

## **Schools Forum – 16 January 2018**

### **Update to the Procurement Regulations for Schools**

#### **Recommendation**

1. The Schools Forum approve the revised Procurement Regulations for Schools (PRFS) as attached as Appendix 2.

#### **Report of the Deputy Chief Executive and Director for Families and Communities:**

##### **PART A**

#### **Why is it coming here – what decision is required?**

2. No decision required.

#### **Reasons for recommendation**

3. To align the schools purchasing limits with that of the County Council.

##### **PART B**

#### **Background:**

4. The PRFS lays down the detailed regulations and procedures that schools must follow in order to demonstrate proper safeguards and controls for ensuring Best Value in purchasing decisions and to safeguard the governors and staff of the school when making purchasing decisions. The scheme was last updated in 2016 and a copy of the current version is available on the Staffordshire Learning Net (SLN) to be viewed by any interested party.
5. The Council's procurement regulations have recently been revised/published (September 2017). The limit for obtaining quotations has been increased from £15k to £25k. This needs to be matched within the Procurement Regulations for Schools.

#### **Report author:**

Author's Name: Deborah Fern, Senior Education Accountant, Entrust Support Services Ltd

Ext. No: 07583 018216

#### **List of background papers:**

##### **Appendix 1**

Council's Procurement Regulations -

<http://moderngov.staffordshire.gov.uk/documents/s95772/100%20Procurement%20Regulations%2002.06.17.pdf>

## Summary of Changes

### Section E - Your discretion to enter into contracts valued below £25,000

- E1 You can decide how you obtain goods, work or services with a contract value below £25,000. However, you must document your arrangements within a written scheme of delegation that includes the:
- number of quotations or tenders you will be inviting;
  - method you will use for inviting quotations or tenders;
  - way you choose suppliers or contractors; and
  - staff authorised to accept tenders.
- E2 For low value items, you can show that you have achieved value for money by comparing prices across several suppliers using the SAP catalogue system or the internet. In order to demonstrate value for money on more significant purchases you may wish to get quotations in writing from at least three suppliers or contractors and also from any of our services or services from Entrust if we or Entrust offer the particular goods or services. You may also wish to consider tendering on some contacts valued below £25,000 where you feel this will give the best value for money.

### Section F - When you must get tenders

- F1 You must follow a formal tendering procedure for all contracts valued at more than £25,000, unless any of the exemptions under section D apply. Where services were not included in the original OJEU notice of the setting up of Entrust then schools will need to go out to tender on these goods/services.
- F2 If the value of a contract is more than £40,000 you must use the full tendering procedure set out in paragraphs G1 to G5.
- F3 If the value of a contract is between £25,001 and £40,000 you must use either the full tendering procedure or the shortened tendering procedure set out in paragraph G6.
- F4 Each framework agreement (see C1 (f)) must not last for longer than three E2 For low value items, you can show that you have achieved value for money by comparing prices across several suppliers using the SAP catalogue system or the internet. In order to demonstrate value for money on more significant purchases you may wish to get quotations in writing from at least three suppliers or contractors and also from any of our services or services from Entrust if we or Entrust offer the particular goods or services. You may also wish to consider tendering on some contacts valued below £25,000 where you feel this will give the best value for money.

### Full procedure

- G1 You can use the procedure set out in paragraphs G2 to G5 for all contracts (with the exception of EU contracts – see Section I). However, the procedure must be used if the value of a contract is more than £40,000 and when you choose not to use the

shortened procedure for contracts valued between £25,001 and £40,000. If you expect the total value of a contract to approach the £40,000 limit then you should follow the full procedure.

## **Section H - Accepting quotations and tenders**

- H3 If you have delegated responsibility for accepting tenders to the head teacher, you must receive at your next meeting full details of any contract where other than the lowest quotation or tender was accepted, including the estimated extra cost. You may use your discretion so that head teachers only have to report cases under this paragraph where the contract value is more than £25,000. Under normal circumstances you must accept the lowest quotation or tender
- H5 If you have delegated the responsibility for negotiating to reduce a tender to the head teacher, they must report full details of the negotiation process (including the amount of any reduction they have achieved) to your next meeting. You may wish to exercise your discretion so that head teachers are only required to report in cases where the contract value is over £25,000.