for an ever-changing world.

Ultimately, we will educate and support all children attending LT2 schools to grow into capable and contributing citizens who have developed the personal attributes and characteristics that will enable them to become considerate, self-reliant and confident young people who are ready for the next stage of their lives.

Values

The trust values underpin the mission and provide the basis on which LT2 schools can articulate the key behavioural characteristics that promote a positive philosophy. Our six values are unseen drivers of our behaviour as experienced by others and are designed to create a shared organisational culture:

Kindness – The quality of friendliness, generosity, and consideration

Collaboration – The belief that working and learning with others will lead to greater success

Curiosity – A strong desire to know and to learn

Resilience – The ability to recover quickly and learn from the difficulties we face

Respect – To appreciate the importance of understanding and admiration for others and self, honesty

Endeavour – The belief that hard work is needed to achieve something of which we can be proud

Definitions

- Where the word 'trust' is used in this document it refers to The Learning Today Leading Tomorrow Trust.
- Where the words 'trust board' are used it refers to the LT2 Board of Trustees who set the vision for the trust and hold the executive leadership team to account for delivering the trust's strategic plan.

1. Organisation and Responsibilities

1.1 Introduction

Each year Learning Today Leading Tomorrow (LT2), through its schools, is likely to spend £millions on procuring works, goods and services to support our educational activities and outcomes for our children and young people.

Although the most effective way of ensuring fair, transparent procurement competitions and value for money is by inviting competitive bids (competitive tendering), the trust recognises that it is not practicable to undertake a competitive tender every time goods, services or works are required.

As a consequence, this Procurement Policy prescribes a number of routes to market - such as direct quotations, procurement portals/hubs, government frameworks, and trust-level arrangements, which have (or will be) procured in a manner consistent with the principles of fair competition and competitive tendering.

Procurement Routes
<ul style="list-style-type: none"> • Delegated financial authority • Regional portals / procurement hubs (e.g. CHEST, NEPO) (“PSBO’s”) • Local government frameworks (for commissioning contracting bodies) • Central government frameworks (for public sector bodies and agencies) • Departmental frameworks • OJEU (Open, Restricted, Negotiated, Competitive Dialogue) • Collaboration (hard or soft federations/agreements & professional bodies)

Regardless of what we procure or how we go about procuring it, we are governed as with all publically funded entities – by the overarching requirements of The Public Contracts Regulations 2015 (and as amended from time to time). These Regulations define how the procurement of goods and services should be undertaken and are typically dependent upon the estimated full-life value of the contract. This is a critical point underpinning this Procurement Policy. In assessing the relevant financial thresholds and associated procurement routes we need to consider the total anticipated contract value over the full potential lifetime and not just the initial value at the outset or for “Year 1”.

The total contract value is only one of the factors which influences the way we procure goods and services and how we determine the relevant procurement route/ methodology. Other factors include the complexity of requirements, the potential duration of a contract, and how we might want to evaluate elements such as value for money and supplier performance.

Procurement Factors
<ul style="list-style-type: none"> • Contract value (over full-term including extensions) • Scope of services • Duration of contract (including extensions) • Complexity of requirements • Evaluation criteria

- Market place / vendor interest
- Timing

Whilst the adoption of public procurement rules might sometimes appear daunting in the detail, these rules - and therefore our policies - are based upon certain key principles set out in the relevant EU Directives and UK Regulations:

- **Openness & transparency** – allowing potential tenderers/providers to understand what we are going to and how we are going to do it
- **Objectivity & equal treatment** – allowing tenderers a fair and equal chance of winning a particular contract
- **Consistency** – ensuring that we actually do what we say we are going to do in all aspects of procurement

Where we receive public funds, we operate under the full and proper procedures set out in the regulations, and even where our funding might not come from public bodies, we have elected to still act under the regulations to ensure we fully meet these principles.

1.2 Guidance under this Policy

The Chief Financial Officer (CFO) is responsible for providing advice and guidance under this policy and reviewing and updating the policy as required.

1.3 Board of Trustees

The LT2 Board of Trustees, as a corporate body, has the responsibility to set the strategic direction and objectives of all matters across the trust.

The board of trustees is responsible for ensuring that high standards of corporate governance are maintained

The chair of the trust is responsible for managing the CEO, trustees and governors under this policy.

1.4 The Chief Executive Officer (CEO)

The Chief Executive (CEO) of Learning Today Leading Tomorrow as Accounting Officer has overall responsibility for ensuring that all procurement is undertaken within the law and associated regulations and in accordance with the Academies Financial Handbook.

The CEO:

- Takes overall responsibility for the implementation of policies and procedures
- Must provide reports as appropriate to trustees in relation to this policy
- Ensure that sufficient resources are allocated and authorised within the organisations budget to meet statutory procedures and standards across the trust
- Is responsible for managing the Headteachers and centrally appointed staff under this policy

1.5 Chief Financial Officer

The Chief Financial Officer (CFO) is responsible for overseeing and monitoring all procurement in the trust and Quality Assuring the relevant processes adopted.

1.6 Headteachers

Headteachers of LT2 schools are responsible for:

- The implementation of and compliance with this policy within their school ensuring competence in those staff who are responsible for and involved in the operation of this policy and associated guidance
- Identifying training needs
- Communicating this policy to all relevant people within the school
- Managing school-based teaching and associate staff under this policy

1.7 Senior and Middle Leaders (and other Supervisory Roles)

Although the Headteacher is responsible overall for the implementation of this policy in their school, managers have some specific responsibilities:

- Applying this policy within their own department and area of work
- Resolving any issues members of staff refer to them, informing the Headteacher of any issues to which they cannot achieve a satisfactory solution with the resources available to them
- Where required, conduct formal meetings, undertake relevant training in relation to this policy and ensure effective and competent operation of this policy

1.8 Other Employee Duties

All employees have a responsibility to:

- Comply with this policy and to co-operate with the schools' leadership and management on all matters relating to it
- Undertake any training recommended by their line manager

All staff responsible for assessing, securing or awarding contracts play a key role in helping the trust achieve its strategic objectives, comply with funding requirements and regulations laid down by the ESFA, ensure we achieve value for money, and that our suppliers/contractors deliver relevant, timely, and competitive goods or services.

All of our staff involved in the purchasing of goods & services will be encouraged to regularly access the training available through the [DfE website](#) (under Procurement Training for Schools) – either as an introduction for those new to public procurement or as a refresher for our more experienced buyers available.

All staff involved in the purchasing of goods and services will be required to complete the Register of Interests annually to ensure no conflict of interest in purchasing decisions.

1.9 Related Policies and Procedures

- LT2 Finance Policy
- LT2 Procurement Overview

1.10 Review

This policy will be reviewed every two years subject to statutory updates.

These procedures have been agreed by the board of trustees, who will approve them whenever reviewed.

2. DfE Buying and Purchasing Arrangements

The following organisations are those with whom we will, where appropriate and as a priority, engage when seeking the most appropriate existing arrangement where the scope of goods/services, the nature of contract requirements, and the lead time to procure are wholly aligned to the purchasing needs of either the trust or its schools:

- **Crown Commercial Service (CCS)** – provides integrated commercial and procurement service for the UK public sector including education, and covering a range of areas such as ICT, energy, travel, fleet, office solutions, property solutions and professional services and is responsible for the legal framework governing public procurement
- **Buying for Schools** – a comprehensive tool especially for schools/trusts which gives guidance, proformas and a list of Deals for Schools and Frameworks for schools to use. This should be the first port of call in procurement decisions and will give advice on when to buy from a deal or framework and when to get bids or quotes. This is regularly updated with latest deals. Deals currently exist for:
 - Audit Services
 - Books and Materials
 - Energy and Utilities
 - Facilities Management and Estates
 - ICT
 - Insurance and Risk Protection
 - Leasing Services
 - Legal Services
 - Office Supplies
 - Printer, Copiers and Multi-Functional Devices (MFD)
 - Professional Services
 - Recruitment
- **Brokers** – these are being increasingly used by trusts to run procurement processes as they remove the administration required from the school/trust and are commonly used for energy, insurance and catering. The broker will assess the current usage in school, put the tender together, assess the tenders received and comply with any OJEU requirements

3. LT2 Procurement Pathways

To underpin this Procurement Policy, we have defined a number of procurement 'pathways' which all our staff responsible for purchasing goods and/or services must adhere to – whether at the trust (corporate) level or within our individual schools.

These Pathways follow best practice and have been developed to provide a framework to assist our staff to procure works, services and supplies contracts.

Pathways cover contracts of both capital and revenue expenditure which might range from large-scale capital schemes to the supply of one-off goods and services.

Regardless of pathway followed, all evidence to show that the procurement process has been followed must be retained (including copies of quotes received) for audit purposes.

The following table sets out the relevant financial thresholds and associated Pathways which must be adhered to:

Table 1: LT2 Procurement Pathways	Anticipated TOTAL Contract Value	Anticipated SCOPE/MIX of Requirement(s)	Procurement PATHWAY (in order of preference)
Threshold 1	Up to £1000		<ol style="list-style-type: none"> Existing trust agreement/ purchasing arrangements where available (see Appendix A) Instead of three quotes, a short rationale is required for the spending
Threshold 2	Between £1000 and £10,000	e.g. commodity, low volume, noncomplex goods/services	<ol style="list-style-type: none"> Existing trust agreement/ purchasing arrangements where available (see Appendix A) Obtain three written quotations (or must still demonstrate VfM through benchmarking) CFO or HT must report any purchase between £5,000- £10,000 to the CEO
Threshold 3: CEO Approval	Between £10,000 and £40,000	e.g. commodity, medium volume, non-complex goods/services	<ol style="list-style-type: none"> Existing trust agreement/ purchasing arrangements where available (see Appendix A) Relevant DfE Framework where scope & duration of goods/services matches a single framework catalogue & with Trust approval (see DfE Buying for Schools) Obtain at least three written competitive quotations (one of which may be a costed proposal for in-house provision) Can run a competitive tendering process if required especially if broker used
Threshold 4: Trust Approval	Between £40,000 and prevailing EU threshold	e.g. localised/bespoke, high volume, more complex goods/services	<ol style="list-style-type: none"> Existing trust agreement/ purchasing arrangements where available (see Appendix A) Relevant DfE Framework where scope & duration of goods/services matches a single framework catalogue (see DfE Buying for Schools for latest deals) Competitive tendering process with at least 3 tenderers via appropriate advertisement (regional/local portals/hubs etc)

Threshold 5: Trust Approval	Equal to or greater than prevailing EU threshold (see Table 2)	e.g. complex/broad mix, high value, nonstandard, performance related	1. Relevant OJEU tendering process managed via the trust
-----------------------------	----------------------------------------------------------------	----------------------------------------------------------------------	----------------------------------------------------------

These Pathways have also been designed to both inform and guide our procurement practices and will also incorporate elements to reflect our approach to supporting our local communities, partnering, the environment, etc. and any targets we might set out for improving our procurement function. The trust will review the Pathways and the Procurement Policy annually through the LT2 Audit and Risk Committee.

The relevant and appropriate Pathway will, in the first instance, be determined by the level of spend associated with the total anticipated contact value, and then seek to leverage any existing agreements or arrangements which the trust has established for, and on behalf, of our schools.

It is important to note that where the trust has an existing supplier agreement and/or purchasing arrangement in place which the trust has entered into on behalf of its schools, this must be investigated as the preferred procurement Pathway. A list of existing and planned arrangements available through the trust has been included within Appendix A of this Policy document.

In order to present a robust Procurement Policy and comply with ESFA/DfE Funding requirements, the trust and its schools are considered to be “Public Sector Contracting Authorities” under the UK Public Sector Contract Regulations (2015) which govern the adoption and adherence to procurement requirements at EU thresholds.

The current EU Thresholds applicable to the trust and our educational establishments as of 1st Jan 2018 are as follows:

Table 2: EU thresholds as at 01/01/2020	Supplies & Services	Subsidised Services Contracts	Works (including subsidised works contracts)	Light Touch Regime for Services	Small Lots
Total Contract Value	Schedule 1 bodies - £122,976 Others - £189,330	All Bodies - £189,330	All bodies - £4,733,252	All bodies - £663,540	Supplies and services £70,778 Works £884,720

The latest EU thresholds and associated scope of goods/services can be obtained [here](#). Please read the [UK Government Procurement Update](#) note advising the change of thresholds implemented from 1 January 2020.

Any procurement requirement/contract with a value equal to or in excess of the current thresholds set out in Table 2 must be led by the trust.

4. LT2 Procurement Procedures

In assessing, instigating, and executing any purchasing decision – regardless of the chosen Procurement Pathway – there are a series of specific procedures which we require all relevant staff to adhere to and which are detailed in the following sections.

4.1 General

The aim of this Procurement Policy and associated procedures is to:

- Ensure value for money and propriety in the spending of public money
- Enable services to be delivered effectively and efficiently
- Ensure that LT2 is not exposed to unnecessary risk or likelihood of challenge arising from non-compliant tendering activity

4.2 Representatives and Obligations

An appropriate and relevant school representative such as School Business Manager must be appointed to ensure that the procurement of each contract follows these procedures and complies with this Procurement Policy. Before commencing the formal tendering or obtaining quotations process, the relevant representative must report their intentions to the CFO (via email), setting out any preparation work and seeking written approval to continue the procurement process. This is important to enable the CFO to advise on any current arrangements in place and ensure that the needs of other schools can be taken into consideration.

Wherever possible the school procurement representative shall seek to collaborate with the trust and other LT2 Schools with a view to maximising procurement power to put in place joint contracts.

The highest possible ethical conduct must be observed by all persons involved in any procurement and tendering process. This also includes due regard to any provisions of ethical codes, policies and Declaration of Interests requirements which might apply.

The CFO is responsible for ensuring that all members of the team procuring the contract are up-to-date with their pecuniary declarations, or, where a member of the team is not directly employed, has completed a Confidentiality and/or Non-Disclosure Agreement.

Potential suppliers should be made aware that the canvassing of trustees or employees of the trust may result in the rejection of their bid for the contract, and that responses to any queries may be shared with other suppliers to ensure fair competition.

In dealing with any matter concerning a contract or proposed contract, all members of staff shall:

- Comply with all legal requirements, including the EU Regulations, the Academies Financial Handbook, these procedures and the wider conditions of this Procurement Policy
- Ensure that sufficient budget has been allocated to carry out the procurement and to pay for the contract when let
- Ensure that strict impartiality is maintained and shown to be maintained throughout the procurement
- Not intentionally under or overestimate values or divide potential contracts into separate parts in order to avoid applying the Procedures or the EU Regulations
- Ensure that no quotation or tender is accepted unless it is the Lowest Tender or the Most Economically Advantageous Tender, i.e. best on quality and price
- Ensure checks are carried out to confirm that the proposed supplier is bona fide and has the skills, knowledge and ability necessary to supply the goods, works or services

- Ensure that the individual school and wider trust's interests are always protected
- Comply with any advice or guidance given by trustees, external legal advice, or the professional advice of any other appropriate representative
- Ensure that all contracts are in writing and up to date copies retained for audit purposes
- Disclose any canvassing or other contact they receive from proposed suppliers outside of the normal course of business

4.3 Thresholds

Any reference to a particular "Threshold" means those set out in Table 1 of this document up to the value of the overarching EU threshold. If the total contract value is over the EU thresholds provided in Table 2 then the CFO must be consulted before any procurement is commenced (unless the use of a public sector purchasing organisation's framework or DfE departmental framework arrangement has previously been agreed with the trust).

4.4 Contract Value and Pathways

Before commencing a tendering or quotations process an agreed budget must be available and sufficient for the estimated contract value. The estimated value and associated budget for a contract must include the full intended duration of the contract including any proposed extensions and the whole life costs. Before any contract is awarded the CFO must confirm that the agreed budget is still available and remains sufficient.

Where the estimated total contract value over the potential full period of the contract term is;

- a. At or below threshold 1 (as set in Table 1) there is:
 - A requirement to utilise – where available and where relevant to the value and scope of intended purchases – any existing agreements or arrangements which the trust already has in place on behalf of its schools (see Appendix A)
 - OR-
 - In the absence of any existing or relevant agreements already in place from the trust, the purchaser must provide a rationale for the spending. An example rationale may be requested from the CFO.
- b. At or below Threshold 2 (as set out in Table 1) there is:
 - A requirement to utilise – where available and where relevant to the value and scope of intended purchases – any existing agreements or arrangements which the trust already has in place on behalf of its schools (see Appendix A)
 - OR-
 - In the absence of any existing or relevant agreements already in place from the trust, there is no requirement to obtain competitive quotes but there remains a requirement to ensure best value for money in the manner most expedient for efficient management, and to keep a record of what action is taken and why. A quotation may be from a supplier's catalogue or obtained from a supplier. A record must be kept of any comparative quotations for audit purposes. For these types of quotations, it would normally be expected that the lowest

price would be accepted. If the lowest quotation is not to be accepted, the reasons for that decision must be documented by the relevant Director and retained for audit purposes.

Between £5,000 and £10,000, there is a requirement for the school/CFO to report the purchasing decision to the CEO.

c. Within Threshold 3 (as set out in Table 1) there is:

- a requirement to utilise – where available and where relevant to the value and scope of intended purchases – any existing agreements or arrangements which the trust already has in place on behalf of its schools and other educational establishments (see Appendix A)

-OR-

- In the absence of any existing or relevant agreements already in place from the trust, a requirement to utilise – where available and where relevant to the value and scope of intended purchases – any existing framework or purchasing agreements available through the DfE (see Buying for Schools)

-OR-

- In the absence of any existing or relevant agreements already in place from the trust or DfE there is a requirement to obtain at least 3 written quotations and to ensure best value for money in the manner most expedient for efficient management, and to keep a record of what action is taken and why.

A quotation may be invited informally, though it must be obtained in writing and retained for audit purposes. A quotation may be from a supplier's catalogue or obtained individually from a supplier.

One of the options may be a comparison of providing the service in-house. This would need to be a fully costed proposal to compare against external service providers.

Alternatively, a formal tendering process may be followed at the discretion of the CFO especially if a broker is used. For these types of quotations, it would normally be expected that the lowest price would be accepted. If the lowest quotation is not to be accepted, the reasons for that decision must be documented by the relevant member of staff (e.g. CFO/School Business Manager/Finance Officer) and retained for audit purposes.

d. Within Threshold 4 (as set out in Table 1) and the relevant EU threshold (see Table 2) there is:

- A requirement to utilise – where available and where relevant to the value and scope of intended purchases – any existing agreements or arrangements which the trust already has in place on behalf of its schools and other educational establishments (see Appendix A);

-OR-

- In the absence of any existing or relevant agreements already in place from the trust, a requirement to utilise – where available and where relevant to the value and scope of intended purchases – any existing framework or purchasing agreements available through the DfE (see Buying for Schools)

-OR-

- In the absence of any existing or relevant agreements already in place from the trust or the DfE a requirement to follow a competitive tendering process (which may involve a broker), inviting at least three tenders, and sufficient to ensure competition, in accordance with good procurement practice

- Where the value is between £40,000 and up to £100,000 then the contract opportunity must be advertised at least locally
 - Where the value is at or over £100,000 the contract opportunity must be advertised nationally
- e. Within Threshold 5 (as set out in Table 1) and the relevant EU threshold (see Table 2) there is:
- A requirement to follow the relevant OJEU tendering process managed by the trust

When establishing the total value of the proposed contract, you must consider the following:

- Any Value Added Tax must be excluded
- Include the cost of any option, e.g. to extend the contract term
- The full cost payable for the contract term if the term is 48 months or less
- If the contract is indefinite, or for longer than 48 months then the estimated value is the anticipated monthly cost multiplied by 48
- For goods, the whole life cost of the asset.

For a renewable or series of contracts (i.e. when placing repeat orders) you should work on the basis of either:

- The aggregate the value of the same type of goods or services purchased over the previous financial year and adjust for any forecast increase or decrease in quantity
- Estimate the value of the same type of goods or services to be purchased over one year
- Multiply by the intended duration of the contract
- For goods, also take account of the whole life costs.

Note that it is unlawful to deliberately split up contracts to avoid the application of the EU Regulations/thresholds and is contrary to LT2 Policies to do so in order to avoid the application of specific procurement Pathways.

4.5 Contract Specifics

Every contract to be formally tendered must have a written specification (or brief) and contain terms and conditions.

If there is no provision to do so within the contract terms and conditions the contract cannot be extended and must be re-let as a new contract. No contract may be extended such that its value then exceeds a threshold requiring a different Pathway to have been followed.

Firms to be awarded contracts must be vetted to ensure that they meet basic criteria of technical ability, financial stability, health and safety, diversity and where appropriate Disclosure and Barring Service (DBS) checks.

Clear tender evaluation criteria must be set out in requests for quotations and formal tender documentation and must be followed when the quotes or tenders are evaluated.

Formal Tender receipt, custody and opening procedures must be put in place. A tender or quotation award report must be submitted to the approving person or body for agreement before a tender or quotation can be accepted.

Contracts must be signed in accordance with the relevant Scheme of Delegation.

A contract management and monitoring plan must be put in place for any contract where the value is greater than Threshold 1 and should be considered for any on-going contract below that threshold.

Variations to contracts (except contracts for building works) must be in writing, agreed by both sides and signed by the appropriate delegated officer(s) for the full (revised) value of the contract.

These procedures may not be waived in any circumstances unless it can be demonstrated to, and agreed by, the trustees and the DfE (where required) that such waiver would be in the best interests of (or avoid detriment to) LT2 and its educational establishments.

Appendix A – LT2 Existing Arrangements/Agreements

A.1 Current Contracts

Services are available under the following headings (further details and Service Specifications are available on request):

- School Improvement
- Governor Support and Training
- Appeals and Admissions
- Strategic Leadership Support and Mentoring
- Legal Services and Compliance
- Registrations, Company Secretarial and General Administration
- Health & Safety and Estates Management
- Insurance
- Accounts, Auditing and Financial Services
- Payroll
- Data Protection Officer
- Occupational Health
- Training and Professional Development
- ICT
- Research and Development and Knowledge Management
- Communications and Marketing and Community Engagement
- Quality Monitoring and Audit [Specification to be developed]

A.2 Other Arrangements/Agreements