Procurement Policy

Version 4

This policy applies to all NCLT settings.

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1.0 Definition

Procurement is defined as `the whole process of acquisition of goods, works and services and assets spanning the whole life cycle from the identification of the business needs through to the end of the useful life of an asset, contract or of the need for an activity'. It is more than simply `purchasing' and it covers provision from internal and external providers.

2.0 Policy Statement

It is the policy of the New Collaborative Learning Trust (NCLT) to employ a strategic approach to procurement practices to maintain excellent delivery of services. It is our policy to adopt innovative, commercially focused practices in the management of our spend and to do so in an effective, efficient, ethical and sustainable way that delivers local economic, environmental and social benefits.

'Value for Money' (VFM) is a term used to assess whether or not an organisation has obtained the maximum benefits from the goods and services it acquires and provides, within the resources available to it.

It is the policy of the NCLT to treat all suppliers fairly and equally in any competitive process. New Collaborative Learning Trust (NCLT) believes in the principles of FREDIE, standing for Fairness, Respect, Equality, Diversity, Inclusion and Engagement. NCLT is committed to providing an inclusive environment free from any form of discrimination, harassment or victimisation. NCLT strives to implement and deliver equality in all areas. Our fundamental belief in ensuring that all members of the NCLT community feel valued underpins everything that we do, both as an education provider and as an employer. The Trust will make every effort to ensure that anyone who comes into contact with the organisation is treated with courtesy, dignity and respect.

3.0 Scope

This policy applies to all purchases of NCLT and those associated with purchasing on behalf of NCLT. This policy encompasses all non-pay expenditure, to support the objectives of NCLT.

4.0 Aims & Principles

The purpose of this policy is to make clear the Trust's principles of procurement to assist colleagues in carrying out procurement activity on behalf of the Trust and has been developed to support the Trust's commercial objectives, and to align suppliers with the Trust's longer-term operational and financial planning.

The policy is a proactive approach based upon sustaining long-term relationships with key stakeholders and suppliers.

It should be read in conjunction with *NCLT Financial Regulations Policy*, which detail the overriding principles and procedures which must be followed in order to ensure good financial control throughout the Trust.

This document reflects and supports the Trust's aims by working with staff and suppliers to optimise Value for Money in the procurement of goods, services and works (see NCLT Value for Money policy). It aims to balance efficiency against risk factors in achieving Value for Money, whilst promoting sustainable procurement.

The aim of the policy is to implement a sourcing approach across all categories of expenditure to deliver compliant and effective procurement as well as delivering value for money and identifying opportunities for added value to prospective and current students.

NCLT supports collaborative procurement at sector and national level where this provides demonstrable benefit to the Trust. To that end, NCLT is a user of public body Consortium procurement frameworks including CPC (Crescent Purchasing Consortium), Crown commercial services, ESPO, YPO (Yorkshire Purchasing Organisation), etc. when appropriate.

NCLT will refer to DfE *Get Help Buying for Schools* purchasing opportunities when planning for the purchase of relevant goods and services covered by those arrangements and will record its purchasing decisions. Specific DfE purchasing requirements apply to supply staffing, energy and Management Information Systems (MIS).

Early involvement in planning and decision making is necessary to influence business plans and define any procurement process. It is also important for procurement activity to manage any current expenditure or short-term goals in line with the organisations Financial Regulations.

NCLT recognises that the delivery of education at its sites may have adverse impacts on the environment and it is essential that these are minimised and maintained as such through continuous monitoring. It is acknowledged that the right procurement choices can reduce harmful environmental impacts.

5.0 Responsibilities

The Chief Financial Officer (CFO) is the Senior Manager with overall responsibility for implementation of this policy.

The Director of Finance (FD) holds responsibility to ensure the policy is implemented correctly across the Trust.

The Finance Department is responsible for the acquisition of goods, services and works through a compliant process in order to obtain best value, by evidencing value for money to meet the needs of NCLT in terms of cost.

All NCLT staff with authority to order goods and services are responsible for implementing and aligning all expenditure to this policy.

6.0 Implementation

All procurement within NCLT shall be carried out in accordance with legal requirements, including the Procurement Act 2023, Financial Regulations and the Procurement principles. Where the value of the procurement is in excess of £50,000 per setting (excluding VAT), including where the public contract thresholds are reached, the process should be initiated by the Finance department. To clarify, no tender exercises should be undertaken by any part of the Trust in isolation.

Goods, services and works should be acquired by effective competition, including adequate and appropriate publication of the contract opportunity, unless there are convincing and justifiable reasons to the contrary. Competition promotes efficiency and effectiveness in expenditure. Awarding contracts on the basis of value for money following competition contributes to the competitiveness of suppliers. It is essential that a clear description of needs is approved before the procurement process is commenced in order to allow the writing and scoring of tenders received.

It is the responsibility of the Director of Finance (FD) to ensure that these requirements are complied with. Requests for departure from this Policy require the prior approval of the Chief Financial Officer (CFO).

The confidentiality of information received in the course of duty must be respected and should never be used for personal gain.

Where possible, within procurement activities, it is NCLT's aim to forge links with the local community to encourage positive participation and address barriers to entry to encourage local, regional, SME and ethnic minority suppliers to bid for NCLT contracts.

Within any procurement activity, consideration should be made as to how the student experience can be enhanced. This could take the form of a commitment to student intern positions, an enhanced student offer etc. This added value should be considered as part of the tender evaluation process.

7.0 Sustainability & Ethical Procurement

Sustainable development is about meeting society's needs today without compromising the ability of future generations to meet their needs – often referred to as good corporate citizenship or corporate social responsibility. With the climate emergency clearly the most serious global environmental threat, sustainability and carbon reduction are becoming key corporate responsibilities for all organisations. The key areas for action are:

- Energy and Carbon Management (Utilities)
- IT Infrastructure and Resources
- Travel and Transport
- Water Reduction
- Waste Management (Reduction in Landfill)
- Building Design and Functionality (Rationalisation)

- Organisation and Workforce Development (Education)
- Governance and Finance

NCLT recognises the risks associated with ethical procurement and fraud and is committed to reducing this to a minimum.

NCLT will work with suppliers to identify and minimise ethical issues in supply chains, including but not limited to:

- Modern slavery
- Corruption
- Bribery
- Human trafficking

NCLT's Finance Department will strive to:

- Seek, where appropriate, suppliers who understand the key sustainability issues so that they can tailor their products accordingly;
- Ensure sustainability questions are asked for any tender process as a matter of routine;
- Support suppliers who have a culture of sustainability where it is shown to deliver value for money or delivers environmental/socio economic benefits, or preferably both of these;
- Monitor and review the response to sustainable questions within tender documents and seek to use the more appropriate ones within future tendering documents;
- Look to minimise the use of energy in all processes and evaluate whole life cost thus reducing emissions and water waste.
- Purchase products with recognised labelling schemes such as FSC, MSC or EU Eco label, where appropriate;
- Promote the use of fairly traded products where appropriate;
- Ensure goods are disposed of in an environmentally responsible way;
- Minimise waste where possible by implementing process efficiencies and utilising re-cycling opportunities;

8.0 Compliance

All tendering activity should involve the Central Services Finance team to support compliance with the Trust's Financial Regulations and the Procurement Act 2023 ("Procurement Act") for the purchase of goods, services and works.

The Procurements Act includes extensive procurement requirements for higher levels of spend - referred to as 'above-threshold'. The Act requires the value of spend to be calculated by 'aggregation'. It is unlawful to disaggregate spend/contracts. The value of on-going spend (i.e. not individual one-off purchases) must be estimated as set out in section 9 below. Where the estimated spend is above the relevant threshold then the extensive procurement process,

under the Act, must be followed. Similarly, where a one-off spend is estimated to be above threshold the extensive procurement process must be followed.

To determine whether public threshold has been reached, the calculated value of spend must include VAT (gross amount). Goods, services and works attracting a nil or lower rate of VAT can include a higher net value up to the threshold, providing the gross amount is lower than the threshold.

The current* Procurement Act thresholds are set out below.

Procurement Act Thresholds		
Type of supply	**Threshold value**	**Notes**
Supplies & Services	£207,720 (including VAT at the relevant rate)	Goods, supplies, services. e.g. cleaning & catering
Works	£5,193,000 (including VAT at the relevant rate)	Demolition, Construction, etc. type works
Light Touch Regime	£663,540 (including VAT at the relevant rate)	Examination fees, legal services
Concessions	£5,193,000	

* The spend threshold values are revised bi-annually. The above levels apply from 1st January 2026.

The Procurement Act 2023 includes additional reporting requirements for below-threshold spends compared to prior legislation (Public Contracts Regulations 2015). However, Section 84 of the Act provides the '*School Exemption'* which avoids the additional notification and reporting burdens, etc. on academy trusts. The ***School Exemption avoids*** *the need* to:

- Produce a procurement pipeline

- Publish of payment compliance notices for third party expenditure, demonstrating payment of valid invoices within 30 days of receipt (6 monthly)

- Publish of details of payment of each and every third-party supplier invoice of £30,000 or greater in value (quarterly)

- Publish sub-threshold contract notices (those valued £30,000 to relevant Threshold)
- Requirement to build 30-day payment terms into all contracts and supply chain sub-contracts (referred to as 'implied payment terms')

As part of the standard tendering procedures suppliers are required to submit a signed certification of non-collusion and non-canvassing and a declaration of interest.
Breaches of the Financial Regulations with regard to procurement are to be challenged by the Director of Finance and reported to the Trust Executive Team.

Procurement Procedures are detailed in Section 22 of the Trust's Financial Regulations.

9.0 Contract Spend

Calculate the total value of the spend

The gross value (including VAT) of on-going spend (i.e. not individual one-off purchases) must be estimated over a four-year period, including circumstances where contracts with a minimum term less than 4 years where a need for the supply of the goods, services or works will continue. Where it is proposed to contract for over four years or a contract will provide an option to extend for more than 4 years (including a 3+1+1 or 3+2 years) the spend must be estimated for the maximum possible term. The estimated gross value, including VAT, must be used to determine whether it will reach the threshold value.
In calculating the spend, the agreed/estimated inflation factors which, contractually, will apply must be included in the calculation. Any variable elements should be clearly documented in calculating the total contract value along with any estimated one-off fees. The Finance Team is able to support this process of calculating.

Budget holders should seek support from the Finance Team for proposed purchases of supplies or services having a value of £43,275 net of VAT (£51,930 including standard rate VAT gross) as these may indicate an 'on-going' 4-year spend level reaching the Procurement Act threshold value.

Formal tendering process is required for contracts of £50,000 and higher. Further information can be found in Appendix C of the finance regulations.

10.0 Contract Terms and Conditions

The Trust has adopted a set of standard contract terms and conditions for supplies/services, which will be used when awarding third party contracts as appropriate. Bespoke terms and conditions may be developed/agreed for specific areas, such as grounds maintenance, cleaning and catering services. When procuring works, the Trust will take advice from its specialist consultants and use their expertise to award and manage, using appropriate standard form construction contracts.

11.0 Leases

All lease agreements be subject to consultation with the CFO or FD.

The Trust and its Schools will only enter into leases when it is financially appropriate to do so. All such lease proposals shall be reviewed and confirmed to be acceptable by the FD in

conjunction with the Trust's external auditors. As a minimum, the following elements must be satisfied as part of the decision to agree a lease:

i. **Funding -** Funds must be available to meet all payments required during the term of the lease and for any end of lease asset-return processes.
ii. **Insurance -** Requirements for lessor mandated insurances shall be defined and quotations obtained from the Trust's insurers.
iii. **Servicing & maintenance -** Lessor requirements for servicing and maintenance shall be fully defined and costed, including establishment of suitable contracts with existing or new suppliers.

12.0 Policy Monitoring & Review

This Policy will be monitored on an annual basis.

Procurement will carry out checks on a regular basis of who NCLT is paying to ensure that Value for Money is achieved, existing contracts are utilised and legal obligations are met.

As an organisation in receipt of public funds NCLT is subject to scrutiny by the ESFA, regular reviews by our internal auditors and external auditors. These bodies require the Procurement Principles to be carried out effectively.

It is the responsibility of the Central Services Finance Department to show that adequate policies, procedures and checks are in place to enable this and to demonstrate its effectiveness.

The Freedom of Information Act 2000 (FOIA) gives public access rights to certain information which would previously have been deemed confidential. External requests for information relating to NCLT's purchasing activities, including information about NCLT's suppliers, must be referred to the Finance Director in the first instance. If they are formal requests under the Freedom of Information they should be directed to the GDPR Team immediately.