

---

**SUBJECT: Schools Procurement Guidance**

**DATE: 23 March 2022**

**RECIPIENT: Schools Forum**

---

**THIS IS NOT A DECISION PAPER**

**CONFIDENTIAL**

**SUMMARY:**

1. This paper provides the Schools Forum with an update on maintained schools (“Schools”) responsibilities and the support that can be obtained from Southampton City Council (SCC) Procurement Team (“the SCC Procurement Team”) in respect of procurement and purchasing activities (collectively referred to as “procurement” within this paper).

**BACKGROUND and BRIEFING DETAILS:**

2. Public sector procurement (including that undertaken by SCC and its Schools) is governed by legislation which is reflected within our procedures and processes. SCC is obliged to adhere to this legislation and undertake procurement activities in a manner which achieves best value, is transparent and protects SCC from legal and other challenges, while promoting fair and open competition among potential suppliers.
3. School’s obligations in respect of procurement activities are set out within the following documents which form part of the SCC Constitution and/or requirements for Schools to follow:
  - Scheme for Financing Schools – [Scheme for Financing Schools \(southampton.gov.uk\)](https://www.southampton.gov.uk)
  - Contract Procedure Rules (CPRs) – [Council Constitution - Contract Procedure Rules \(southampton.gov.uk\)](https://www.southampton.gov.uk)
  - Finance Procedure Rules (FPRs) – [FINANCIAL PROCEDURE RULES \(southampton.gov.uk\)](https://www.southampton.gov.uk)
4. Schools should familiarise themselves with the above documents but summarised below are the key principles and obligations in respect of procurement activities.
5. In respect of requirements for goods and services of up to £100,000 in contract value, Schools may undertake their own procurement, but they must follow the relevant procedure as set out within SCC’s CPRs. Schools must seek advice on the appropriate route to market from the SCC Procurement Team for all spend above £25,000 in contract value to ensure that any legislative requirements are addressed.
6. The contract value is the estimated total value of a contract (including VAT) over its full duration including the value arising from possible extension options and contractually permitted changes to a contract.
7. The procedure to be undertaken by a School will vary depends on contract value as follows:

- 7.1 **For spend up to £9,999**, Schools should obtain a written quote from at least one supplier. Subject to such suppliers existing within the local area, this should include a quote from a “local” supplier, and “local” shall mean within the city of Southampton or if the requirement cannot be sourced within Southampton, within the county of Hampshire.
- 7.2 **For spend between £10,000 - £24,999**, Schools should obtain at least 3 written quotes, and at least two of these quotes should be from “local” suppliers, subject to such suppliers existing within the local area.
- 7.3 **For spend between £25,000 and £99,999**, a tender or quotation process should be undertaken and Schools should seek advice on the appropriate route to market (including any associated publishing requirements) from the SCC Procurement Team before commencing any procurement activity.
- 7.4 **All procurement activity for spend above £100,000** must be managed by SCC’s Procurement Team and Schools should make contact with the SCC Procurement Team using email [procurement@southampton.gov.uk](mailto:procurement@southampton.gov.uk) as soon as a requirement of this contract value is identified.
8. Where a School is financing expenditure using its capital budget, it is subject to the procedures set out in SCC’s FPRs. Regardless of contract value, Schools should inform the Service Lead - Education & Learning of any proposed alterations or extension to premises as soon as it is identified.
9. Details of all contracts above £5,000 in contract value entered into by Schools must be recorded on SCC’s contract register using this form – [Schools Contract Notification Form \(office.com\)](#). This allows SCC to meet its obligations in respect of publishing under the Local Government Transparency Code 2015.
10. The SCC Procurement Team is available to provide advice to Schools on procurement matters of any contract value. Please email [procurement@southampton.gov.uk](mailto:procurement@southampton.gov.uk). Please note that procurement advice should not be sought or accepted from suppliers or potential suppliers as this advice may be incorrect and/or contradict SCC CPRs, potentially leading to legal challenges.

#### **RESOURCE/POLICY/FINANCIAL/LEGAL IMPLICATIONS:**

11. When the governing body of a School with a delegated budget enters into a contract, in most cases it does so on behalf of SCC. Therefore, when undertaking procurement activities, Schools must adhere to the documents set out in point 3 of this paper to ensure propriety and value for money.

#### **OPTIONS and TIMESCALES:**

12. The principles set out in this paper reflect the existing arrangements as set out in the CPRs and FPRs dated September and July 2021 respectively and the Scheme for Financial Schools dated September 2021. In accordance with the annual review of the SCC Constitution, there may be further updates to the CPRs and/or FPRs made in the first quarter of 2022/23.

13. It is proposed that the Schools Forum receives a further paper at the meeting on 15<sup>th</sup> June 2022 to update it on any changes made to the CPRs and or FPRs as well as addressing any further procurement related queries that the Schools Forum wishes to raise in advance of that meeting.

#### **RISK MANAGEMENT IMPLICATIONS**

N/A

#### **Appendices/Supporting Information:**

N/A

<b>Further Information Available From:</b>	<b>Name:</b>	Katie Renouard
	<b>Tel:</b>	02380 833433
	<b>E-mail:</b>	Katie.renouard@southampton.gov.uk