

ACHIEVING EFFICIENCIES IN MULTI-ACADEMY TRUSTS 2019

Buying for schools – a summary from the DfE guidance

The Department for Education has published updated guidance on buying for schools. **Alex Masters** offers a summary of the key things you need to know

Find below a summary of the Department for Education's [guidance on buying for schools](#).

1. Plan your procurement process

- Follow your school's established process for planning and approving procurement.
- Create a written document or 'business case' that you can use to: specify what you need, why and when; request approval; and record your decision-making process.
- Check that there is an available budget.
- If you're a maintained school, ask the LA about their rules for procurement spending.

2. Collaborate with other schools

Identify the benefits of working together to buy goods, to save time and cost. Consider whether you can:

- borrow equipment
- share resources and staff expertise
- share knowledge of markets
- compare prices and experiences from previous purchases
- buy together so that you can:
 - use your joint influence to get a good deal (e.g. on price or service levels)
 - reduce the effort involved in managing multiple contracts.



3. Create an outline specification

- Create an outline specification of what your school needs to buy that you can develop more fully.
- Consider why you need to make the purchase.
- Meet with 'users' (i.e. the people who will use what you plan to buy) and discuss their needs.
- Talk to potential suppliers to understand what options are available.
- Compare costs to help you understand the 'market price'.
- Identify the project's likely timescale and when you need the purchase to be in place.
- Consider whether you need external expert help to develop your specification and/or run the procurement process.

4. Estimate the whole-life cost of the contract

Estimate the whole-life cost of the potential contract (not just the annual value). Depending on what you're planning to buy, the whole-life cost may include:

- the price of the goods, works or services
- VAT
- delivery charges
- maintenance costs
- running costs
- the cost of removing and disposing of an item or service once you no longer need.

Once you have estimated the whole-life cost, check whether it goes over any spending thresholds. Spending thresholds are price boundaries that you'll usually find in your school or local authority's procurement rules.

Check if the estimated whole-life cost of your contract is above the EU procurement threshold. If so, you must use an EU-compliant tender process.



5. Choose your procurement process

- Consider buying goods, works or services through a framework agreement, especially for low-value purchases.
- If you feel that using a framework won't allow you to meet your particular requirements, you can run your own procurement process.
- Check whether your school or local authority has rules that determine which procurement process you should use.

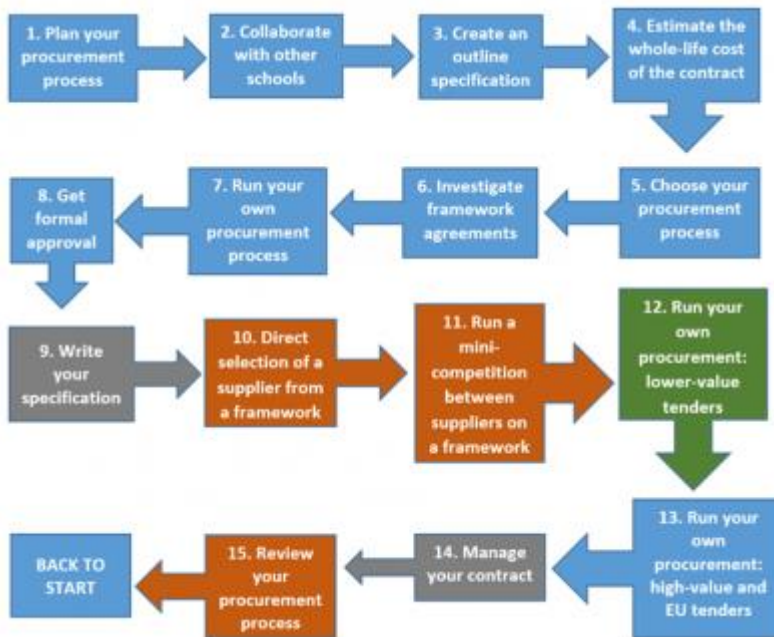
6. Investigate framework agreements

Where possible use a framework agreement – this is an arrangement that a 'contracting authority' (e.g. a local authority) makes with suppliers of goods, works or services.

Using a framework will generally save you time, resources and money, as:

- it will have already been through a full competitive tender process (i.e. a range of suppliers will have been evaluated)
- it will have favourable terms and conditions
- you may be able to get support or advice from the organisation that manages the framework.

Each framework will have guidelines that you must follow to select a supplier and place an order. It will require you to either make a direct selection from a list of suppliers, or run a mini-competition, where you ask all suppliers on the framework to send you a bid for your requirements.



7. Get formal approval

Follow your school's established process for getting formal approval to go ahead with the procurement process.

8. Write your specification

A specification allows suppliers to understand what you need to buy, including the quality and delivery date. A specification should include:

- a precise description of the goods, works or services you need
- if appropriate, an explanation of what the goods, works or services should do to meet your needs
- the quantity
- the quality
- when you want the supplier to deliver it by.

As you develop your requirements, we recommend that you:



- talk to the potential users in your school to find out what they need and how they plan to use it
- include feedback from any stakeholders who will need to approve the specification.

9. Run your own procurement process

- You may find it preferable, or necessary, to run your own tender process. This is likely to take longer, use more resources and cost more than using a framework.
- For a low- or medium-value purchase, you can seek a range of quotes from relevant suppliers.
- For a high-value purchase, you should generally run a more formal competitive tender process.
- If the estimated whole-life cost of your contract is above the EU public procurement threshold, you must use an EU-compliant competitive tender process.

10. Manage your contract

Regularly review supplier performance. For ongoing contracts, hold regular contract management meetings to:

- make sure both parties involved in the contract understand their responsibilities
- check progress against contract requirements and deal with any issues preventing those requirements from happening.

In the meetings discuss the following, where appropriate:

- progress against the contract's requirements
- the service-level agreement and any key performance indicators, including:
- acknowledging where the supplier has performed satisfactorily
- identifying areas of concern as early as possible
- discussing necessary changes
- how to manage planned maintenance



- possible upgrades or improvements to the product or service
- unforeseen problems and what to do about them.

- Note the actions and timescales that you agree with the supplier.
- If you need to make any changes to the contract, you should use a variation agreement.
- You should start preparing for the next contract period well before the end of the existing contract.
- If you need to end the contract early, you should follow the exit process according to the contract's terms and conditions.

11. Review your procurement process

A review should involve talking to stakeholders and, if appropriate, a sample of users of the product or service.

You should discuss how the supplier performed and what you have learned during the contract.

- What went well?
- What didn't go well?
- What you could do to improve the next procurement?