



**The
Three
Rivers**
Learning Trust

Name of Policy	Procurement Procedure
Policy Number	S8
The Three Rivers Learning Trust	
Named Person(s)	Mark Tait
Review Committee	Full Board
Last review date	Spring 2023
Next review date	Autumn 2023

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Statement of intent

The Three Rivers Learning Trust (**Trust**) aims to achieve value for money on all its tendering and procurement activities. With that in mind, this policy has been created to establish procedures to ensure all members of staff involved in tendering and procurement are aware of the standards that they are expected to follow.

Preferred suppliers will be used, wherever possible, as the Trust has had previous positive interactions with these suppliers. During tendering and procurement processes, the following four key objectives will always be kept in mind:

- **Achieving value for money** – including the cost of goods and services, the quality of goods and services, and administrative costs
- **Ensuring fairness** – ensuring that all parties are treated in a fair and equitable manner
- **Establishing accountability** – taking responsibility for expenditure and the conduct of staff
- **Allowing probity** – ensuring there is no private gain from the Trust's financial affairs

1. Legal framework

- 1.1. This policy has due regard to legislation and national guidance including, but not limited to, the following:
 - ESFA (2022) 'Academies financial handbook 2022'
 - The Academies Act 2010
 - The Public Contracts Regulations 2015
 - DfE (2019) 'Governance handbook'
 - o ESFA (2019) 'Declare or seek approval for related party transactions: summary guidance'
- 1.2. This policy will be implemented in conjunction with the Trust's:
 - Data Protection Policy
 - Finance Policy
 - Reserves and Investments Policy

2. Small purchases

- 2.1. For the purposes of this policy, a small purchase shall be defined as orders up to the value of £25,000.
- 2.2. Budget holders are informed of their overall budget before the start of the academic year.
- 2.3. Quotes and prices are always obtained prior to purchasing. Please see section 4.1 below for the number of quotes required in accordance with the order value.
- 2.4. Approved suppliers from the Trust's 'Approved Supplier List' are used unless:
 - there are no approved suppliers for the relevant goods/services; or
 - where written permission is received from the board of trustees outlining the reasons for using an alternative supplier.
- 2.5. The budget holder is responsible for overseeing the arrangements for the delivery of goods/services and checking items upon delivery.
- 2.6. All receipts and invoices are kept in the main office for a period of 6 years after the initial purchase.
- 2.7. Details are recorded whenever goods are rejected or returned, such as the reasons for rejection, along with a description of the goods and their value.
- 2.8. A record of goods rejected and delivered is kept in the main office.

3. Large purchases

- 3.1. Any purchase or service estimated to cost over £25,000 is put to formal tender.
- 3.2. In the case of major building works or construction, the services of an architect are sought before the tendering process is undertaken.

4. Procurement limits and required authorisation - this whole section has been altered to reflect more accurately the processing procedure.

4.1. The following limits are placed on the number of quotes which are to be obtained before purchasing or confirming a service:

Number of quotes/tenders	Order value	Authorise Order Invoice (POIN)	Authorise Non-Order (CEPI) Invoice - Exams and Utilities	Authorise Non-Order (CEPI) Invoice - Other
One quote or negotiation	Less than £2,000	One authorisation: Budget Holder	One authorisation: Budget Holder	One authorisation: Budget Holder
Three quotes (only 2 quotes required under £5,000; only 1 if current supplier)	£2,001 – £10,000	Two authorisations: (1) Budget Holder (2) SBM/Head	Two authorisations: (1) Budget Holder (2) SBM/Head	Two authorisations: (1) Budget Holder (2) SBM/Head
Three quotes	£10,001 – £25,000	Two authorisations: (1) SBM/Head (2) COO	Two authorisations: (1) SBM/Head (2) COO	Two authorisations: (1) SBM/Head (2) COO
Four tenders	£25,001 – £181,302	Three authorisations: (1) SBM/Head (2) CEO/COO (3) Board		Three authorisations: (1) SBM/Head (2) CEO/COO (3) Board
EU regulations apply	Over £181,303 (goods/services) Over £4,551,413 (works)	Three authorisations: (1) SBM/Head (2) CEO/COO (3) Board		Three authorisations: (1) SBM/Head (2) CEO/COO (3) Board

(1) Please note that the Finance Officer, SBM, Governance Manager or Management Accountant may be required to click authorised in the accounting system if the signatory does not have access to the accounting system.

(2) Please note, if the Purchase Order value is the same to the Purchase Invoice value or the difference is below tolerance then re-authorisation is not required.

5. Invoices

All invoices are recorded and stored for future reference, with checks on the following information:

- The mathematical validity
- The purchase ledger
- The goods or services ordered and delivered
- Any difference between the agreed and delivered price
- The authorisation for payment
- The amount paid in VAT
- The total payment made

6. Open tender

- 6.1. Due to the significant costs of advertising, open tender will only usually be used by the Trust where the order value exceeds £181,302.
- 6.2. All interested suppliers are invited to tender, with the School Business Manager (**SBM**) making a recommendation to the Trust's Chief Operating Officer (**COO**).
- 6.3. The COO has the final say in selecting the successful tender.
- 6.4. Advertisements in trade publications will be used to attract bids for tender.

7. Restricted tender

- 7.1. In this scenario, only specified suppliers chosen by the SBM are invited to bid.
- 7.2. Restricted tender is the Trust's preferred method of tender for orders valued between £25,000 - £181,302.
- 7.3. Restricted tender will normally be used in any of the following circumstances:
 - There is a need to maintain a balance between the contract value and administrative costs
 - The service or goods required is/are specialised
 - The cost of public advertisement outweighs the potential benefits of open tender

8. Negotiated tender

- 8.1. In this scenario, the terms of the contract are negotiated with the supplier.
- 8.2. Negotiated tender will only be used in any of the following circumstances:
 - Other types of tender have been used and have not found any suitable suppliers
 - Very few suppliers are available
 - There is an urgent need for a service

9. Preparation for tender

9.1. In preparing for a tender, the SBM will consider the following:

- The overall objective of the project
- Any technical skills required to complete the project
- Any after-sales services required
- The form of the contract

10. Invitation to tender

10.1. An invitation letter or email is sent during negotiated or restricted tenders for the purpose of describing the planned project. It includes the following information:

- An introduction
- The scope and objectives of the project
- Any technical requirements
- Details of the implementation of the project
- The terms and conditions of tender
- A form of response

11. Tender evaluation

11.1. When evaluating a tender, the following financial implications are considered:

- Lower costs may not necessarily be the most favourable, for example, when they result in a reduced service
- The price being considered should be the total cost, without extra fees or hidden costs
- Where there is scope for negotiation, the SBM needs to ensure the best possible value for money

11.2. When evaluating a tender, the following technical requirements are considered (where relevant to the procurement and proportionate):

- Certificates of conformity
- Conformity of standards
- The qualifications and experience of the supplier
- Descriptions of technical services and facilities
- Quality control procedures
- Details of previously delivered services
- References from previous customers

11.3. When considering a tender, the following other requirements are considered (where relevant to the procurement and proportionate):

- Pre-sales demonstrations

- After-sales service
- The financial viability of the supplier

12. Tender acceptance

- 12.1. Invitations for tender always state the date and time the completed tender documents are to be received by the SBM and the method of response.
- 12.2. If required to submit a response by post:
- suppliers are required to submit documents in marked brown envelopes clearly stating they are tender documents; and
 - all envelopes are clearly marked upon arrival and securely stored in the main office.
- 12.3. If required to submit a response by email suppliers are required to submit documents:
- 12.3.1. in PDF format; and
- 12.3.2. to the email address and with the subject heading stated in the invitation for tender.
- 12.4. Tender documents received after deadlines are not considered, unless the supplier provides proof of exceptional circumstances.

13. Tender opening

- 13.1. All offers for tender are opened at the same time, with a minimum of two members of staff present, one of whom is the SBM.
- 13.2. A record is kept of all the suppliers who submitted tenders, along with the amount tendered.
- 13.3. A record is signed by all members of staff who are present at the opening of a new tender.
- 13.4. The record is stored in line with our GDPR Policy.

14. Tender evaluation

- 14.1. The SBM is responsible for ensuring that none of the members of staff involved in the tender process are subject to conflicts of interest.
- 14.2. Members of staff who are involved in decision making will never accept gifts or hospitality from suppliers.
- 14.3. A full record of the evaluation process will be maintained by the SBM and stored in line with our GDPR policy..

15. Contracts

- 15.1. Non-routine tenders or purchases, such as leases, are subject to a contract, which is signed before the work begins or goods are delivered.

- 15.2. All contracts include the following details:
- The scope of the work including accurate specifications
 - The timeline and completion date of the work
 - Quality control measures
 - The agreed fees or charges
 - The payment date
 - Specifications of the goods or service
- 15.3. Copies of all contracts are securely stored in the central record located in the main office.

16. Related party transactions

The principles we adhere to

- 16.1. trustees will avoid conflicts of interest, declare their interest in proposed transactions and arrangements, and will not accept benefits from third parties.
- 16.2. All members, trustees, local governors and senior employees will complete the register of interests.
- 16.3. No member, trustee, local governor, employee or related individual will use their connection to the Trust for personal gain, including payment under terms that are preferential to those that would be offered to an individual or organisation with no connection to the Trust.
- 16.4. Payments to trustees by the Trust will only be made where permitted by the articles, or by the authority of the Charity Commission, and comply with any relevant agreement with the Secretary of State.
- 16.5. The Trust will consider their obligations where payments are made to other businesses who employ a trustee, are owned by a trustee or in which the trustee holds a controlling interest.
- 16.6. Where the Trust believes a significant advantage exists in paying a trustee for acting as a trustee, the Charity Commission's approval will be obtained prior to payment.
- 16.7. The Trust will adhere to 'at cost' requirements (see 16.24 to 16.33).
- 16.8. The chair of the trustees and the accounting officer will ensure their capacity to control and influence does not conflict with related party transaction requirements.
- 16.9. Personal relationships with related parties will be managed in a manner that avoids both real and perceived conflicts of interest, promotes integrity and openness and is in accordance with the [seven principles of public life](#).
- 16.10. The Trust will be aware of relationships with related parties that may attract greater public scrutiny, such as:

- Transactions with individuals in a position of control and influence, including the chair of the board and the accounting officer.
- Payments to organisations with a profit motive, as opposed to those in the public or voluntary sectors.
- Relationships with external auditors beyond their duty to deliver a statutory audit.

Record keeping

- 16.11. The Trust will keep sufficient records, and make sufficient disclosures in the annual accounts, to show that related party transactions have been made in accordance with accountability and transparency standards.

Approval by the ESFA

- 16.12. The Trust will obtain the ESFA's approval for related party transactions that are novel, contentious or repercussive. Transactions involving the chair of the board or the accounting officer will be carefully considered against this requirement.
- 16.13. The Trust will obtain the ESFA's prior approval for contracts supplying goods or services by related parties agreed on or after 1 April 2019 where any of the following limits apply:
- The contract exceeds £20,000
 - The contract would take the total value of contracts with the related party to beyond £20,000 in the same financial year ending 31 August
 - The contract relates to a party already in receipt of contracts exceeding £20,000 individually or cumulatively in the same financial year ending 31 August
- 16.14. For the purposes of reporting to, and approval by, the ESFA, related party transactions do not include salaries and other payments made by the Trust to a person under a contract of employment through the Trust's payroll.
- 16.15. When seeking approval, the Trust will ensure it has the relevant information about the supplier, including the supplier's name, address and company number. The Trust will also:
- Confirm the statement which best describes the relationship between the supplier and the Trust.
 - Confirm that the supplier is listed in the Trust's register of interests.
 - Confirm that the Trust has a statement of assurance from the supplier.
 - Confirm that the Trust has an open-book agreement with the supplier.
 - Provide a short description of the goods or service, details of the proposed cost and the start and end date of any contract or agreement.
 - Provide evidence of the following:
 - How the Trust agreed to the related party transaction, e.g. minutes of meetings where it was discussed
 - That the Trust followed its procurement policy
 - That the Trust tested the market before making a decision

- How the Trust has managed any conflict of interest
 - Provide a copy of the agreement or proposed contract.
 - Upload any additional documents the Trust feels are relevant as part of its submission.
- 16.16. The Trust will ensure the information and documentation listed in [16.15](#) has been received before the Trust completes the online related party transaction form.
- 16.17. Services that can only be delivered by the diocese, which provide essential functions fundamental to the religious character and ethos of the school, will be declared to the ESFA. Where the conditions in [16.13](#) are met, a single upload of evidence relating to the payment or levy for the services will be made.

Register of interests

- 16.18. The Trust will document all relevant business and pecuniary interests of members, trustees, local governors and senior employees, including:
- Directorships, partnerships and employments with businesses.
 - trusteeships and governorships at other educational institutions and charities.
 - For each interest, the name of the business, the nature of the business, the nature of the interest and the date the interest began.
- 16.19. The register of interests will identify all relevant material interests from close family relationships between the Trust's members, trustees or local governors. It will also identify relevant material interests arising from close family relationships between those individuals and employees.
- 16.20. The Trust will consider any other interests for inclusion on the register or interests.
- 16.21. The board of trustees will keep the register of interests up-to-date (see Appendix 1).
- 16.22. The Trust will publish on their website the relevant business and pecuniary interests of members, trustees, local governors and accounting officers.
- 16.23. The publication of interests belonging to any other individuals named on the register is at the discretion of the Trust.

'At cost' requirements

- 16.24. Subject to 16.28, the Trust will not pay more than 'cost' for goods or services provided by the following:
- Any member or trustee of the Trust
 - Any individual or organisation related to a member or trustee of the Trust, namely:
 - A relative of a member or trustee: defined as a close member of the family, or member of the same household, who may be expected to influence, or be influenced by, the person. This includes, but is not limited to, a child, parent, spouse or civil partner.
 - An individual or organisation conducting business in partnership with the member, trustee or a relative of the member or trustee.

- A company in which a member or the relative of a member (taken separately or together), and/or a trustee or the relative of a trustee (taken separately or together), holds more than 20 percent of the share capital or is entitled to exercise more than 20 percent of the voting power at any general meeting of that company.
 - An organisation which is controlled by a member or the relative of a member (acting separately or together), and/or a trustee or the relative of a trustee (acting separately or together) – an organisation is controlled by an individual or organisation if that individual or organisation is able to secure that the affairs of the body are conducted in accordance with the individual's or organisation's wishes.
 - Any individual or organisation given the right under the Trust's articles of association to appoint a member or trustee of the Trust, or any body connected to the individual or organisation.
 - Any individual or organisation recognised by the Secretary of State as a sponsor of the Trust, or any body connected to the individual or organisation.
- 16.25. A body is connected to an individual or organisation if it is controlled by the individual or organisation, controls the organisation, or is under common control with the individual or organisation, namely any of the following:
- Holding a greater than 20 percent capital share or equivalent interest
 - Having the equivalent right to control management decisions of the body
 - Having the right to appoint or remove a majority of the board or governing board
- 16.26. 'At cost' requirements do not apply to the Trust's employees unless they are employed by one of the parties outlined in [16.24](#).
- 16.27. 'At cost' requirements apply to contracts for goods and services from a related party agreed on or after 7 November 2013.
- 16.28. 'At cost' requirements apply to contracts for goods and services from a related party exceeding £2,500, cumulatively, in any one financial year. Where a contract takes the Trust's cumulative annual total with the related party beyond £2,500, the element above £2,500 must be at no more than cost.
- 16.29. If any of the parties outlined in [16.24](#) are based in, or work from, the Trust's premises, the Trust will agree an appropriate sum to be paid to the Trust for use of the premises, unless the party is conducting work on behalf of the Trust.
- 16.30. 'At cost' requirements apply to legal advice or audit services when the organisation's partner directly managing the service is a member or trustee of the Trust, but not in other cases.
- 16.31.** Contributions made by the Trust to the diocese for services received associated with securing the Trust's religious character and ethos, which only the diocese can provide, are regarded as meeting the 'at cost' requirement.
- 16.32.** The Trust will ensure that any agreement with an individual or organisation referred to in [16.25](#) is procured through an open and fair process and is:

- Supported by a statement of assurance from the individual or organisation to the Trust confirming their charges do not exceed the cost of the goods or services.
 - On the basis of an open book agreement including a requirement for the supplier to demonstrate clearly, if requested, that their charges do not exceed the cost of supply.
- 16.33. The cost will be the full cost of all the resources used in supplying the goods or services and will not include any profit. Full cost includes:
- All direct costs – the costs of any materials and labour used directly in producing the goods or services
 - Indirect costs – a proportionate and reasonable share of fixed and variable overheads

Reporting

- 16.34. The Trust will report all related party transactions taking place on or after 1 April 2019 to the ESFA in advance of the transaction taking place, using the ESFA's online form.

17. Policy review

- 17.1. This policy is reviewed annually by the COO.
- 17.2. The scheduled review date for this policy is **Autumn 2023**

Appendix 1

Declaration of Conflicts of Interests Form for Governors and trustees

The Three Rivers Learning Trust
Company number: 07838203

Register of interests declaration form 2022/2023

[Members/Board of Trustees/Senior Leadership Team and Accounting Officer/Academy Council of XXX School]/Academy Leadership Team and School Business Manager

Please provide the following information

Your full name:	
Specify your position and special designation, within the Trust:	
Do you have an interest or interests to declare?	Yes <input type="checkbox"/> I have no interest(s) to declare <input type="checkbox"/>

Declarations

Interest on behalf of (Self or See page 49 of the ATH 2022)	Name of business or organisation	Nature of business or organisation	Nature of interest	Date the interest commenced	Date the interest ended
If you have no interest to					If your interest still continues

[illegible]

Guidance Notes

This declaration form needs to be completed by each Trust officer annually.

Academy councillors and trustees have a legal duty to act only in the best interests of their schools. Where a situation arises in which they cannot do this due to a personal interest they have, steps should be taken to identify, prevent and record the conflict. This ensures governors or trustees are acting in the best interests of the school.

The Academy Trust Handbook requires the Trust to capture and present any relevant business and pecuniary interests of members, trustees, local governors of academies within a multi-academy trust and senior employees as well as any relevant material interests arising from close family relationships between the academy trust's members, trustees or local governors.

In the declaration above, you must provide details relating to:

- Your ownership or partnership of a company or organisation which may be used by the trust/school to provide goods or services;
- Goods or services you offer which may be used by the trust/school;
- Any close relation you have to someone who satisfies either of the above;
- Any close relationship you have to someone who is employed by the trust/school.

Making an annual declaration does not remove your requirement to make an oral disclosure of the interest and temporarily leave the meeting, where the interest is relevant to something being discussed.

Pecuniary interests

Generally, academy councillors and trustees should not participate in any discussions in which they may directly or indirectly benefit from a pecuniary interest, except where the relevant authority has authorised this i.e. legislation for maintained schools or articles of association for academies. A direct benefit refers to any personal financial benefit and an indirect benefit refers to any financial benefit you may have by virtue of a relationship to someone who stands to gain from a decision of the governing board. Both direct and indirect interests must be declared.

Non-pecuniary interests (Conflicts of loyalty)

There may be a non-pecuniary interest whereby the governor does not stand to gain any benefit but a declaration should still be made. For example, this might be where a governor has a family member working in the school. While the governor might not benefit personally, their judgement could be impaired if something was brought up that would affect the family member.

Handling the conflict

The board must make a decision as to whether or not they should take steps to remove the conflict by:

- Not pursuing the course of action it relates to; or
- Proceeding with it in an alternative way which does not give rise to conflict; or
- Not appointing the governor in question or seeking to secure their resignation.

In the minutes of the meeting, the following should be recorded:

- The nature of the conflict;
- Which governor(s) it relates to;
- Whether a declaration was made in advance of the meeting;
- A brief overview of what was discussed;
- Whether the governor(s) withdrew from the meeting;
- How the governors made the decision in the best interests of the school.

The School and Early Years Finance (England) Regulations 2013 provide for local authority financing schemes to keep a register of pecuniary interests for the trustees, governors and staff of schools. The register should be reviewed annually by the clerk to the governing body but any new interest or ceased interest, should be reported to the clerk as and when they occur. Upon completion, this signed form should be given to the clerk of governors whose responsibility it is to keep a register of all interests and review it annually.

The Charity Commission has produced [guidance on dealing with conflicts of interests](#) which may be useful, even for schools that do not have charitable status

If you are aware of any other circumstances that could constitute or be perceived as a conflict of interest with the Trust or if you are uncertain about whether a conflict exists please contact Fiona.Ewart@the3rivers.net.

We are required to collect and share information about our governors (as requested by this form) with the Department for Education (DfE) under the requirements set out in the Academy Trust Handbook. All data is entered manually on the "Get Information About Schools" (GIAS) system and held by the DfE under a combination of software and hardware controls which meet the current government security policy framework.

This information will be published on the Trust's website for the duration of the relevant academic year. Relevant interests are reviewed annually in September each year. However, recording interests is an ongoing process, relevant interests must be brought to the attention of the Trust as soon as possible.

All personal data will be processed in accordance with the Trust's privacy policy, which can be found at <https://goo.gl/aqRVZg>

To the best of my knowledge the information supplied above is correct and complete. I understand that it is my responsibility to declare any conflict of interest/loyalty, business or personal that relates directly or indirectly, to myself or any relation in any contract, proposed contract or other matter when present at a meeting at the school where such contract or matter comes under consideration. I understand that I must withdraw from any meeting during the discussion of such contract or matter and must not vote in respect of it.

I agree to review and update this declaration annually and give consent for the information provided to be used in accordance with the trust/school's conflicts of interest policy.

Signed:_____

Print Name:_____

Date:_____

