

Procurement Policy

POLICY STATEMENT:

This document sets out the policy of the University of Chichester (Multi) Academy Trust (the Trust) regarding the purchasing of goods and services by the central finance team and all Trust academies. Its purpose is to ensure that school funds are spent in the best interests of the children in the school and across our Trust. This policy will also ensure the proper use of public funds and ensure best value. It should be read alongside the detailed procedures in the Trust Financial Manual.

DETAIL OF POLICY

APPLICATION

Under this policy, all goods and services should be acquired by a competitive process unless there are sound business reasons to avoid competition, as long as this does not go against compliance with relevant procurement directives. The reasons for an exception must be business critical.

All purchasing decisions should be based on good practice, a fair and unbiased approach and with the overall objective of obtaining best value for money for the academy. All of this must be adhered to whilst ensuring compliance with relevant procurement directives. All staff responsible for ordering academy supplies or services should use this policy.

INTERPRETATION

Further guidance on the use or interpretation of this policy may be obtained from the Director of Finance.

LEGAL REQUIREMENTS/ISSUES

Compliance with Public Procurement Regulations:

The Trust observes the current thresholds set out in the Public Contract Regulations 2015 (<https://www.legislation.gov.uk/ukxi/2021/1221/regulation/3/made>):

- Supplies: The Public Contracts Regulations 2015. Threshold £213,477 (excl VAT)
- Services: The Public Contracts Regulations 2015. Threshold £213,477 (excl VAT)
- Works: The Public Contracts Regulations 2015. Threshold £5,336,937 (excl VAT)

Contracts meeting the thresholds have to be advertised through a competitive tender process and where possible make use of the Government's Contracts Finder service. When sourcing goods/services above these thresholds, the Public-sector procurement process and a Tender service be observed.

LINKS WITH OTHER POLICIES/DOCUMENTS

This policy should be considered in conjunction with:

- Academies Trust Handbook
- Trust Financial Procedures Manual
- Scheme of Delegation

POLICY OBJECTIVES

This document sets out the policy regarding the purchasing of goods and services including consultancy and professional services.

Value for Money

The purchasing of goods and services represents a significant proportion of the organisation's total expenditure. Efficient purchasing will provide the organisation with real opportunities of achieving value for money (vfm), reducing operating costs through lower prices for goods and services and targeting resources in a way that achieves the best outcomes for children. However, the Trust recognises that the pursuit of achieving value for money should not be outbalanced with the administrative cost of seeking comparative quotes on relatively small value items. With that in mind, the Trust has set out its procurement Thresholds.

The Trust aims to obtain best value by utilising purchasing consortia (or Local Authority frameworks) where possible and ensuring compliance with Public-sector Procurement and reducing commercial risk through having a fair and transparent process of evaluating and selecting suppliers. The Trust is a registered member of the Crescent Purchasing Consortium.

The Trust believes that goods and services should be acquired by competition and that all purchasing should be based on good practice and be in accordance with the following objectives;

- to supply the academy with the right goods and services, at the right quality, at the right time, at the most advantageous cost.
- to promote the delivery of value for money through good procurement practice, utilising the most cost efficient and effective methods for procuring goods and services throughout the organisation.
- to facilitate the development of an effective and co-ordinated purchasing effort within the organisation.
- to identify opportunities for working with others, in order to widen the scope for maximising purchasing power and identifying innovation.
- to develop lasting relationships with contractors and suppliers, whilst ensuring that VfM and continuing high performance can be demonstrated.
- to give due consideration to good corporate governance, and to ensure transparency of arrangements.
- to consider sustainable, ethical, social and environmental issues.
- to comply with all relevant UK legislation.
- to develop appropriate management information in order to measure the performance and VfM achieved in purchasing by the organisation.
- To ensure that purchasing decisions are made in the light of the Related Parties and Conflict of Interest policy.
- To ensure that all suppliers are approved in advance by the central Finance Team.

TRUST FINANCIAL PROCEDURES MANUAL

The Trust Financial Procedures Manual sets out the procedures for ensuring that all purchasing decisions are made using a competitive process with due regard to value for money, and applying the financial limits. This will be updated from time to time.

Key document details

Last Review	September 2023
Department/Owner	Finance
Review Date	Sept 2024

Extract from Financial Procedures Manual for approval

Low value procurement (<£1,000 - £5,000)

Most of your day-to-day, low value procurements below £1,000 will not require an elaborate competition process. For items in excess of £1,000 compare prices and options on at least two suppliers. This can be done through an internal desktop exercise by comparing prices, if doing so is considered to be more cost effective.

All purchases in excess of £5,000 that are not in the budget should be approved by the CEO.

Medium value procurement (£5,001 - £20,000)

For medium and high-value procurements make an initial business case for your procurement, carry out some form of competition, comparing at least three potential suppliers and using a process of impartial evaluation to choose the supplier who meets your requirements at the best value price. This can be done through an internal desktop exercise by comparing prices, if doing so is considered to be more cost effective. Alternatively for contracts above £10,000 the Trust can use of the Contracts Finder service.

All purchases in excess of £10,000 that are not in the budget should be approved by the CEO.

High value procurement (£20,000)

Tendering is the process of selecting the best supplier from a range of potential suppliers, by advertising your requirements, seeking offers (also known as bids or tenders) and evaluating these on the basis of pre-set criteria that are applied equally to all potential bidders.

All purchases in excess of £20,000 that are not in the budget should be approved by the Trust Board.

Related Parties Transactions

Where the procurement involves a related party, the Trust should follow the guidance and steps set out in the Academies Trust Handbook.