



Procurement Strategy

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Introduction

Procurement is defined as the process of acquiring goods, works and services. The process spans the whole cycle from identification of needs through to the end of a contract or the end of the useful life of an asset. It includes everything from buying pens through to building repairs and buying in services.

Importantly, procurement is a process through which environmental, social and economic benefits can be obtained for our schools and our communities.

This strategy provides a framework for the Trust, including all its schools to obtain best value in all its procurement activities. Effective procurement is essential if our schools are to obtain value for money and ensure that financial resources are used to maximum benefit for our children's education.

As the Trust is a "contracting authority" for the purpose of the Public Contracts Regulations 2015 it is required to work within regulatory requirements.

The Board of Directors delegates levels of authority to employees of the central Trust and its schools to enter into contracts on its behalf. The delegated authorities are set out in the the Trust's Financial Regulations and Scheme of Delegation.

It is essential that all procurement decisions throughout the Trust are legal, ethical, in accordance with the Trust Financial Regulations and Scheme of Delegation, and in accordance with the Education Funding Agency Academies Financial Handbook.

Objectives

The challenge for our procurement activity is to balance the following objectives:

1. obtaining value for money by achieving economies of scale, and more favourable commercial terms from suppliers, whilst obtaining the required quality
2. ensuring our procurement activity supports each school's curriculum and learning environment
3. sourcing locally for community benefit where possible within the legislative framework
4. procuring in a sustainable way with regard to environmental, social and economic factors, and
5. streamlining our procurement processes including e-procurement solutions and minimising the number of low-value creditors.

Our Key Procurement Principles

1. We shall undertake procurement in consultation with those who will be using what we are buying in order to understand their requirements and how it will help them to do their work.
2. For larger procurements we may need to seek professional advice and consult with Governors, relevant school employees. In accordance with good practice we will discuss requirements with potential suppliers to explore what the market has to offer. If suppliers are consulted, we shall do so in such a manner that they are not given any unfair advantage and a note will be made of any such discussions in order to protect the Trust should any complaint arise.
3. We will regularly review purchasing consortia (for example, the Yorkshire Purchasing Organisation) in order to determine whether they can provide the necessary routine supplies at competitive prices. Where appropriate, we will also seek to collaborate with other Trusts or schools to share administration, costs and time and improve our bulk purchasing power.
4. We recognise the importance of being clear when setting out our requirements and where possible (particularly for services and new items) we will specify outcomes rather than being overly prescriptive. We will also allow scope for potential suppliers to be innovative where there is more than one solution.
5. We will give our suppliers appropriate timescales to submit bids, plan and deliver the best possible solutions.
6. We will evaluate bids taking into account whole life costs or 'total cost of ownership'. This will include quality, any support costs, likely life span of the product, maintenance costs, etc.
7. For higher value (and higher risk) contracts we will specify and measure performance indicators that define the standard we expect from the suppliers. This will include clarity regarding how payments are calculated and when they will be due.
8. For contracts where there is evident risk and for all high value contracts (ie over £75,000), we will produce a robust risk log which will be maintained by the person leading the procurement. In accordance with good practice we will involve all key stakeholders for their input into the development and on-going management of the risk log. We will ensure that the risk log identifies all risks associated with the procurement process and the eventual contract and how these are to be mitigated or managed.
9. We recognised that local suppliers are more likely to provide a better service.

Therefore, in line with Government guidance on supporting small companies, we will endeavour to source locally with small suppliers where possible within the legislative framework. For example:

- We will package larger contracts in such a manner that will not disadvantage small suppliers and the voluntary and community sector
 - Where the total value of goods or services are less than £20,000 (i.e. considered to be of de minimus value and therefore low risk) we will source directly by obtaining at least three quotes or possibly only one quote for values of less than £2,500.
10. We will be transparent and fair in our procurement process and observe EU and national legislation. In order to demonstrate high standards and probity and be able to respond to enquiries and complaints, we will document procurement processes. Procurement decisions will always be evidence based.
11. We will maintain a contract register to ensure that significant purchases are planned and budgeted for appropriately.
12. We will ensure that all procurement activity meets the requirements of the Equality Act 2010 and where appropriate use procurement activity to tackle discrimination and promote equality.

The Procurement Process

We will undertake procurement processes in accordance with guidance from the Government (in particular, 'Effective buying for your school' published March 2015). The value and risk associated with a contract will determine the most appropriate route to securing the contract:

- a. **Low-risk / low-value:** these will be automated where possible and benefit from arrangements such as e-procurement (on-line) solutions and buying consortia.
- b. **Low-risk / higher value** (for example, bulk supplies) will be covered by appropriate contracts or via approved consortia.
- c. **Low-value / high-risk** procurements are not common in our schools, but if they occur will be carefully considered based on a risk assessment.
- d. **High-risk / high-value** procurements will be carefully project managed using appropriate procurement expertise either internally or from external professional support.

For contracts other than routine supplies, the procurement process will be based on the following;

- A. **Our Priorities.** All procurement activity will be undertaken in a manner which supports our priorities for our schools and the school development plans.
- B. **Plan.** Every procurement project will be planned. This includes determining exactly what is required, how it will be described to bidders, how it will be evaluated, and how the final contract will be managed and monitored.
- C. **The Procurement.** The actual procurement process will depend on the required outcomes. We will use options which will range from requesting quotes through to a full tendering process. In some cases a collaborative approach with buying consortia or partner organisations may be used.
- D. **Monitor and Review.** The monitoring and management of contracts is a critical factor, and can make the difference between a successful contract and a failed one. Contractual arrangements must be effectively managed and monitored throughout the contract duration. Some training in contract management may be necessary within the Trust. We will always seek a good working relationship with our suppliers. Liaison meetings with major suppliers will be held at suitable intervals.

Sustainable Procurement

Sustainable Procurement is a process whereby organisations meet their needs for goods, services and works in a way that achieves value for money taking into account its impact on social, economic and environmental factors.

The Trust and its schools are an integral part of the community, therefore our procurement activity should, where possible, add value to the community, whether it be social, environmental or economic.

We recognise and support the duty placed on Public Bodies under the Public Services (Social Value) Act 2012 to consider the following principles in their procurement and commissioning processes and will embrace these principles as well, where appropriate:

- a) *how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area, and*
- b) *how, in conducting the process of procurement, it might act with a view to securing that improvement.*