

## Procurement Policy

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Distribution:	All Trust Staff All Members/Trustees/ Governors Consultants working on behalf of the Trust

This is a Trust-Wide Policy.

## Procurement Policy

Bright Futures Educational Trust’s (the Trust) vision “The best *for* everyone, the best *from* everyone” is underpinned by our Trust Values and Commitments, the most pertinent to this Policy being:

- **Integrity**
- **Value for Money**
- **Strong Governance and Accountability**

In particular, effective procurement is a key contributor towards achieving the following two of the Trust’s strategic aims:

Aim (2020-2023)	Outcome
Sustained financial viability enables flexible investment in school improvement	Achievement of long-term sustainable viability, managed within a robust governance environment with clear and effective financial controls that yield opportunities to support improvements by targeted investment
Through growth, influence, collaboration and partnerships, the Trust’s vision and mission are embedded in everything we do	Any growth adds value to the rest of the Trust, the school system and our communities. Governance and organisational systems are sufficiently strong and flexible to deliver and exceed our vision and mission.

## What is the Policy for?

The overarching purpose of this Policy is to outline how the Trust will procure supplies, services and works in with our strategic aims, values and commitments in order to achieve our vision, whilst ensuring we are compliant with all relevant legislation.

This policy:

- Applies to all non-pay expenditure regardless of the source of funds
- Outlines the key principles of procurement
- Outlines the Trust’s procurement strategy
- Outlines the procurement procedures and associated levels of delegated authority

The purpose of this policy is to provide an overview of the context and key principles of procurement within the Trust. A suite of templates and guidance documentation will be developed to support and sit alongside this policy and the financial systems in place within the Trust.

## Who is the Policy for?

This Policy applies to any staff within, or stakeholders of, the Trust who may be involved activities relating to the procurement of supplies, services or works, regardless of value, whether at individual Academy, Development Network or Trust level.

Therefore, this Policy is applicable to all staff employed by the educational establishments which form part of the Trust, as well as members of the local governing bodies of those establishments, Trust Head Office staff, Members, Trustees and any contractors or consultants undertaking work on behalf of the Trust.

**This policy is split into two sections. Section 1 provides a summary of the procedures that must be followed when procuring items according to the estimated value of the requirement. This section can be found below.**

**Section 2 provides a more detailed description of the procurement procedures themselves as well as the context and key principles behind these requirements and the procurement strategy that is in place to support this policy. This section starts on page 4 and continues for the remainder of the document.**

## SECTION 1: Summary

The Trust is subject to the Public Contracts Regulations 2015, the main purpose of which is to encourage fair and open competition in order to achieve value for money. These regulations require that certain procedures are followed when awarding contracts valued above set thresholds. However, the key principles of these Regulations still apply below these set thresholds.

The Trust Procurement Strategy seeks to achieve the best value outcomes for the Trust as a whole and aims to reduce time spent within individual Academies and the Development Network on non-core activities wherever possible. The Procurement Function acts as a service to support staff across the Trust and aims to respond to any questions and queries in a timely manner.

The procedures outlined within this policy, must be followed at all times. The Trust Procurement Manager will support staff within the Trust to procure the required supplies, services or works in the most appropriate manner and in compliance with current legislation and best practice.

Regardless of whether a particular requirement has been budgeted for, before any expenditure is committed all staff responsible for procuring supplies, services or works must first consider the following:

- If the requirement falls into any of the categories of spend identified in **Appendix A** then Trust Procurement will either advise of an existing Trust-wide contract that can be used or recommend a preferred procurement route such as an existing public framework that should be utilised in the first instance
- If the requirement **does not** fall into one of the categories in Appendix A and the Academy or Development Network is procuring independently, staff should first estimate the total value of the requirement/contract to determine the correct procurement procedure to follow. The delegation framework in **Appendix B** and decision tree in **Appendix C** summarise the procurement procedure required according to value of the requirement.
- There are 4 main procurement procedures summarised in this document.
  - Framework/Dynamic Purchasing Systems (can be used at all levels of spend – ask Trust Procurement for advice)
  - Single Written Quotation (for requirements up to £2,999)
  - Three Written Quotations (for requirements up to £19,999)
  - Formal Tender (for requirements £20,000 and above. Trust Procurement Manager must be involved)

Note: the specific requirements in **Appendix D** relating to all IT hardware, software, and any externally hosted systems or software for the Trust.

The above points must be followed in order to ensure the Trust is able to ensure value for money and the proper use of public funds at all times.

## SECTION 2: Full Policy

### Context & Key Principles

The Trust is a publicly funded organisation which, in line with government guidance, is required to demonstrate high standards of **probity** in the management of public money. As such, the Trust must ensure the key requirements of **regularity, propriety and value for money** are met for all public expenditure.

**The Trust is the sole legal entity which can enter into contracts for itself and its Academies. The Academies themselves are not separate legal entities and as such, any contracts awarded by the Academies are binding on the Trust.**

The Trust is subject to a legal framework which is aligned with both internationally and nationally agreed obligations and regulations for public procurement. These obligations and regulations are enshrined in UK law as the Public Contracts Regulations 2015 (PCR 2015 or the Regulations). All UK public sector buyers, seeking to acquire supplies, services or works **irrespective of the source of funding** must comply with the PCR 2015.

In accordance with the Regulations the Trust is known as a Contracting Authority.

To ensure the proper and effective use of public funds at all times when procuring supplies, services or works, the Trust and its Academies must demonstrate compliance with procurement legislation and the following key principles which underpin the Regulations:

- Equal Treatment
- Non-Discrimination
- Transparency
- Proportionality

The main purpose of the Regulations is to encourage fair and open competition in order to achieve value for money. They set out the requirements and procedures which need to be followed when advertising, tendering, and awarding contracts when their value exceeds set thresholds<sup>1</sup>.

The Regulations set out how and when multiple orders and contract values for the same type of supplies or services should be added together for the purposes of deciding the most appropriate procurement process to be followed. This is known as aggregation and, as a single legal entity comprised of multiple Academies with similar requirements, the Trust must be mindful of the rules around aggregation to avoid the risk of non-compliance.

The key principles still apply below the thresholds set by the Regulations meaning that procurement procedures should not be undertaken in a manner which artificially narrows competition, or one which favours or disadvantages any particular contractor, supplier or service provider. Competition promotes efficiency and effectiveness in expenditure. Awarding contracts on the basis of value for money following competition contributes to the competitiveness of supplies.

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<sup>1</sup> The current thresholds that apply to the PCR 2015 from 1<sup>st</sup> January 2022 are:

Supplies and Services Contracts	£177,897 (net of VAT)
Works contracts	£4,447,447 (net of VAT)

Value for money is the optimum combination of whole-life cost and quality (or fitness for purpose) to meet the user's requirement. This is rarely possible with the lowest price alone. The achievement of value for money underpins the appropriate use of all public funds therefore, as well as striving to achieve the best price possible for all purchases, consideration should also be given to other factors such as quality, suitability, availability, reliability of the supplier etc.

There is clear emphasis in the Trust's vision and values upon both ethics and sustainability. These are also key areas of importance throughout the procurement process and are key factors in demonstrating value for money. Responsible procurement is concerned with "The Triple Bottom Line": people, planet and profit. In other words, focusing not just on economic performance when meeting the Trust's needs for goods and services but supporting, generating benefits for and having a positive impact on the wider society and the environment.

The Trust Procurement Manager is a member of the Chartered Institute of Procurement and Supply (CIPS) and is required to uphold the [CIPS Code of Conduct](#) and seek commitment to it by all the parties they engage with in the course of their role.

Of particular focus and relevance is fostering awareness of modern slavery, human rights, fraud and corruption issues throughout the supply chain. Additional templates and guidance documentation will be made available to outline the Trust's approach to ensuring suppliers, contractors or service providers accept their moral, ethical and legal duties in these areas. This will involve including appropriate questions around equality, diversity and modern slavery in selection and award criteria to be completed by tenderers, as well as including relevant terms and conditions in contracts to ensure that suppliers also uphold similar values and approaches to procurement in their own supply chains.

Unless below the Trust's threshold for obtaining multiple quotations or tenders, all supplies, services or works need to be procured using a procedure which allows effective competition and includes adequate advertisement of the contract opportunity, unless there are convincing and justifiable reasons to the contrary.

Anyone involved in any stage of a procurement process has the duty to apply the key principles of procurement and to ensure any supplies, services or works they may procure on behalf of the Trust, meet the requirements for value for money.

Subject to the thresholds outlined in this Policy, competition should be proportionate to the level of expenditure, complexity and risk. To minimise procurement costs for the Trust and suppliers, for the avoidance of doubt and to ensure compliance with legislation, the procedures outlined within this policy and any associated documentation referenced within, must be followed at all times.

### **Trust Procurement Strategy**

As the Trust grows, expenditure and exposure to risk also increase. In anticipation of this, in early 2021 the Trust made provision to formally establish a Procurement Function within the Trust Central Team.

The remit of the Procurement Function is to develop and deliver a strategic procurement plan across the Trust to realise efficiencies, achieve value for money and ensure compliance with both legislation and the Trust's values.

As a newly created function, it will take time to embed to the processes and procedures that will underpin the delivery of the Procurement Strategy. This can be seen as a journey towards a more strategic approach to ensuring the achievement of value for money across the Trust. Ultimately, this will allow us to ensure we meet the needs of our young people in the best way possible.

It is important to note that value for money is not about the lowest purchase price, instead it considers the whole-life cost; paying more for higher quality may be justified if the whole life cost is better. Similarly, Trust procurement strategy seeks to achieve the best value outcomes for the Trust as a whole and therefore it aims to reduce time spent within individual Academies and the Development Network on non-core activities wherever possible.

The Procurement Function acts as a service to support staff across the Trust and aims to respond to any questions and queries in a timely manner.

Analysis of non-pay expenditure across the Trust has identified a number of categories that:

- exceed or are close to exceeding PCR 2015 threshold and/or
- are common to more than 50% of academies in the trust

These categories of spend are identified in **Appendix A**.

In order to minimise duplication of effort and maximise value and efficiencies across the Trust, all planned/anticipated expenditure that falls within these categories should be referred to the Trust Procurement Manager in the first instance.

This list will be subject to regular review and, as the Procurement Function develops, more guidance on the recommended procurement route for each category will be documented and circulated.

### **Central Contracts Register & Repository**

The Trust Procurement Manager will maintain a contract register and repository detailing all contracts with a value over £20,000, which records all related documentation, details of the winning bidder, price, duration of contract and the procurement process followed.

### **Academy Procurement Plans & Contract Register**

In conjunction with each Academy's annual development plan and the overall budget setting process, Central Finance and Procurement will support each Academy and the Development Network to produce a procurement plan outlining all planned procurement activities for the upcoming academic year.

Central Finance and Procurement will also support each academy and the Development Network to maintain, in an agreed format, their own contract register and repository, detailing all contracts with a value below £20,000 or that are specific to that Academy alone.

The Trust Procurement Manager will prepare and keep updated a Trust-level rolling 3–5-year procurement plan setting out key tender activity and milestones. The plan will include the use of the contracts register and the individual Academy procurement plans in order to:

- plan the requirement for future tenders
- schedule reviews of current contracts
- identify strategic areas of development
- identify any policy and procedural developments that are required.

The Trust Procurement Manager will continually review the procurement requirements of the Trust and its Academies to ensure compliance with all relevant legislation.

**To avoid the inefficiencies of re-procuring services annually, the Director of Business & Commercial will work with Academies to review procurement plans and develop multi-year contracts on a regional or Trust-wide basis wherever appropriate.**

### Procurement Procedures

**Anyone procuring on behalf of an Academy or the Trust, is acting as an agent of the Trust in creating binding terms and conditions on the Trust.** When a purchase order is accepted by a supplier this becomes a legally binding contract.

The Trust Procurement Manager will provide support to individual Academies and Central Services in procuring the required supplies, services or works in the most appropriate manner and in compliance with current legislation and best practice.

Alternatively, where an Academy or the Development Network is procuring independently, the staff should follow the guidance within this policy and any associated documents which are referenced within.

Value for money must be demonstrated **before expenditure is committed**. Therefore, the person with the delegated authority to commit expenditure is also required to check and confirm that the appropriate procurement procedure has been followed. A summary of the delegation framework relating to procurement is included in **Appendix B**.

A decision tree is included in **Appendix C** which summarises the procurement procedures required according to the category and value of the requirement.

Once a requirement has been identified the procurer should first check if it falls into any of the categories of spend identified in **Appendix A**:

- **If it does** - there is likely to be either an existing Trust-wide contract or a Trust recommended procurement route such as an existing public sector framework that should be utilised in the first instance. Note: the specific requirements in **Appendix D** relating to all IT hardware, software, and any externally hosted systems or software for the Trust.
- **If it does not, or the Trust contract/preferred procurement route is not suitable** - the total value of the contract must first be estimated in order to determine the correct procurement procedure. This estimate should include the cost of the goods or services, delivery, installation, service/maintenance, disposal and any options to renew or extend the contract.

There are 4 main procurement procedures:

1. Framework/Dynamic Purchasing Systems.
2. Single Written Quotation
3. Three Written Quotations
4. Formal Tender

**Note:** award of a contract via call off from a suitable framework/DPS supersedes the requirement to follow one of the other procurement procedures.

The four procedures are summarised below. For each of the procedures, guidance and template documentation will be created and circulated outlining the roles and responsibilities of the staff undertaking the procurement and detailing the information to be documented and retained for each of the procedures. Support and guidance will also be available from the Trust Procurement Manager.

## **1. Frameworks & Dynamic Purchasing Systems (can be used at all levels of spend)**

In order to save time and unnecessary expense the Trust should avoid running its own procurement processes, and instead use an existing framework agreement or dynamic purchasing system (DPS) wherever possible. The Trust Procurement Manager can advise on the availability and suitability of frameworks/DPSs for any given requirement.

In many cases it can be better value to procure via a framework or DPS as the suppliers have already been vetted and the terms and conditions are likely to be favourable to the Trust. In some cases the pricing is also available upfront.

Examples include those set up by Crown Commercial Service (CCS) or Public Sector Buying Organisations (PSBOs) e.g. Yorkshire Purchasing Organisation, Crescent Purchasing Consortium etc.

Where appropriate the Trust may procure their requirements from a suitable pre-existing framework agreement or DPS which has been let by another public sector contracting authority providing:

- the call-off/further competition will be made based on value for money criteria;
- the Trust is entitled to call off from the arrangement – before calling off from any framework, it should be confirmed that it is permissible for the Trust/Academy to use the framework and where required an appropriate access agreement should be approved by the Director of Business & Commercial;
- the specification and the contract terms are suitable to the Trust/Academy(s) needs. The terms and conditions from frameworks are set in advance and cannot be changed beyond the mechanism set out in the framework;
- the Trust/Academy follows the framework's guidance, particularly about how call-offs/orders should be placed;
- the Trust ensures that the framework or DPS is compliant with PCR 2015 (if the value of the call-off is above the PCR 2015 threshold).

## **2. Single Written Quotation (up to £2999)**

A minimum of 1 written/online quotation must be obtained and approved before a purchase order can be issued.

Competitive quotes are not required – however it is important to note that orders must not be deliberately divided into smaller purchases/contracts to avoid/circumvent the requirement to follow one of the other procurement procedures.

## **3. Three Written Quotations (£3000 - £19,999)**

A minimum of 3 written quotations must be obtained and the best value quotation put forward for approval before a purchase order can be issued.

Suppliers should all be provided with the same information and a reasonable amount of time to prepare their quotations.

A summary of the quotes received should be provided to the authoriser along with a clear justification as to why the recommended supplier represents the best value.



Note that the level of detail provided in the recommendation should be proportional to the value of the purchase with higher value purchases requiring more detailed justification.

#### **4. Formal Tender (£20,000 +)**

Tender documentation for all procurements over £20,000 must be reviewed prior to issue by the Trust Procurement Manager and early involvement is recommended to ensure expectations are clear and timelines are achievable.

Preparation of a full Invitation to Tender pack to be openly advertised/issued to a minimum of 5 suppliers if possible. The Invitation to Tender pack should contain as a minimum:

- Instructions to Tenderers
- Specification
- Tender Evaluation Plan
- Tender Reply Forms
- Terms and Conditions of Contract

Suppliers must be given a minimum of two weeks to submit their tender returns (dependent on the complexity of the requirement)

Submissions must only be opened at the agreed time and be evaluated by a minimum of two people in line with the criteria stated in the Invitation to Tender pack.

The scoring of all submissions and the award recommendation must be recorded in writing and presented to the authoriser in writing for approval before a purchase order can be issued/contract can be signed.

Any procurements with a whole life value of within 10% of the current PCR 2015 threshold must be run by the Trust Procurement Manager. The procedure is as per the above with the additional requirement that the tender is subject to all relevant legislative requirements in line with the Public Contract Regulations 2015.

Currently this includes:

- Advertisement in Find a Tender (FTS) by way of a formal Contract Notice
- Adherence to the prescribed tender timelines
- Mandatory use of a suitable e-tendering platform
- Standstill Period
- Provision of a full debrief to all bidders
- Issue of a formal Contract Award Notice to FTS

#### **Procurement Procedure Waiver**

In limited circumstances an exemption (Waiver) may be granted where there is an exceptional reason not to follow the procurement procedures laid out in this policy.

A Waiver may include authority being granted to award a contract or place an order without having obtained the requisite number of tenders or quotations or to directly award a contract.

All Waivers must be compliant with procurement legislation and therefore under no circumstances can a Waiver be used where the value of the procurement is above the PCR 2015 threshold.

Waivers must not be used simply to avoid competition or for administrative convenience

The Trust **Waiver of Standing Orders and Standing Financial Instructions** policy and form must be used for all Waiver requests. These will be subject to approval as outlined in the Trust Delegation Framework.

### **Contract Management**

The procurement process should consider and document how the resulting contract will be managed to ensure it delivers the value intended, not just immediately following contract award, but for the full duration of the contract.

All contracts must identify a contract owner and manager and specify the roles and responsibilities that will be held by both the Trust and the Contractor along with a set of clear performance measures which will be monitored by both parties throughout the contract. Further guidance will be made available with regard to contract management.

### **Signing of Contracts**

A signature on an agreement or contract, or even an email response indicates acceptance of the Terms and Conditions referenced. If these are not the Trust's own standard Terms, or Terms which have been pre-agreed as part of a tender process, it is likely that these will not be favourable to the Trust and could place the Trust at significant risk.

Following the award of a contract for the Trust, or an individual Academy, under any procurement procedure consistent with the thresholds identified within this Policy, the Terms and Conditions of Contract may only be signed by those officers to whom the Trust Board has delegated such authority within the approved Delegation Framework.

Any agreement, contract or lease with a supplier which requires a signature by a member of Trust or Academy staff should be forwarded for review prior to signature to the Trust Procurement Manager who will arrange signature in line with the Delegation Framework.

In the event that the Terms of any purchase order or contract have to be amended, an official variation order must be approved and issued by the Chief Operating Officer/Audit Committee/Trust Board as appropriate.

### **Risk of Challenge/Non-Compliance**

Any changes made during a tender process without communicating them to tenderers and allowing for additional tender submission time will result in non-compliance and the possibility of a formal challenge.

Changes made following submission of tenders/quotations, particularly for those exceeding PCR 2015 thresholds, are classed as a breach of legislation and will result in successful challenge. It is therefore crucial that all risks are considered and addressed in the published evaluation criteria so that the Trust can be satisfied as to the basis on which to assess a successful tender.

Failure to comply with this Policy, all associated documentation referenced within and relevant procurement legislation, could result in a breach of legislation, fines and litigation, claims for damages and loss of reputation.

## Audit & Retention of Documents

The Trust, Development Network and all Academies are subject to scrutiny by internal and external auditors as well as the EFSA and other government departments/organisations. It is the responsibility of everyone involved in the procurement process to ensure that they are compliant with all current legislation, policies and procedures.

All documentation and communication (including emails) relating to purchases, quotations and tenders must be retained for audit purposes for a minimum of seven (7) years from the end date of the contract.

Documentation may be retained electronically rather than in hard copy, however it must be readily accessible for audit or other purposes if required.

Where procurement is undertaken on behalf of an Academy by a member of the Central Trust Team, all documentation in relation to the procurement process will be retained centrally. Academies need not hold local copies and can rely on notification from the Trust Procurement Manager that the regulations within the Trust Financial Handbook and relevant procurement legislation has been complied with.

## Bribery, Fraud & Corruption

Procurement is a high-risk area for potential bribery, fraud and corruption.

All employees should be aware of The Bribery Act 2010, which came into force in April 2011. The Trust, its employees, suppliers and tenderers are all covered by this Act. To meet our obligations under the Act, the Trust has a **Bribery and Fraud Prevention policy within the Finance Handbook**. All employees should be familiar with the policy and must remain compliant with it at all times

It is Trust policy is not to accept any form of gift or hospitality from suppliers.

The Trust also has a **Conflicts of Interest and Related Party Transactions Policy**.

## Confidentiality & Freedom of Information (FOI)

The Freedom of Information Act 2000 gives the public and potential suppliers the right to request certain information regarding Academy and Trust purchases and procurement. All such requests should be handled in accordance with the Trust **Freedom of Information Policy and Publication Scheme**.

As part of the process for providing quotations and tenders the Trust requires all bidders to identify confidential information which they would not want the Trust to disclose in response to a freedom of information request.

## Segregation of Duties

There are a number of processes in procurement. There must be adequate segregation of duties to ensure that the processes of: tendering; evaluating/awarding contracts; raising orders; checking receipt/completion of orders and; authorising payment, are not the responsibility of one person.

In order to minimise the risk of errors and perceived or actual fraud, full segregation of duties should be in place in line with the guidance within the Trust Financial Handbook.

## APPENDIX A

### Proposed Categories for Central Trust Procurement & Management

Category	Current Position	Future Proposed Position	Timeline
<b>Premises Costs 700000</b>			
Cleaning	Mixture	Trust Managed Contract(s)	Within 12 months
Grounds Maintenance	Mixture	Trust Managed Contract(s)	Within 12 months
Waste/Recycling	Mixture	Trust Managed Contract(s)	Within 12 months
MFDs/Photocopiers	Mixture	Trust Managed Contract(s)	Within 12 months
Utilities (Gas, Electricity, Water & Sewerage)	Trust Managed Contract(s)		
Building/Capital Works SCA funded	Trust Managed Contract(s)		
Planned Preventative Maintenance (PPM) (Needs further definition)	Mixture	Trust Managed Contract(s)	Within 24 months
<b>Supplies &amp; Services Costs 800000</b>			
Catering	Mixture	Trust Managed Contract(s)	Within 12 months
Supply Cover (bought in)	Academy	Trust Managed Contract(s) / Preferred Supplier List/Framework	Within 12 months
Payroll	Trust Managed Contract(s)		
Governor Clerking	Trust Managed Contract(s)		
Insurance (including staff absence insurance)	Mixture	Trust Managed Contract(s)	Within 12 months
Marketing & PR	Trust Managed Contract(s)		
Audit	Trust Managed Contract(s)		
Legal	Trust Managed Contract(s)		
<b>Tech Costs 820000</b>			
SIMS	Mixture	Aligned contracts	Within 12 months
SIMS Support	Mixture	Aligned contracts	Within 12 months
ICT Support	Mixture	Refer to Trust IT Procurement Policy – <b>Appendix D</b>	Long Term?
ICT Hardware	Mixture		Within 24 months
ICT Software (not educational software)	Mixture		Within 24 months
ICT Licences (not educational/curriculum specific)	Mixture		Within 24 months
ICT Consumables	Mixture		Within 24 months
<b>Administration 835000</b>			
Mobile Phones	Trust Managed Contract(s)		Trust Managed Contract(s)
Telephones (Landline)	Mixture	Trust Managed Contract(s)	Trust Managed Contract(s)/ Within 12 months

## APPENDIX B

### Summary of Delegation Framework / Procurement Thresholds

This refers to procuring for goods and services, entering contracts, authorising requisitions for budget holders and the authorisation of purchase orders.

Estimated Value of Procurement <sup>2</sup>	Procurement Procedure <sup>3</sup>	Delegated Authority <sup>4</sup> – to commit expenditure
up to £2999	Single Written Quotation	<b>Academy Specific Contract:</b> Principal (if budgeted for)
£3,000 to £19,999	Three Written quotations	<b>Development Network Contracts up to £5,000:</b> Development network budget holders (if budgeted for) <b>Trust-Wide Contract:</b> Financial Controller or Director of Business & Commercial
£20,000 <sup>5</sup> to £160,000*	Formal Tender	£20,000 to £39,999 – Director of Business & Commercial or COO
		£40,000 to £159,999 – COO with CEO approval
Above £160,000*	Formal Tender (following PCR 2015 rules)	£160,000 - £999,999 - Audit & Risk Committee
		Over £1,000,000 - Board of Trustees

\*within 10% of the current PCR Threshold (thresholds are usually updated bi-annually)

### Contract Period Authorisation Limits

Any contracts which commit the Trust to expenditure for a period of time exceeding:

- 12 months - must be referred to the Trust Procurement Manager who will arrange review/approval from an appropriate authority based on the combination of contract value and contract term. This will either be Financial Controller/Director of Business & Commercial or COO/CEO
- 36 months - must be referred to the Audit & Risk Committee

<sup>2</sup> This estimate should include the cost of the goods or services, delivery, installation, service/maintenance, disposal and any options to renew or extend the contract

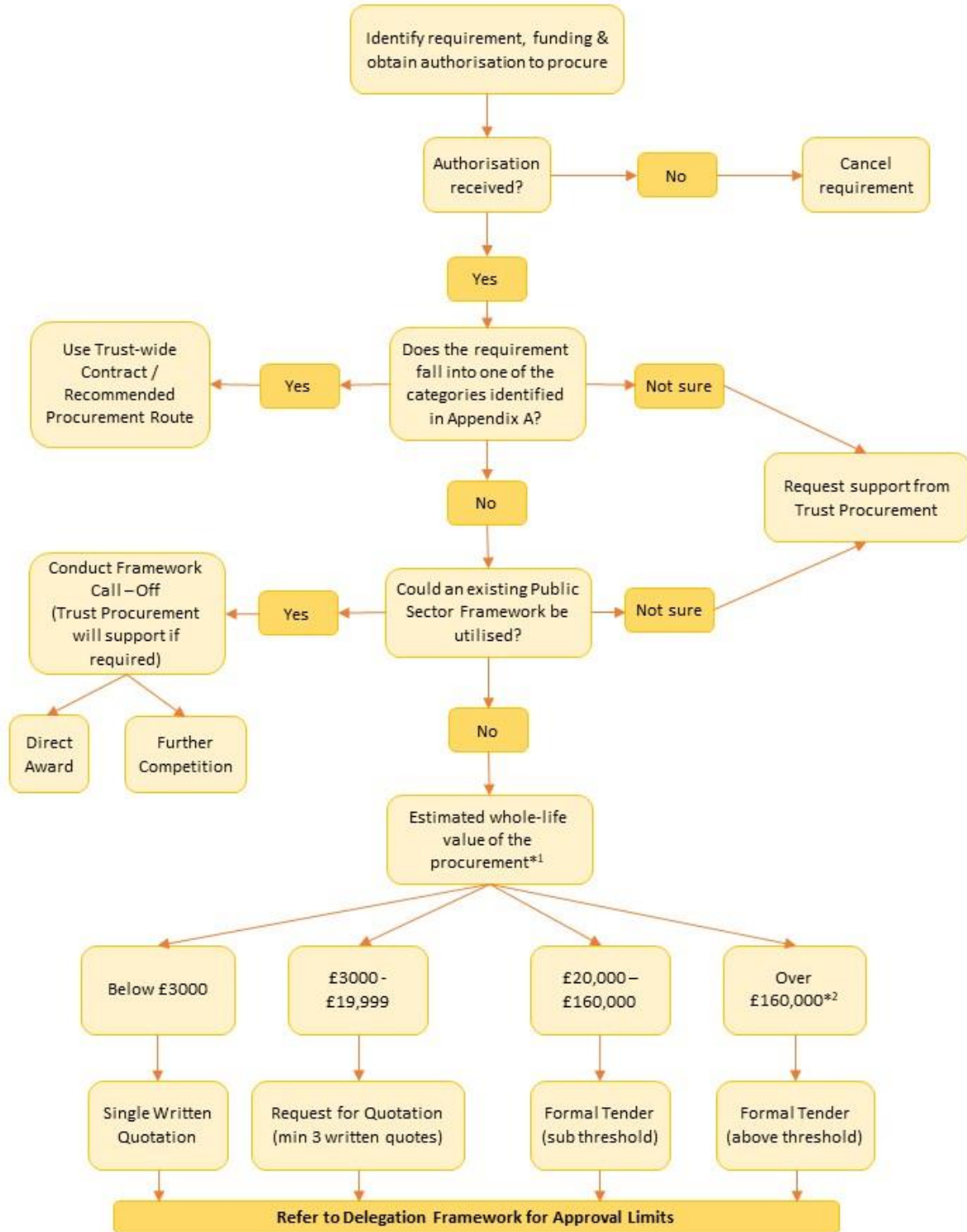
<sup>3</sup> Procuring via an approved Framework/DPS supersedes the requirement to follow the procurement procedure specified in the above table (Trust Procurement Manager to advise/direct)

<sup>4</sup> Persons with Delegated Authority to commit expenditure are required to check and confirm the appropriate procurement procedure has been followed before approving a purchase order requisition, invoice or signing a contract

<sup>5</sup> Trust Procurement Manager must be consulted/involved in any procurement with a value of £20,000 and above

**APPENDIX C**

**Procurement Decision Tree**



**Notes:**

\*1 estimated cost of the goods or services including delivery, service/maintenance, disposal and any options to renew or extend the contract

\*2 within 10% of current Public Contracts Regulations 2015 threshold for supplies (goods) & services

## APPENDIX D

### IT Procurement Policy

#### Purpose

The purpose of this policy is to provide a framework for the procurement of all IT hardware, software, and any externally hosted systems or software for the Trust.

#### Introduction

The Trust has agreed standards in place for desktop software, operating systems, computer hardware, peripherals and IT infrastructure. This standardisation is essential as it allows the Trust's IT Department to provide a quality service. The main benefit areas are:

- IT Support Staff are familiar with hardware and peripherals, improving support services
- The IT Department is able to stock standard spares in order to reduce down time
- Network, software and hardware installations are more efficient
- The required skill set of IT staff can be managed.

This policy outlines the procedures that must be in place to achieve these benefits and to ensure the purchase, delivery and installation of IT equipment is successful.

#### Types of Purchase

Hardware is physical digital devices including:

- Desktop and Laptop Computers
- Tablet Computers
- Network Equipment
- Servers
- Telephones
- Printers and Scanners
- Storage Devices
- Audio Visual equipment including digital displays, projectors and visualisers

Software is any computer software that needs to be installed on trust computers or servers.

External IT Services include: Hosting or cloud-based solutions, maintenance/support services and any other third party supplied IT related service including consultancy.

#### Hardware, Software and External IT Services Purchasing Guidelines:

The Digital IT Manager is the sole authority for placing orders for IT hardware, software or external IT services on behalf of the Trust regardless of the source of funding. All IT related purchases will need to have full approval and authorisation prior to purchasing.

Hardware and software cannot be purchased without approval by the Digital IT Manager.

Any request to purchase IT hardware, software or external IT services that is not in an agreed IT budget must be approved via a business case submitted to the Trust's executive. This also applies to any request to spend monies in non-IT budgets on IT purchases.

All requests for purchasing of hardware, software or external IT Services, whether as individual items or as part of a larger project, must be submitted via the online IT Purchase Request form. The following procedure will then be adhered to.

<insert form URL here>

- A decision whether to approve, decline or amend the requirements for the purchase will be made.
- If the purchase is declined or amended, an explanation of the decision will be provided to the requestor; The IT department will keep the requestor informed of the decision and the outcomes if ordered.
- If the purchase is approved then the IT department will request a PO be raised by the finance department.
- Where a purchase is authorised and ordered, delivery of goods will be made direct to the IT Department. A setup or installation timescale will be provided to the requestor subject to IT department priorities.
- Once setup and installation is complete a handover will be completed. Items of hardware issued to individual staff or students will require a signed Portable Digital Device Agreement. The asset management database will be updated.
- If the purchase is for external IT services, the IT Department will work alongside the provider to ensure the service is delivered.
- Where new hardware is to replace existing assets depreciated assets must be provided to the IT department for asset disposal prior to handover of any new asset.

The IT Department has a standard set-up procedure for new hardware, software and systems. This procedure ensures the equipment is recorded and configured correctly as well as ensuring all IT security measures are addressed. This includes the setup of passwords, anti-virus software, asset tagging of hardware and adding to the asset management database; Hardware and software cannot be installed by non IT staff.

The IT Department will ensure that all of the trust's IT, e-safety, data protection and cyber security policies are followed when setting up hardware and software or external IT services.

### **Other Procurement controls**

This policy is supplementary to the Trust's Procurement Policy and Delegation Framework.

Where an IT purchase is approved by the Digital IT Manager the procurement of the requested hardware, software or external IT services will follow the procurement and authorisation procedures set out in the procurement policy and delegation framework