



# OWLS Academy Trust

## Procurement Policy

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Adopted by The OWLS Academy Trust on	
Next Review Due	

The OWLS Academy Trust is committed to purchasing goods and services on the basis of best value and use of public money, acting in accordance with the principles of open, transparent and non-discriminatory procurement outlined within legislation.

This policy sets out the procedures that must be followed throughout the Trust to ensure required approval has been obtained, in accordance with financial regulations, to commit relevant funding and enter commitment with a supplier



## Approved Process by Value of Requirement

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Values of goods and services requirements should be calculated on the basis of total cumulative value across the full scope and term of requirements. If goods and services are a perpetual requirement, then the total value across the full contract term (including options to extend) should be used.

The procurement process requirements by estimated value of contract are:

- Less than £100; Direct Purchase. No formal competition requirements. Petty cash, procurement card or purchase order and invoice.
- Above £100 and up to £1,000; Best Value example - Two quotations sourced, by telephone, email, or internet. Purchase by procurement card or purchase order and invoice
- Above £1,000 and up to £5,000; Three recorded and referenced quotations by telephone, email, or internet. Purchase by purchase order and invoice.
- Above £5,000 and up to £20,000; Three formal written quotations to be submitted in writing by a specified date and time based upon terms and conditions approved by the governing body, a written specified, and pre-defined evaluation criteria. Purchase via formal acceptance of winning tender followed by purchase order and invoice.
- Above £20,000 and up to EU thresholds; As per requirements detailed for procurements between the values of £5,000 and £20,000 but also advertised as a tender exercise on websites approved by the governing body<sup>1</sup>.
- Over £150,000; giving due regard to EU thresholds, associated legislative requirements, and risk, must consider appointing specialise expertise<sup>2</sup> to support the procurement. All legislative obligations must be met including tender advertising, timescales, process, and transparency. Terms and conditions of contract must be approved by the governing body.



## Governance

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Procurement expenditure must be approved in accordance with the Financial Regulations.

In alignment with the approved processes detailed in the section above, the activities of specifying requirements, setting the evaluation criteria, evaluating quotes/bids/tenders, and signing off award of contract require the following levels of approval: (For this purpose of this document Head teacher and Exec/Headteacher have the same rights within their prospective schools, all finances over £10,000 to be reported to the trust.)

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<sup>1</sup> [www.gov.uk/contracts-finder](http://www.gov.uk/contracts-finder) and [www.sourceleicestershire.co.uk](http://www.sourceleicestershire.co.uk)

<sup>2</sup> Central purchasing bodies such as ESPO are one route via which this expertise can be acquired.

<b>Financial Value</b>	<b>Specification Approval</b>	<b>Evaluation Criteria Approval</b>	<b>Evaluation Scoring</b>	<b>Award of Contract / Completion of Purchase</b>
Under £100	Any member of staff under the approved delegation of the Exec/Head Teacher	N/A	N/A	Any member of staff under the approved delegation of the Exec/Head Teacher
£100 - £1,000	Any member of staff under the approved delegation of the Exec/Head Teacher	N/A	N/A	Any member of staff under the approved delegation of the Exec/Head Teacher
£1,000 - £5,000	Exec/Head Teacher	Exec/Head Teacher	Exec/Head Teacher	Exec/Head Teacher
£5,000 - £20,000	Finance Committee	Finance Committee	Exec/Head Teacher plus two Governors (including at least one non-staff member)	Chair of Governors
£20,000 – EU Threshold	Governing Body	Governing Body	Exec/Head Teacher plus two Governors (including at least one non-staff member)	Governing Body
Above EU Threshold	Governing Body	Governing Body	Exec/Head Teacher plus two Governors (including at least one non-staff member)	Governing Body



## **Exceptions to Process and Governance**

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Exceptions to detailed process and governance arrangements may be approved by the governing body for individual procurements.

Procurement process requirements and activities detailed within the governance table may be deemed to have been met where value for money has already been determined through a transparent procurement in accordance with legislative requirements by another professional body (i.e. ESPO). In this instance, for procurements between the values of £20,000 and the EU threshold, then the Finance Committee may approve an exception to prescribed process and governance arrangements.



## **Conflicts of Interest**

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It is the responsibility of individuals to formally disclose any pecuniary interest which may conflict, or could be potentially seen to conflict with the interests of the school and duties relating to the use of public money. Any interests in this context must be advised to the chair of governors at the earliest point of identification who will take a decision on if and what involvement that individual may have in the procurement to appropriately manage the possible conflicts of interest. In the case of any possible conflict of interest relating to the chair of governors, this must be declared to the full governing body for a decision on if and what level of involvement is appropriate for the chair to have in that procurement.



## Tender Opening

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Tenders and quotations for requirements over a value of £5,000 should be instructed to be returned to a specified location by a specified deadline, clearly marked as “Tender” with the applicable deadline return date and contract/requirement title/description.

Tenders should only be opened after the return deadline, and with two people present. A documentary record must be created, detailing the time and date of opening, those individuals present, and the tenders received in respect of supplier name and price.



## Contract Extensions and Variations

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### Extensions

For contracts below the EU Threshold, the Headteacher may extend within the scope of options to extend detailed in the contract agreement, as already approved by the Governing Body. Extension of contracts above £5,000, either beyond extension terms provisioned within the original contract or for a contract over the EU threshold, must be subject to approval from the Governing Body.

### Variations

For contracts below a value of £5,000, the Headteacher may vary contracts provided that the total value does not exceed £5,000, and appropriate records are maintained on file.

For contracts above a value of £5,000 but less than £20,000, the Headteacher may approve minor variations which do not change the material nature of the contract, or result in a change of contract price of more than 10 percent.

Variations to contracts in all other circumstances must be approved by the governing body.



## Capital Works

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In addition to requirements detailed above, it's expected that for capital procurements and expenditure, requirements will be specified (and also possibly further supported) by a qualified and registered professional where the work required involves notable risks and/or exceeds an estimated cost of £5,000.



## Due Diligence Requirements

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Prior to the award of contract, appropriate checks should be undertaken as deemed appropriate by the individual or body/group responsible for evaluation scoring. These checks may include, but are not necessarily limited to:

- Validation of insurance and indemnity certificates;
- Validation of professional memberships/qualifications
- Credit check of supplier to identify any potential financial sustainability or impropriety risks;
- Disclosure and Barring Security (DBS) checks on nominated key personnel (where relevant);
- Professional references (where not already obtained at an earlier part of the procurement).

Further periodic revalidation checks may also be deemed appropriate during the term of some contracts.



## **Documents and Records**

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Key documentation must be recorded and retained for audit control purposes and legislative requirements.

An up to date register of contract agreements must also be maintained. Details of new contract arrangements, extensions, variations, and expiries must be promptly recorded.