

# Tendering and Procurement Policy

Responsibility for Review: School and college trust leaders  
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## Tendering and procurement policy: document provenance

<b>Approver</b>	School and college trust leaders
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<b>Policy authors</b>	Procurement and contract manager
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<b>Date of next review</b>	April 2028
<b>Summary of changes in this review</b>	<ul style="list-style-type: none"><li>• Re-write to take account of the new Procurement Act 2023 which came into force on 24 February 2025 which reforms public procurement, streamlining processes, enhancing transparency and fostering greater inclusivity</li></ul>
<b>Related policies and documents</b>	<ul style="list-style-type: none"><li>• The Procurement Act 2023 (PA2023)</li><li>• Academy Trust Handbook</li><li>• The Academies Act 2010</li><li>• Equality Act 2010</li><li>• Financial scheme of delegation</li><li>• Finance policy</li><li>• Reserves and investment policy</li><li>• Data protection policy</li></ul>

Unless there are legislative or regulatory changes in the interim, the policy will be reviewed as per the review cycle. Should no substantive change be required at this point, the policy will move to the next review cycle.

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## 1.0 Policy statement

Dixons Academies Trust aims to achieve value for money on all its tendering and procurement activities by ensuring that a competitive tendering policy, compliant with the rules and thresholds in Procurement Act 2023 (PA2023), is consistently applied. Our trust will ensure it is able to show that public funds have been used as intended by Parliament. 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, for low value procurements, as the academy has had previous positive interactions with these suppliers, however it must be demonstrated they can still offer value for money.

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 our trust's financial affair.
- Using our procurement activity to provide the very best Social Value for our communities

## 2.0 Legal framework

This policy has due regard to legislation and national guidance including, but not limited to, the following:

- Academy Trust Handbook
- The Academies Act 2010
- The Procurement Act 2023 (PA2023)
- Equality Act 2010

This policy will be implemented in conjunction with our trust's:

- Financial scheme of delegation
- Finance policy
- Reserves and Investments policy
- Data Protection

## 3.0 Roles and Responsibilities

All individuals undertaking purchasing on behalf of our trust must act in accordance with this policy at all times.

The recognised process for ordering any goods or services is through the PSF system. The controls built into the system reflect the scheme of delegation in terms of approval levels as well as budget holders who have been appointed by the senior leaders at our trust.

No order can be raised and approved by the same individual i.e. a budget holder cannot raise an order and approve it, regardless of the value.

Where an established contract exists, the approved suppliers MUST be used.

The budget holder is responsible for overseeing the arrangements for the delivery of supplies and checking items upon delivery, as well as ensuring.

- All invoices should be sent to [accountspayable@dixonsat.com](mailto:accountspayable@dixonsat.com).
- All delivery notes/receipts should be uploaded to TopDesk.
- Details are recorded whenever goods are rejected or returned, such as the reasons for rejection, along with a description of the supplies and their value.

## 4.0 Using an Approved Purchasing Solution – Framework, Dynamic Market (DM), Dynamic Purchasing System (DPS)

Where possible, our trust will use an existing purchasing arrangement to purchase goods, works or services.

When using an approved purchasing solution, our trust may have two options available to procure:



1. Direct Award.

2. Run a 'mini-competition' – where suppliers are asked to send a bid, and the best one is chosen.

The solution will state whether our trust can select a preferred supplier itself or if a mini competition must be run. If our trust can select a supplier itself, the purchasing solution will set out the rules for doing so which our trust will follow.

When running a mini competition, our trust will:

- Comply with the terms of the framework agreement.
- Decide how it will assess bids, following any rules the solution has.
- Decide the level of service required.
- Decide if it wants to run an expression of interest process.
- Send an invitation to tender to all suppliers who can provide what our trust needs.
- Fairly assess all bids received.
- Choose the supplier that offers the best value for money.
- Award the contract to the winning supplier.

## 5.0 Procurement and Spending Decisions

### Procurement Basics

Our trust will ensure that:

- Spending is for the purpose intended and there is probity in the use of public funds including in relation to any actual or perceived conflicts of interest.
- Spending decisions represent value for money.
- Internal delegation levels exist and are applied.
- A competitive tendering policy is in place and applied, and UK procurement rules and thresholds are observed.
- Professional advice is from our trust's procurement team which includes our external Procurement Consultant and/or our trust's Procurement and Contracts Manager, where appropriate

## 6.0 Social Value

The Public Services (Social Value) Act 2012 ('Social Value Act') requires our trust to consider how a procurement could help improve the social, economic and environmental wellbeing of the District of our Academies, in addition to any agreed contract deliverables. The obligation under the Social Value Act is to consider Social Value Outcomes at the commencement of our trust tendering process.

In addition, the National Procurement Policy Statement (NPPS), which the PA2023 requires our trust to have regard to when procuring Contracts, identifies social value as one of the national strategic priorities for public procurement.

The Social Value Act applies to the procurement of contracts over the relevant financial thresholds.

Our trust goes beyond the obligations in the Social Value Act by requiring that Social Value Outcomes are considered in the pre-procurement phase of every procurement.

For contracts with a value of £50,000 and above, there will be no prescribed upper limit on the Social Value Outcomes Weighting, however, subject to the requirements of the PA2023, our trust aims to include a minimum of 10% weighting to Social Value Outcomes in every tender.

Where Social Value Outcomes have been identified in the pre-procurement phase, they must be reflected in the final contract and monitored and managed throughout the life of the contract.

Managers and delegated budget holders must give consideration of how Social Value outcomes can support and promote the policies and priorities of our trust. With further consideration of how local suppliers and Small to Medium Sized Enterprises (SME's) can be encouraged to bid for Trust contracts. This may include considering the division of contracts into lots (in accordance with our trust's obligation to do so under PA2023).

## 7.0 Estimating Contract Values

The estimated contract value shall be based on the total costs which our trust expects to pay and/or any other forms of remuneration our trust, Supplier or a third party will receive by operation of the Contract over the whole Contract term (excluding VAT).



Estimated Contract Value = (Annual Cost + other forms of remuneration) \* Whole Contract Length).

In determining the value of a Contract, our trust must also include the potential value of all lots (if applicable) plus any extension options and estimated price uplifts.

If our trust is unable to estimate the value of a Contract, for example when the duration of the Contract is unknown, then the Contract is to be treated as having estimated the value above the threshold amount for its type of Contract.

Managers and delegated budget holders must ensure that estimated values are not disaggregated in an attempt to avoid the applicability of this policy. Requirements must be calculated based on all our trust's spend (i.e., the corporate requirement rather than an individual service area need).

Where a proposed procurement includes two or more types of provision (i.e., Goods, Services or Works) the value shall be based on the provision that characterises the main subject of the Contract.

## 8.0 Procurement thresholds

Managers and delegated budget holders must comply with our trust's tendering procedures, as detailed below. Staff should note that the values shown below relate to the total contract value (including any extension options) which may cover more than one year.

(NOTE - annual spend and thresholds are excluding VAT).

The following thresholds are in place in relation to how goods, works or services can be procured:

Process	Order / contract value
A fixed quote or price must always be obtained before any order is placed. The budget holder must consider value for money.	<b>Low</b> - Up to £4,999
Approved purchasing solution or At least three written quotes from suppliers	<b>Medium</b> - From £5,000 - £49,999
Approved purchasing solution or Competitive tender process with at least 3 suppliers being invited to participate (local/SMEs/targeted known suppliers). Or Competitive tender process published to the open market	<b>High</b> - From £50,000 - £179,086 (Good and Services) From £50,000 - £4,447,174 (Works)
Approved purchasing solution or PA2023 compliant process	<b>Over UK Thresholds:</b> Goods and Services - £179,086 Works - £4,447,174

## 9.0 Specifications

No matter what procurement process is followed, a specification MUST always be written outlining what our trust wants to procure.

All specifications will include:

- A precise description of the goods, work or services required and what it should do.
- The amount required and when it is needed.
- The expected quality of the goods, work or services.
- A Specification Template is available which is scalable, depending on the requirements.

## 10.0 Procurement Process

### 10.1 Small and medium purchases

Any purchases estimates below £5,000 are considered to be 'small' purchases, and any below £50,000 are considered to be 'medium' purchases. Small purchases will not require any formal competitive process however purchases must be



approved by either the relevant Academy Admin Manager. If the value is £1000 up to £5,000, then this purchase must be approved by the budget holder.

Where possible, our trust will use an approved purchasing solution to purchase medium valued goods, works or services.

Where it is not possible to procure medium purchases through a framework agreement, quotes from at least three suppliers will be obtained prior to purchasing using the following process:

- a) Create a specification – a specification document will set out what suppliers need to understand what we are looking to buy, including the quality, quantity and delivery date
- b) Compare suppliers – a comparison of different suppliers, including their reputation, will help our trust develop a shortlist of at least 3 suppliers we want to approach for a written quote
- c) Obtain quotes
- d) Assess quotes – assessment criteria will be developed to assess suppliers’ quotes. Criteria may include:
  - How well the supplier meets our specification
  - The whole-life cost of the contract, which may include:
    - The sale 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 we no longer need it
  - Whether there will be price increases or decreases over the life of the contract
  - Value for money
- e) All suppliers will be sent the same information, as follows:
  - Specification
  - Deadline for submitting the quote
  - When our trust will make a decision
  - How the supplier can ask questions about what our trust is buying or its process
  - A link to our trust’s terms and conditions, if needed
- f) Our trust will ensure that at least two people assess each quote and they will decide, based on the quotation, which provider offers the best value for money solution.
- g) Our trust will send a contract, such as a purchase order, to the chosen supplier, including details of:
  - What has been purchased.
  - The total cost.
  - The delivery address.
  - The delivery date and any other important dates.
  - When our trust will pay the cost.

## **10.2 High-value purchases up to UK threshold**

Where possible, our trust will use an approved purchasing solution to procure high value purchases of goods, works or services.

Should a suitable approved purchasing solution not be found, our trust will consider the following route to market options:

- Invite at least 3 suppliers to participate in the tender process (ideally local providers where appropriate)
- Publish the opportunity to the open market via Find a Tender Service (TFS) (small market, unsure of providers)

## **10.3 High value purchases below the UK threshold**

When our trust makes a high value purchase Below the UK procurement threshold, it will:

- Create a specification - a specification document will set out what suppliers need to understand what we are looking to buy, including the quality, quantity and delivery date
- Assess the market - – we will prepare for the tendering process by developing our knowledge of the market. We will find out what suppliers are available and then decide on the best route to market (invited or open)





- Prepare the contract and tender documents (including award criteria)
- Advertise the opportunity on Find a Tender (open tender only)
- Issue an Invitation to Tender – this will include:
  - The specification
  - A pricing schedule
  - The Contract’s Terms and Condition
  - Contract Management requirements (e.g. KPIs, standards)
  - Method Statement questions along with scoring methodology and weightings
- If appropriate, an invitation for suppliers to give a practical demonstration of their goods, works or services
- Run the tender process and provide clarification
- Evaluate tender responses - at least 2 people will independently score and evaluate each bid, and then compare notes after completing their evaluations; records of decision making and moderation decisions will be kept
- Undertake due diligence - Run financial checks on preferred supplier, to include credit reference agency checks and Companies House checks, take up references if required
- Notify suppliers and award the contract to the highest scoring bidder.
- Finalise the contract and advertise the award
- Abandoning the tender process – on very rare occasions we may need to halt the tender process. Should this occur, we will notify suppliers who are preparing their bids as soon as possible.

#### 10.4 Large purchases above the relevant UK procurement threshold

When our trust makes purchases with a value over the relevant UK procurement threshold, it will:

- Undertake preliminary market engagement (recommended)
- Create a specification - a specification document will set out what suppliers need to understand what we are looking to buy, including the quality, quantity and delivery date
- Prepare the contract and invitation to tender giving regard to the National Procurement Policy Statement
- Consider what PA2023 procedure to use (open, competitive flexible, direct award)
- Publish a Tender Notice
- Issue an Invitation to Tender – this will include:
  - The specification
  - A pricing schedule
  - The Contract’s terms and condition
  - Contract management requirements (e.g. KPIs, standards)
  - Procurement specific questionnaire - conditions of participation
  - Method statement questions along with scoring methodology and weightings
  - If appropriate, an invitation for suppliers to give a practical demonstration of their goods, works or services
- Run the tender process and provide clarification
- Assess Conditions of Participation, exclusions and any other objective criteria set to limit suppliers.
- Evaluate tender responses against the award criteria and determine the most advantageous tender - at least 2 people will independently score and evaluate each bid, and then compare notes after completing their evaluations; records of decision making and moderation decisions will be kept
- Inform suppliers of the outcome and issue assessment summaries
- Publish the Contract Award
- Observe the mandatory minimum 8 working day standstill period.
- Following the standstill, enter into contract with the winning supplier
- Publish the Contracts Details Notice and a copy of the contract (if required)

#### 11.0 Conflicts of Interest

Under the requirements of PA2023, our trust is required to identify and mitigate conflicts of interest by preparing a Conflicts Assessment. This includes consideration of interests including personal, professional or financial interest which may be direct or indirect to the procurement.





Our trust must take all reasonable steps to ensure that any identified conflicts or potential conflicts of interest does not put a supplier at an unfair advantage or disadvantage in relation to the procurement (this may include requiring a supplier to take reasonable steps).

Our trust is required to ensure that the conflicts assessment is under regular review and updates as and when required, until either procurement termination or contract termination.

Prior to procuring an IT system, software and / or hardware, authorised purchasing officers are required to engage with our trust's head of service delivery - IT before procuring any technology that requires integrations with our trust's network or any web-based sites. This includes where a supplier's electronic solution is accessed by service users via a website or mobile application as part of the contract. This process is applicable to procurements of all values and is required to ensure data security and technical compliance.

## 12.0 Waivers

On very rare occasions it may be necessary to procure without following this policy in full.

Potential reasons for an exceptional procurement are:

- Where the technical characteristics of the goods (not applicable to services or works) are only compatible with an existing supply or installation, such that procurement of another product other than one available from the original contractor would result in incompatibility and/or disproportionate technical difficulties. The duration of a contract negotiated in accordance with this exception shall not exceed 3 years
- The procurement of a unique work of art or artistic performance
- Where competition is absent due to exclusive rights, including but not limited to intellectual property rights and copyright where no reasonable alternative or substitute exists
- Where the price of the goods, services or works that are to be procured are controlled by statutory bodies, trade organisations or legislation and no reasonable satisfactory alternative is available.
- Where the contract relates to goods, services or works where the publication of documents detailing those requirements could reasonably be considered to prejudice security having considered the use of reasonable measures that would protect such security and allow the normal procurement process to be followed (e.g. the use of confidentiality agreements)
- in an emergency to resolve an issue that has a health and safety risk attached whereby a proper procurement process would heighten the risk
- in an emergency to resolve a safeguarding issue whereby a proper procurement process would heighten the risk or where publishing the contract notice would result in a safeguarding issue
- Where the contract is for the execution of work or the supply of goods or services that are required so urgently ( not due to any action or inaction of our trust) that compliance with any competitive process prescribed above cannot be achieved
- In any case where the authorised officer, acting reasonably, otherwise determines there can be no genuine competition.
- Where no suitable suppliers have come forward through the tender process, it may be acceptable to negotiate a contract with a suitable alternative supplier.

Waivers are not exempt from advertising the contract award on FTS and therefore careful consideration should be given to the necessity of this route, especially as the Cabinet Office monitor this through the Public Procurement Review Service (PPRS).

## 13.0 Contract Management

Every written Contract should contain a clause stating that in circumstances where the supplier fails to comply with its contractual obligations in whole or in part, or commits a fundamental breach of the Contract, our trust may:

- terminate the Contract, either wholly or to the extent of such default
- make good the default and/or complete the requirements encompassed in the Supplier's former obligations (set out in the Contract) itself or appoint another Supplier or agent to do so
- recover from the Supplier any additional costs incurred in making good the default and/or in the completion of the Supplier's former obligations

For every contractual relationship our trust enters into, the technical expert for the service must ensure that a suitably experienced and trained officer is identified to manage the contract.



For all contracts our trust's procurement and contract manager (with support from the technical expert) will be responsible for (as a minimum):

- Holding a copy of the signed Contract and any modifications agreed in accordance with the variations clauses in the Contract.
- Setting KPIs as part of the specification development that will be used to monitor supplier performance throughout the delivery of the Contract
- Informing options for future procurements/extensions to Contracts.
- For contracts above £5m, they must at least once in every twelve-month period during the lifetime of the contract and on termination, assess the supplier's performance against those KPIs, and publish certain information in relation to that assessment in the contract details notice.
- Regularly reviewing management information and supplier performance (frequency to be determined, as outlined in the final Contract). Records of the review meetings will be held by our trust's Procurement and Contracts Manager.
- Meeting with the supplier in advance of the anniversary of the contract to discuss Contract progression, performance, innovation, company credentials and relevant professional accreditation renewals. The review must be carried out at a date that allows for a re-procurement of the requirement should the contract end on its anniversary. This must also consist of due consideration with all relevant stakeholders. This must be captured in an options appraisal form.
- Reviewing, where applicable and proportionate to the contract, any changes affecting the supplier's ability to comply with data protection legislation. Any changes, system updates or data incidents must be reported to our trusts Information Governance team to ensure compliance with reporting to the regulator, and all changes to processes, systems through updates, patches, reconfiguration or amendments to previously agreed processes.
- Reviewing data incidents, breaches and processes associated with managing vendor and sub-contractor conformance with data protection legislation,
- Benchmarking to ensure the contract is delivering value for money.

Our trust's procurement and contract manager will be responsible for publishing all relevant notices on FTS when a contract expires for above threshold contract.

#### **14.0 Pipeline Notices**

Our trust is required to publish a pipeline notice on 1 April each year, to provide the market with advance notice of anticipated public contract opportunities with an estimated value of more than £2m. The pipeline must capture procurement opportunities over an 18-month period from 1st April each year. This provides suppliers with the ability to track potential opportunities, enabling them to determine if they wish to tender. This will be of particular benefit to small and medium-sized enterprises (SMEs) and voluntary, community and social enterprises (VCSEs) by providing them with time to plan for future work, ensuring a competitive and vibrant market.

#### **15.0 Gifts and Hospitality**

Those involved in the procurement and management of contracts must act in accordance with our trust's gift and hospitality Policy.

#### **16.0 Related party transactions**

The principles we adhere to:

- Trustees will avoid conflicts of interest, declare their interest in proposed transactions and arrangements, and will not accept benefits from third parties.
- All members, trustees, ambassadors and senior employees will complete the register of interests.
- No member, trustee, ambassador, employee or related individual will use their connection to our 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 our trust.
- Payments to trustees by our 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.

Our trust will consider their obligations where payments are made to other businesses who employ a trustee, are owned by a trustee or in which our trustee holds a controlling interest.

Our trust will adhere to 'at cost' requirements.

The chair of our trustees and the accounting officer will ensure their capacity to control and influence does not conflict with related party transaction requirements.



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.

Our 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

## 17.0 Record keeping

Our 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.

## 18.0 Approval by the DfE

Our trust will obtain the DfE'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.

Our trust will obtain the DfE's prior approval for contracts supplying goods or services by related parties agreed on or after 1 September 2023 where any of the following limits apply:

- the contract exceeds £40,000
- the contract would take the total value of contracts with the related party to beyond £40,000 in the same financial year ending 31 August
- the contract relates to a party already in receipt of contracts exceeding £40,000 individually or cumulatively in the same financial year ending 31 August

For the purposes of reporting to, and approval by, the DfE, related party transactions do not include salaries and other payments made by our trust to a person under a contract of employment through our trust's payroll.

When seeking approval, our trust will ensure it has the relevant information about the supplier, including the supplier's name, address and company number. Our trust will also:

- confirm the statement which best describes the relationship between the supplier and our trust
- confirm that the supplier is listed in our trust's register of interests
- confirm that our trust has a statement of assurance from the supplier
- confirm that our 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 a copy of the agreement or proposed contract
- upload any additional documents our trust feels are relevant as part of its submission

## 19.0 Register of interests

Our trust will document all relevant business and pecuniary interests of members, trustees, ambassadors 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
- The register of interests will identify all relevant material interests from close family relationships between our trust's members, trustees or ambassadors. It will also identify relevant material interests arising from close family relationships between those individuals and employees
- Our trust will consider any other interests for inclusion on the register or interests
- The board of trustees will keep the register of interests up to date
- Our trust will publish on their website the relevant business and pecuniary interests of members, trustees, ambassadors and accounting officers
- The publication of interests belonging to any other individual's named on the register is at the discretion of our trust



## 20.0 'At cost' requirements

Our trust will not pay more than 'cost' for goods or services provided by the following:

- any member or trustee of our board
- any individual or organisation related to a member or trustee of our 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 our trust's articles of association to appoint a member or trustee of the academy trust, or any body connected to the individual or organisation any individual or organisation recognised by the Secretary of State as a sponsor of our trust, or anybody connected to the individual or organisation

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 governing board

'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 our trust's cumulative annual total with the related party beyond £2,500, the element above £2,500 must be at no more than cost.

'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 our trust, but not in other cases.

The cost will be the full cost of all the resources used in supplying the supplies 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 supplies or services.
- indirect costs – a proportionate and reasonable share of fixed and variable overheads

## 21.0 Reporting

Our trust will report all related party transactions taking place on or after 1 September 2023 to the DfE in advance of the transaction taking place, using the DfE's online form.

